"If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. 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."
I, MARCH FONG EU, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the corporate record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this

JUL 12 1993

March Fong Eu
Secretary of State
ARTICLES OF INCORPORATION
OF
RUBY HILL OWNERS' ASSOCIATION

ARTICLE I
NAME

The name of the corporation is RUBY HILL OWNERS' ASSOCIATION (hereinafter referred to as the "Association").

ARTICLE II
PURPOSES OF THE ASSOCIATION

This corporation is a nonprofit mutual benefit corporation organized under the California Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

This Association does not contemplate pecuniary gain or profit to its Members. The specific and primary purposes for which the Association is formed are to provide for management, administration, maintenance, preservation and architectural control of the Lots and Common Area within the real property (the "Project") situated in the County of Alameda, State of California, commonly known as Ruby Hill, a Common Interest Development of the type commonly referred to as a planned development and to promote the health, safety and welfare of all residents within the Project and such additions as may hereafter be brought within the jurisdiction of the Association for those purposes, all according to that certain Declaration of Covenants, Conditions and Restrictions of Ruby Hill (the "Declaration") recorded or to be recorded with respect to the Project in the Official Records of the County of Alameda, State of California.

ARTICLE III
LIMIT ON POWERS

Notwithstanding any statement herein to the contrary, the Association shall not engage, except to an insubstantial degree, in any activity or exercise any power that is not in furtherance of its specific and primary purposes. This Association is intended to qualify as a homeowners association under the applicable provisions of Section 528 of the United States Internal Revenue Code ("IRC") and of Section 23701t of the Revenue and Taxation Code.
of the State of California ("R&TC"), as each may be amended from time to time. No part of the net earnings of this Association shall inure to the benefit of any private individual except as expressly provided in IRC Section 528 and R&TC Section 23701t with respect to the acquisition, construction or provision for management, maintenance and care of the Project, other than by a rebate of excess assessments.

ARTICLE IV
GOVERNANCE

The rights of Members, number of Members, manner of election of the Directors and all other matters concerning the operation and governance of the Association shall be as set forth in the Bylaws and the Declaration.

ARTICLE V
AGENT FOR SERVICE OF PROCESS

The name and address of the Association's initial agent for service of process is:

James McKeehan
6612 Owens Drive
Pleasanton, CA 94566

ARTICLE VI
DISSOLUTION

In the event of the dissolution, liquidation or winding-up of the Association upon or after termination of the Project, in accordance with provisions of the Declaration, the Association's assets remaining after payment, or provision for payment, of all debts and liabilities of the Association shall be divided among and distributed to its Members in accordance with their respective rights therein.

ARTICLE VII
AMENDMENTS

Amendments to these Articles of Incorporation shall require the affirmative vote or written assent of the Members as follows:

A. Fifty-one percent (51%) of all Directors; and

B. 1. When a one class voting structure is in effect:
(i) Fifty-one percent (51%) of the total voting power of all Members; and

(ii) Fifty-one percent (51%) of the total voting power of all Members other than Declarant;
or

2. When a two class voting structure is in effect, fifty-one percent (51%) of the total voting power of each class of Members.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of California, the undersigned has executed these Articles of Incorporation this 30th day of June, 1993.

[Signature]  
Name: Patricia L. Ridout

I hereby declare that I am the person who executed the above Articles of Incorporation and that such instrument is my act and deed.

[Signature]  
Name: Patricia L. Ridout

06/21/93
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BYLAWS
OF
RUBY HILL OWNERS' ASSOCIATION

ARTICLE I
NAME

The name of this nonprofit mutual benefit corporation is RUBY HILL OWNERS' ASSOCIATION (the "Association").

ARTICLE II
DEFINITIONS

The terms used herein shall have the meanings set forth in the Declaration of Covenants, Conditions and Restrictions of Ruby Hill, a planned development, recorded on March 3, 1994, as Recorder's Series No. 94-082427, in the Official Records of the County of Alameda, State of California (the "Declaration").

ARTICLE III
POWERS AND DUTIES OF ASSOCIATION AND BOARD

3.1 POWERS OF ASSOCIATION: The Association has the general power to do any and all things that a nonprofit mutual benefit corporation organized under the laws of the State of California may lawfully do for the benefit of its Members. These powers include any and all lawful actions which may be authorized, required or permitted to be done under and by virtue of the Project Documents or which may be necessary and proper for or incidental to the exercise of any of the express powers of the Association or for the peace, health, comfort, safety or general welfare of the Members. The Association shall have all of the powers and duties set forth in the Project Documents, subject to the limitations stated in the Project Documents.

3.2 POWERS OF BOARD: Except for the powers specifically reserved to the Members by the Project Documents and except as limited by the laws of the State of California, the Board shall have the authority to exercise all powers and undertake all duties of the Association. The Board may delegate any of its powers to any committee, officer or employee as the Board deems necessary and proper except that no committee shall have the power to: (i) approve any action which requires the approval of the Members as provided in the Declaration or these Bylaws; (ii) fill vacancies on the Board or any committee; (iii) amend or repeal these Bylaws or adopt new Bylaws; (iv) amend or repeal any resolution of the Board; or (v) appoint Directors, committees of the Board or members

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thereof. The Board may also appoint or hire any qualified person or entity as manager of the Project. No employment contract with a manager shall be for a period longer than one (1) year except as provided in Section 3.3. Except as expressly prohibited, the Board may delegate to the manager any of its duties, powers or functions, including the authority to deposit or withdraw funds from the accounts of the Association, but excluding the right to take any action described in Corporations Code Section 7236 and excluding the right to withdraw from any Reserve Account. The manager may additionally be authorized to establish a common trustee account for the deposit of assessments collected.

3.3 LIMITATIONS ON POWERS OF BOARD:

3.3.1 APPROVAL OF EACH CLASS: Without the approval of each class of Members, the Board shall be prohibited from taking any of the following actions:

(a) Entering into a contract with a third person for goods or services for the Common Area or the Association for a term longer than one (1) year, with the following exceptions:

(i) A management contract, the terms of which have been approved by the Federal Housing Administration or the Veterans Administration;

(ii) A contract with a public utility 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;

(iii) Prepaid casualty or liability insurance of not more than three (3) years duration, provided that the policy permits for short rate cancellation by the insured;

(iv) Lease agreements for laundry room fixtures and equipment and/or agreements for cable television services not to exceed five (5) years in duration provided that the lessor/supplier under the agreement is not an entity in which Declarant has a direct or indirect ownership interest of ten percent (10%) or more;

(v) Agreements not to exceed five (5) years in duration for the sale or lease of burglar alarm and/or fire alarm equipment, installation and services provided that the supplier(s) is not an entity in which Declarant has a direct or indirect ownership interest of ten percent (10%) or more; and

(vi) Conditional sales contracts or financing agreements for the acquisition of personal property, provided that the sale, lease or financing company is not an entity in which Declarant has a direct or indirect ownership interest.

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(b) During any fiscal year, selling property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. This limitation shall not apply to conveyances of Common Area resulting from alterations to the Map described in Section 8.4 of the Declaration.

(c) Paying compensation to Directors or officers of the Association for their services as Directors or as officers; provided, however, that the Board may cause a Director or officer to be reimbursed for reasonable expenses actually incurred in carrying on the business of the Association.

(d) Incurring aggregate expenditures for Improvements to the Common Area in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

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

3.3.2 APPROVAL OF THE MEMBERS: Section 1366 of the California Civil Code establishes certain limitations on the Board's power to levy Regular and Special Assessments. The current requirements of this statute are set forth in Section 6.5 of the Declaration. Pursuant to this statute, any approval of the Members required by Section 6.5 of the Declaration must be obtained at a meeting at which more than fifty percent (50%) of the Members are present in person or by proxy and must be by a majority vote of the Owners (in accordance with Section 4.3.2 (a), below). The meeting must be conducted in compliance with Chapter 5 (commencing with section 7510) of Part 3 of Division 2 of Title 1 of the Corporations Code and Section 7613 of the Corporations Code.

3.4 BOOKS AND RECORDS: The Board shall cause a complete record of all of its acts and corporate affairs to be kept. The membership register, including mailing addresses and telephone numbers and all accounting books and records of the Association and the Project Documents shall be available for inspection and copying by any Member or his duly appointed representative during reasonable business hours. The Board shall establish rules regarding (i) notice to be given to the custodian of the records by a Member desiring to make the inspection; (ii) hours and days of the week when an inspection may be made; and (iii) payment for costs of making copies of documents requested by a Member. Every Director shall have the absolute right to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association at any reasonable time. A Director is entitled to make extracts and copies of documents.

3.5 MINUTES: All minutes of meetings of the Board, or a summary of the minutes (other than minutes of an executive session) shall be available for inspection and copying by any Member or his
duly appointed representative within thirty (30) days of the meeting. If the minutes have not been approved by the Board within the thirty (30) day period, then the minutes shall be marked "proposed but not yet adopted" and shall be available for inspection and copying. Minutes of meetings of the Association and committees of the Association, when adopted, shall also be available for inspection and copying by any Member or his duly appointed representative. The right to review and copy shall be limited to reasonable business hours and shall be conducted in accordance with the same procedures applicable to the inspection of accounting books and records. All minutes (or summaries of minutes or proposed minutes, as the case may be) shall be distributed to any Member upon request and upon reimbursement of the costs incurred by the Association in making that distribution. At the time of the distribution of the Association's Budget or Budget summary and at the time of any other general mailing to the entire membership, all Members shall be notified in writing of their right to copies of the minutes of meetings of the Board and how and where the minutes may be obtained.

3.6 DISTRIBUTION OF PROJECT DOCUMENTS: Within ten (10) days of a written request by a Member, the Association shall provide to the Member current copies of the Project Documents. A charge for the copies may be made by the Association, which shall not exceed the reasonable costs of preparation, reproduction and mailing.

3.7 NOTICE AND HEARING:

3.7.1 PROCEDURE: If (i) an Owner or an Owner's Invitee appears to have damaged or permitted damage to occur to any portion of the Project which the Association is responsible for maintaining ("Owner Damage"), or if an Owner appears to be in violation of any provision of the Project Documents and (ii) the provisions of any of the Project Documents require that Notice and Hearing be provided, the Association shall give written notice to the Member specifying the nature of the damage or violation (and providing any other appropriate information) and stating the time, date and place that the Member will have an opportunity to be heard. The notice shall also state that the Association may levy a Reimbursement Assessment if the Association finds that Owner Damage or a violation has occurred. Written notice shall be given at least fifteen (15) days prior to the date set for the hearing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after it has been deposited in the United States mail, first class postage prepaid, addressed to the Member at the address given by the Member to the Board for the purpose of service of notice or to the address of the Member's Lot if no other address has been provided. Any address may be changed from time to time by giving written notice to the Board.

3.7.2 DETERMINATION: After the hearing has taken place, the Board shall (i) determine whether Owner Damage or a violation
has occurred and, if so, may impose a Reimbursement Assessment which shall become effective not less than five (5) days after the date of the hearing; or (ii) take such other action as may be appropriate. The determination of the Board shall be final. However, nothing herein shall be construed to prevent the Board from making any emergency repairs or taking any other emergency action it deems necessary and subsequently providing Notice and Hearing.

3.8 TAX EXEMPT STATUS: If the Board elects to obtain and maintain tax-exempt status for the Association, the Board shall cause any annual election for tax-exempt status required under federal or state law to be filed timely and shall cause the Association to comply with the statutes, rules and regulations adopted by federal and state agencies pertaining to such exemptions.

ARTICLE IV
MEMBERSHIP AND VOTING

4.1 CLASSES OF MEMBERSHIP: Until the conversion of Class B membership to Class A membership, the Association shall have two (2) classes of Members.

4.1.1 Class "A" Members: Each Owner, except Declarant, shall be a Class A Member. Declarant shall be a Class A Member after the expiration of Class B membership. One (1) vote for each Lot owned by a Class A Member may be cast.

4.1.2 Class "B" Member: Until the expiration of Class B membership, Declarant shall be a Class B Member. Three (3) votes for each Lot owned by a Class B Member may be cast. Class B membership shall expire and shall be converted to Class A membership on the first to occur of the following events:

(a) The date which is the fourth (4th) anniversary of the conveyance of title to the first Lot conveyed to an Owner other than a Builder if and only if at least 662 Lots have been conveyed to Owners other than Builders; or

(b) The date which is the sixth (6th) anniversary of the conveyance of title to the first Lot conveyed to an Owner other than a Builder.

4.2 VOTING GENERALLY:

4.2.1 Casting Votes: The vote for each Lot shall be cast as a majority of co-Owners of the Lot shall determine. Any vote cast by a single Member shall be deemed the authorized vote for that Lot. If the majority of co-owners present in person or by proxy at a meeting cannot agree as to how to cast the vote for the Lot, no vote shall be cast for that Lot. The power to cast a
particular Member's vote may be exercised by (i) the Member's conservator; (ii) the guardian of his estate; (iii) the parent(s) entitled to custody of a Member if the Member is a minor; or (iv) the executor or administrator of a deceased Member's estate if the Member's interest in the Lot is subject to administration in his estate.

4.2.2 Vesting of Voting Rights: A Member's voting rights shall vest once payment of the Regular Assessment has commenced for the Member's Lot, but in no event before that time.

4.3 Voting Procedures: Any action required by law or by the Project Documents to be approved by the Owners, the Members or each class of Members shall be approved, if at all, in accordance with the procedures set forth in this Section.

4.3.1 Specified Percentage: All references in this Section 4.3 to the term "Specified Percentage" shall refer to the percentage vote expressly required by the Project Documents, unless no percentage is specified, in which case the action to be approved shall only require a majority vote.

4.3.2 Approval: Approval shall be obtained, if at all, either at a meeting or by written ballot in accordance with either of the following two procedures:

(a) Any action taken at a meeting shall be approved by the vote of the Specified Percentage of the total number of votes which may be cast by the Members who are present at the meeting or represented by proxy. If a quorum is not present after a quorum was initially established, any action taken shall be subject to the requirements of Section 7512 of the California Corporations Code.

(b) Action taken without a meeting shall be approved by the written ballot of the Specified Percentage of the total number of votes which may be cast by the Members; as long as the number of votes cast by written ballot is at least equal to a quorum. However, action without a meeting may only be utilized if done in full compliance with Section 7513 of the California Corporations Code. In no circumstances, may Directors be elected by using this procedure.

4.3.3 Of the Members: Each provision of the Project Documents or of law which requires the approval of the Members requires all Members to vote as a single group without regard to whether a Member is a Class A Member or a Class B Member.

4.3.4 Of Each Class: Each provision of the Project Documents which requires the approval of each class of Members shall be approved in accordance with one of the following provisions:
(a) Prior to the conversion of Class B membership to Class A membership, any action for which the Project Documents expressly require the approval of each class of Members shall require the separate approval of the Specified Percentage of each class of Members.

(b) After the conversion of Class B membership to Class A membership, but while Declarant still owns one or more Lots in the Project, any action for which the Project Documents expressly require the approval of each class of Members shall require the separate approval of (i) the Specified Percentage of the Members and (ii) the Specified Percentage of the Members, excluding the vote of Declarant.

(c) After Declarant no longer owns a Lot in the Project, any action for which the Project Documents expressly require the approval of each class of Members shall require the Specified Percentage of the Members.

4.4 PROXIES: Each Member may vote by proxy. Each proxy shall be in writing, signed and dated by the Member and filed with the Secretary of the Association. No proxy shall be valid as to those matters described in Corporations Code Section 7613(g) unless it sets forth the general nature of the matter as required by Section 7613(g). Every proxy shall be revocable and shall automatically cease upon actual notice to the Association of the conveyance by the Member of his interest in his Lot or the death or judicially declared incompetence of the Member. Any form of proxy or written ballot distributed by any person to the Members shall afford the opportunity to specify a choice between approval and disapproval of each matter or group of matters to be acted upon except that a candidate for election as a Director need not be named in the proxy or written ballot. The proxy or written ballot shall provide that where the Member specifies a choice the vote shall be cast in accordance with that choice. The proxy shall also identify the person or persons authorized to exercise the proxy and the length of time it will be valid.

4.5 CUMULATIVE VOTING: Cumulative voting applies only when electing or removing Directors. Class A Members shall be entitled to cast a number of votes equal to the number of Directors to be elected multiplied by the number of Lots owned. Class B Members shall be entitled to cast a number of votes equal to the number of Lots owned multiplied by three multiplied by the number of Directors to be elected. Every Member may cumulate his votes and give them to a single candidate or distribute them among as many candidates as he thinks fit, as long as the name of any candidate for whom the Member casts cumulated votes has been put into nomination prior to the commencement of voting and the Member announces his intention to cumulate votes prior to voting. If one Member announces his intention to cumulate votes, all Members may cumulate votes.
ARTICLE V
DIRECTORS AND OFFICERS

5.1 GENERALLY: The affairs of the Association shall be managed by a Board of five (5) Directors who shall be Members or officers, directors or employees of a Member, including Declarant. Directors shall be elected at annual meetings. The officers of the Association shall be a President, who shall be a Director, a Secretary and a Chief Financial Officer (Treasurer). Each officer shall hold office until his successor is elected unless he resigns, is removed or otherwise is disqualified from serving. The Board may appoint a person to fill a vacancy in any office and he shall serve the remainder of the term of the officer he replaces.

5.2 ELECTION OF DIRECTORS: The initial Board shall be appointed by Declarant and shall hold office until the first annual meeting of Members. Beginning at the first annual meeting, Directors shall be elected as provided in this Section.

5.2.1 NOMINATION: Nomination for election to the Board shall be made by a nominating committee. The nominating committee shall consist of a chairman, who shall be a Director, and two or more Members. The committee shall be appointed by the Board and shall be announced at each annual meeting. Members of the nominating committee shall serve from the close of the meeting at which their appointments are announced until the close of the next annual meeting. The nominating committee shall make as many nominations for election to the Board as it determines in its discretion; provided, however, that there must be at least as many nominations as there are vacancies to be filled. Nominations may also be made from the floor.

5.2.2 ELECTION: Election to the Board shall be by secret written ballot. The persons receiving the largest numbers of votes shall be deemed elected. Each Member may cumulate his votes in the manner described in Section 4.5. However, as long as there are two (2) classes of Members, or as long as Declarant is entitled to cast a majority of the votes which may be cast by the Members, twenty percent (20%) of the Directors must be or have been separately elected solely by a vote of Members other than Declarant. The remaining Directors shall then be elected in the manner described in this Section.

5.2.3 TERM OF OFFICE: Each Director elected shall serve a term of two (2) years, provided that the two (2) Directors elected at the first meeting who receive the fewest votes shall serve a term of one (1) year. Each Director shall serve from the date appointed or elected until his successor is elected.

5.3 REMOVAL OF DIRECTORS: Unless the entire Board is removed from office by a vote of the Members, an individual Director shall not be removed prior to the expiration of his term if the number of votes cast against his removal is greater than the
The sum arrived at by using the following formula: \( \frac{X}{Y} + 1 \), where \( X \) equals the total number of votes cast at the election to remove the Director and \( Y \) equals the number of Directors authorized to be elected by these Bylaws. However, any Director who has been elected solely by Members other than Declarant may be removed from office prior to the expiration of his term only by the vote of not less than fifty-one percent (51%) of Members other than Declarant. When voting for the removal of a Director, each Member shall be entitled to cumulate his votes as described in Section 4.5.

5.4 RESIGNATION OF DIRECTORS: Any Director may resign by giving written notice to the Board. The resignation shall be effective on the date specified in the notice. Unless otherwise provided in the notice, the acceptance of a resignation shall not be necessary to make it effective. The vacancy created by the resignation may be filled by a majority vote of a quorum of the Board. However, if the number of Directors remaining after the resignation is less than a quorum, the vacancy may be filled by the unanimous written consent of all Directors then holding office. The Members may elect a director to fill any vacancy which remains unfilled by the Board for a period in excess of sixty (60) days.

5.5 ELECTION OF OFFICERS: Officers shall be elected by the Board at the first meeting held after each annual meeting of the Association. The Board may also elect a Vice President and/or such other officers as the affairs of the Association may require. Only a Director may be elected as Vice President. The terms of office shall be prescribed by the Board.

5.6 REMOVAL AND RESIGNATION OF OFFICERS: Any officer may be removed from office by the Board with or without cause. If a Director serving in the office of President or Vice President has been removed pursuant to Section 5.3, he shall also be automatically removed from his position as an officer. Any officer removed by the Board shall not be removed from the position of Director except pursuant to Section 5.3. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. The resignation shall be effective on the date specified in the notice. Unless otherwise specified in the notice, the acceptance of a resignation shall not be necessary to make it effective.

5.7 DUTIES OF OFFICERS: Unless otherwise (i) directed by the Board or (ii) required by law, officers shall perform the duties described herein:

5.7.1 PRESIDENT: The President shall (i) preside at all meetings of the Board; (ii) see that orders and resolutions of the Board are carried out; and (iii) sign all leases, mortgages, deeds, promissory notes and other written instruments.

5.7.2 VICE PRESIDENT: The Vice President, if any, shall act in the place and stead of the President in the event of the President's absence or his inability or refusal to act.
5.7.3 **SECRETARY:** The Secretary shall (i) record the votes and keep the minutes of all meetings and proceedings of the Board and the Association; (ii) serve notice of meetings of the Board and the Association; and (iii) keep appropriate current records showing the Members together with their addresses.

5.7.4 **CHIEF FINANCIAL OFFICER:** The Chief Financial Officer shall (i) receive and deposit into appropriate bank accounts all monies of the Association; (ii) disburse funds as directed by resolutions of the Board; (iii) keep proper books of account; and (iv) prepare or cause to be prepared all budgets and financial statements.

### ARTICLE VI

**MEETINGS OF MEMBERS**

6.1 **ANNUAL MEETINGS:** The first annual meeting of the Association shall be held within six (6) months after the date of the closing of the sale of the first Lot in the Project. The second annual meeting of the Association, and every annual meeting thereafter, shall be held during the same month of the year that the first annual meeting was held, with the specific day and time to be determined by the Board. Meetings shall be held within the Project or at a location as close to the Project as possible.

6.2 **SPECIAL MEETINGS:** A special meeting of the Members must be promptly scheduled by the President, or, if the President refuses or is unable to, by any Director, upon (i) a vote of the Board itself; or (ii) receipt by the Board of a written request for such a meeting signed by Members entitled to cast not less than five percent (5%) of the total votes which may be cast by the Members. Special meetings of the Members may also be called at any time by the President or the Board.

6.3 **NOTICE:** Except where the Project Documents require otherwise, written notice of regular and special meetings of the Members shall be given by or at the direction of the Secretary or other person authorized to call the meeting. Notice of each meeting shall be given to each Member entitled to vote at the meeting and shall be addressed to the Member at either (i) the most recent address appearing on the books of the Association or (ii) the address supplied by the Member to the Association for the purpose of notice. Notices for a meeting called pursuant to Sections 6.1 or 6.2 (i) shall be personally delivered or mailed first class with postage prepaid at least ten (10) but not more than ninety (90) days before the meeting; however, notices for a meeting called pursuant to Section 6.2 (ii) shall be given at least thirty-five (35) but not more than ninety (90) days after receipt by the Board of the request. Notice by mail other than first class shall be made at least twenty (20) but not more than ninety (90) days before each meeting. Notices of meetings shall specify the place, day and hour of the meeting and any matters the Board
intends to present for action by the Members. Notices of special meetings shall also state the purpose of the special meeting. Except as otherwise provided in these Bylaws or by law, any proper Association matter may be presented at a meeting for action. If mailed, notices shall be deemed to be delivered twenty-four (24) hours after their deposit in the United States mail, first class postage prepaid.

6.4 QUORUM: The presence at the meeting of Members and proxies entitled to cast fifty-one percent (51%) of the total number of votes which may be cast by the Members shall constitute a quorum for any action, except as provided in Section 3.3.2 of these Bylaws. If a quorum is not present or represented at any meeting, a majority of the Members present in person shall have the power to adjourn the meeting to another time with no notice other than an announcement at the meeting. If a time and place for the reconvened meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the reconvened meeting after adjournment, notice of the time and place of the reconvened meeting shall be given to Members in the manner prescribed for regular meetings.

6.5 PARLIAMENTARY PROCEDURE: Meetings of Members shall be conducted in accordance with a recognized system of parliamentary procedure which shall be adopted by the Board.

ARTICLE VII
MEETINGS OF DIRECTORS

7.1 REGULAR MEETINGS: Regular meetings of the Board shall be held quarterly unless the Board determines that the business to be transacted requires more frequent meetings. In that event, regular meetings shall be held at intervals determined by the Board but not less frequently than quarterly. Regular meetings shall be held at the time and place fixed by the Board.

7.2 SPECIAL MEETINGS: Special meetings of the Board shall be held when called by written notice signed by the President of the Association or by any two Directors other than the President.

7.3 NOTICE: Notice of any regular meeting of the Board shall be given to each Director not less than four (4) nor more than fifteen (15) days prior to the date fixed for such meeting. Notice shall be personally delivered or sent by mail or telegram to each Director at his address as shown in the records of the Association; provided, however, that notice of a meeting need not be given to any Director who signs a waiver of notice or a written consent to the holding of such meeting. The notice shall specify the time and place of the meeting. Notice of any special meeting shall be given in the same manner as notice for a regular meeting, except that notice shall be given to each Director not less than seventy-two (72) hours prior to the date fixed for the meeting. The notice shall specify the purpose of the meeting. If the notice
is mailed, it shall be deemed to be delivered twenty-four (24) hours after deposit in the United States mail with first class postage fully prepaid. If notice is given by telegram, notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. The attendance of a Director at the meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

7.4 QUORUM: A majority of the Directors shall constitute a quorum for the transaction of business. Every action taken and every decision made by the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

7.5 ACTION WITHOUT A MEETING: In an emergency, the Directors shall have the right to take any action that may be required for the efficient and expeditious operation and conduct of the Association's business without a meeting if (i) the Board would have the power and authority to act at a meeting and (ii) the written consent of all Directors to such action is first obtained. Unless mailed, written notice of the action taken without a meeting must be posted in a conspicuous place within the Common Area within three (3) days after the consent of all Directors is obtained. Any action taken by written consent shall have the same effect as if it were taken at a duly noticed meeting of the Board.

7.6 PARTICIPATION BY MEMBERS: Unless notice is mailed to all Members, the Secretary shall post a notice of all Board meetings in a conspicuous place within the Common Area. Notices shall be posted not less than four (4) days prior to the scheduled time of the regular meeting and not less than seventy-two (72) hours prior to the scheduled time of the special meeting. Except as provided in this Section, all meetings of the Board shall be open to all Members but Members who are not Directors shall have no right to participate in any deliberations or discussions of the Board unless expressly authorized by a vote of the Board. If the nature of the business is first announced in open session, with the approval of a majority of the Directors present at a meeting in which a quorum for the transaction of business has been established, the Board may vote to adjourn and reconvene in executive session to consider, discuss and vote upon litigation, matters that relate to the formation of contracts with third parties, or personnel matters. In any matter relating to the discipline of a Member, the Board shall meet in executive session if requested by that Member and that Member shall be entitled to attend the executive session. Any matter discussed in executive session shall be noted generally in the minutes of the Board.
ARTICLE VIII
INDEMNIFICATION

8.1 GENERALLY: A Director, officer, committee member, employee or other agent of the Association who is a party to or is threatened to be made a party to any proceeding (including a proceeding by or on behalf of the Association) because he is or was a Director, officer, committee member, employee or agent of the Association shall be indemnified by the Association against all expenses and liabilities actually and reasonably paid or incurred in connection with the proceeding to the maximum extent permitted by the California Nonprofit Mutual Benefit Corporation Law. Terms used in this Article shall have the same meaning as in Section 7237 of the California Corporations Code.

8.2 APPROVAL: Upon written request to the Board by any person seeking indemnification, the Board shall promptly determine whether the applicable standard of conduct set forth in the California Nonprofit Mutual Benefit Corporation Law has been met. If so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because more than fifty percent (50%) of the Directors are parties to the proceeding for which indemnification is sought, the Board shall promptly call a special meeting of Members. At the meeting, the Members shall determine whether the applicable standard of conduct set forth in the California Nonprofit Corporation Law has been met. If so, the Members shall authorize indemnification. Members or other persons seeking to be indemnified shall not be entitled to vote on the question of indemnification.

8.3 ADVANCING EXPENSES: Except as otherwise determined by the Board in a specific instance, expenses incurred by a Director, officer, committee member, employee or agent seeking indemnification under Section 8.1 shall be advanced by the Association prior to the final disposition of the proceeding upon receipt of an undertaking by or on behalf of the Director, officer, committee member, employee or agent to repay the amount unless it is ultimately determined that the person is entitled to be indemnified by the Association.

8.4 NON-LIABILITY OF OFFICIALS: To the fullest extent permitted by law, and except as may be limited by Section 7236 of the California Corporations Code, no Director, officer, or committee member, or the Board shall be liable to any Member, Owner, the Association or any other party for any damage, loss, claim, liability or prejudice suffered or claimed as a result of any decision, approval, disapproval, course of action, act, inaction, omission, error, or negligence which was (i) made in good faith and (ii) within which such person or entity reasonably believed to be the scope of his duties as a Director, officer or committee member.
ARTICLE IX
CORPORATE REORGANIZATIONS

9.1 CONSOLIDATIONS AND MERGERS: To the extent permitted by law, the Association may participate in mergers and consolidations with other nonprofit corporations organized for the same purposes as this Association, as long as any merger or consolidation is approved by (i) a majority of the Board and (ii) each class of Members.

9.2 DISSOLUTION OF INCORPORATED ASSOCIATION: The Association as a corporate entity may not be dissolved unless one hundred percent (100%) of each class of Members approves the dissolution. If such approval is obtained, and the corporation is dissolved, then without further action or notice, a nonprofit, unincorporated association shall be deemed formed which shall succeed to all the rights and duties of the Association. The affairs of the unincorporated association shall be governed by the laws of the State of California and, to the extent not inconsistent therewith, by the Project Documents as though they had been prepared for an unincorporated association.

ARTICLE X
AMENDMENTS

10.1 PROCEDURE: Except as provided in the Declaration, these Bylaws may be amended by the approval of each class of Members.

10.2 RECORDS OF AMENDMENTS: Whenever an amendment or a new Bylaw is adopted, it shall be added in the appropriate place in the Association's minute book. If any Bylaw repeals any portion of these original Bylaws, either the date of the meeting at which the Bylaws or portion thereof was repealed or the date written consent was filed with the Secretary shall be stated therein.

ARTICLE XI
CONFLICT

In the case of any conflict between the Articles and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.
CERTIFICATION

I, the undersigned, do hereby certify:

That I am duly elected and acting Secretary of RUBY HILL OWNERS' ASSOCIATION, a California nonprofit mutual benefit corporation; and

That the foregoing Bylaws constitute the original Bylaws of the Association, as duly adopted by the Board thereof on the 4th day of March, 1994.

Pat Ridout
Secretary

02/22/94
ACTION BY SOLE MEMBER
RUBY HILL OWNERS' ASSOCIATION
Dated: April 28, 1994

The undersigned, being the sole Member of Ruby Hill Owners' Association, a California nonprofit mutual benefit corporation, does hereby amend the Bylaws of the corporation as follows:

"FIRST AMENDMENT TO
BYLAWS
OF
RUBY HILL OWNERS' ASSOCIATION

1. The first sentence of Section 6.4 of the Bylaws is deleted in its entirety and the following new sentence is substituted in lieu thereof:

"The presence at the meeting of Members and proxies entitled to cast thirty-four percent (34%) of the total number of votes which may be cast by the Members shall constitute a quorum for any action, except as provided in Section 3.3.2 of these Bylaws."

2. Except as expressly stated herein, all of the provisions of the Bylaws are restated and affirmed and shall remain in full force and effect."

RUBY HILL DEVELOPMENT JOINT VENTURE, L.P., a California limited partnership,

BY: SIGNATURE PROPERTIES I,
a California limited partnership,
Its: General Partner

By: SIGNATURE PROPERTIES,
INC., a California corporation
Its: General Partner

By: James W. McKeehan
Its: Vice President

BY: NICKLAUS/SIERRA DEVELOPMENT CORPORATION OF NORTHERN CALIFORNIA, INC., a California corporation
Its: General Partner

By: James T. Cullis
Its: Vice President
DECLARATION OF COVENANTS
CONDITIONS AND RESTRICTIONS
OF
RUBY HILL

A Common Interest Development
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The text contains headings and subheadings for various sections and subsections, detailing different aspects of the document's content.
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
OF
RUBY HILL
A Common Interest Development

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF RUBY HILL ("Declaration") is made by RUBY HILL DEVELOPMENT JOINT VENTURE L.P., a California limited partnership ("Declarant").

ARTICLE I
INTENTION OF DECLARATION

1.1 FACTS: This Declaration is made with reference to the following facts:

1.1.1 Property Owned by Declarant: Declarant is the owner of all the real property and Improvements thereon located in the City of Pleasanton, County of Alameda, State of California, described as follows:


1.1.2 Nature of Project: Declarant intends to develop the Subject Property and the Additional Property as a Common Interest Development which shall be a planned development as defined in California Civil Code Section 1351(k). The Project is intended to be created in conformity with the provisions of the Davis-Stirling Common Interest Development Act (California Civil Code, Sections 1350-1372, inclusive). To establish the Project, Declarant desires to impose on the Subject Property, and any property annexed thereto, these mutually beneficial restrictions, easements, assessments and liens under a comprehensive general plan of improvement and development for the benefit of all of the Owners, the Lots and Common Area within the Subject Property and any property annexed thereto.

1.1.3 Phases of Project: The Subject Property and the Additional Property are intended to be developed in two (2) or more Phases. The first Phase consists of the Subject Property. Prior to annexation, the Additional Property shall not be subject to any provision of this Declaration. Declarant may, but shall
have no obligation to, annex all or any portion of the Additional Property to the Project by recording a Declaration of Annexation in compliance with the provisions of this Declaration. After recordation of a Declaration of Annexation, the property described therein shall constitute a part of the Project and shall be subject to this Declaration.

1.2 APPLICABILITY OF RESTRICTIONS: Pursuant to California Civil Code Sections 1353 and 1354, Declarant hereby declares that the Project and all Improvements thereon are subject to the provisions of this Declaration. The Project shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the covenants, conditions and restrictions stated in this Declaration. All such covenants, conditions and restrictions are declared to be in furtherance of the plan for the subdivision, development and management of the Project as a Common Interest Development. All of the limitations, easements, uses, obligations, covenants, conditions, and restrictions stated in this Declaration shall run with the Project and shall inure to the benefit of and be binding on all Owners and all other parties having or acquiring any right, title or interest in any part of the Project.

1.3 RELATIONSHIP TO GOLF CLUB: Declarant intends to develop property adjacent to the Common Area and Lots as a Golf Club. Declarant presently anticipates that the Golf Club will include but not be limited to an eighteen hole golf course, a driving range, putting green, golf car paths, tennis courts, swimming pool, clubhouse, tennis and golf pro shops, locker room facilities, food and beverage facilities and other related facilities. Declarant is the present owner of the Golf Club and the Golf Club is not part of the Common Area or of the Project. The Golf Club is separate and distinct from the Association and the Project and is governed by its own rules, regulations and requirements. The Golf Club has rights to use portions of the Common Area pursuant to and in accordance with the terms and provisions contained in this Declaration and in each of the grant deeds by which Common Area is conveyed to the Association. Neither the Association nor any Owner shall have any rights in or privileges to the Golf Club by virtue of this Declaration or the location of the Golf Club. Membership in the Golf Club may be made available to Owners; however, no Owner is entitled to membership in the Golf Club, golf course or any other private facility operated within the overall Project.
ARTICLE II
DEFINITIONS

Unless otherwise defined or unless the context clearly requires a different meaning, the terms used in this Declaration, the Map and any grant deed to a Lot shall have the meanings specified in this Article.

2.1 ADDITIONAL CHARGES: The term "Additional Charges" shall mean costs, fees, charges and expenditures, including without limitation, attorneys' fees, late charges, interest and recording and filing fees actually incurred by the Association in collecting and/or enforcing payment of assessments, fines and/or penalties.

2.2 ADDITIONAL PROPERTY: The term "Additional Property" shall mean the real property described on Exhibit "A" and all improvements situated on such real property.

2.3 ARTICLES: The term "Articles" shall mean the Articles of Incorporation of Ruby Hill Owners' Association, which are or shall be filed in the Office of the Secretary of State of the State of California.

2.4 ASSOCIATION: The term "Association" shall mean Ruby Hill Owners' Association, its successors and assigns, a nonprofit mutual benefit corporation incorporated under the laws of the State of California.

2.5 BOARD: The term "Board" shall mean the Board of Directors of the Association.

2.6 BUDGET: The term "Budget" shall mean a pro forma operating budget prepared by the Board in accordance with Section 6.7.1 of this Declaration. All references to "Budget" shall include the Project Budget and, with respect to any Lot situated in a Village, the Village Budget for that Village, unless otherwise specified.

2.7 BUILDER: The term "Builder" shall mean an Owner who (i) is designated as such by Declarant in a writing delivered to the Association, and (ii) acquires from Declarant at least two (2) Lots prior to the completion of construction of Residences on those Lots. A Builder may also be a Declarant if the provisions of Section 2.13 are satisfied.

2.8 BYLAWS: The term "Bylaws" shall mean the Bylaws of the Association and any amendments thereto.

2.9 CITY: The term "City" shall mean the City of Pleasanton, State of California.

2.10 CLUB OWNER: The term "Club Owner" shall mean the holder or holders of record fee title to the Golf Club.

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2.11 **COMMON AREA**: The term "Common Area" shall mean Lots A, B and C and those parcels designated as "Ruby Hill Boulevard", "East Ruby Hill Drive", "West Ruby Hill Drive", "Avio Court", "Varese Court", "Santel Court", "Piemonte Drive" and "Pineto Street" as shown on the Map. The term "Common Area" shall also mean any property described as Common Area in a Declaration of Annexation. Common Area includes all Improvements situated thereon or therein.

2.12 **COUNTY**: The term "County" shall mean the County of Alameda, State of California.

2.13 **DECLARANT**: The term "Declarant" shall mean Ruby Hill Development Joint Venture L.P., a limited partnership, so long as the partnership owns some portion of the Subject Property or the Additional Property. The term "Declarant" shall also mean successors in interest of Declarant, if (i) such successor(s) in interest acquires all or any portion of Declarant's interest in the Subject Property and/or the Additional Property for the purposes of development, sale and/or rental and (ii) a certificate, signed by Declarant, has been recorded in the County in which the successor(s) in interest assumes the rights and duties of Declarant to the portion of the Subject Property and/or the Additional Property so acquired. There may be more than one Declarant.

2.14 **DECLARATION**: The term "Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions of Ruby Hill and includes any subsequently recorded amendments.

2.15 **DECLARATION OF ANNEXATION**: The term "Declaration of Annexation" shall mean any instrument recorded in the County which extends the provisions of this Declaration to all or a portion of the Additional Property or any other property.

2.16 **ELIGIBLE HOLDER**: The term "Eligible Holder" shall mean any Institutional Mortgagee who has delivered a written notice to the Association which contains its name, address and the number or address of the Lot encumbered by the Mortgage and requests that the Association deliver written notice to it of any or all of the events specified in Section 9.5.

2.17 **FIRST MORTGAGE**: The term "First Mortgage" shall mean a Mortgage which has priority under the recording statutes of the State of California over all other Mortgages encumbering a specific Lot.

2.18 **FIRST MORTGAGEE**: The term "First Mortgagee" shall mean the Mortgagee of a First Mortgage.

2.19 **FOLEY PROPERTY**: The term "Foley Property" shall mean the real property described on Exhibit "D" attached hereto.

2.20 **GOLF CLUB**: The term "Golf Club" shall mean the real property described on Exhibit "B" attached hereto and all Improvements situated on such real property. The term "Golf Club"
shall be deemed (i) to encompass any land added to the real property described on Exhibit "B" or (ii) to exclude any land removed from the real property described on Exhibit "B" by any alteration shown on any subsequently recorded amended final map, certificate of correction, lot line adjustment and/or record of survey which affects the boundaries of the real property described on Exhibit "B" attached hereto.

2.21 IMPROVEMENTS: The term "Improvements" shall mean everything constructed, installed or planted on property subject to this Declaration, including without limitation, buildings, streets, fences, walls, paving, pipes, wires, grading, landscaping and other works of improvement as defined in Section 3106 of the California Civil Code, excluding only those Improvements or portions thereof which are (i) dedicated to the public or a public or quasi-public entity or utility company, and accepted for maintenance by the public, such entity or utility company, (ii) owned and maintained by Golf Club or (iii) owned and maintained by Declarant or Declarant's successors in interest.

2.22 INSTITUTIONAL MORTGAGEE: The term "Institutional Mortgagee" shall mean (i) a First Mortgagee which is the State of California, a bank, a savings and loan association, an insurance or mortgage company or other entity or institution chartered under or regulated by any federal and/or state law or (ii) an insurer or governmental guarantor of a First Mortgage including without limitation the Federal Housing Authority and the Veteran's Administration.

2.23 INVITEE: The term "Invitee" shall mean any person whose presence within the Project is approved by or is at the request of the Association or a particular Owner, including, but not limited to, lessees, tenants, and the family, guests, employees, licensees or invitees of Owners, tenants or lessees.

2.24 LOT: The term "Lot" refers to a Separate Interest as defined in California Civil Code Section 1351(1) and shall mean Lots 1 through 47, inclusive, as shown on the Map. The term "Lot" shall also mean any Lot described as such in a Declaration of Annexation. Lot includes all Improvements situated thereon or therein.

2.25 MAP: The term "Map" shall mean the subdivision map of Tract 6452 recorded on August 24, 1993, in Book 209 of Maps at Pages 54 through 71, inclusive, in the Official Records of the County, including any subsequently recorded amended final maps, certificates of correction, lot line adjustments and/or records of survey. The term "Map" shall also mean any recorded subdivision or parcel map described in a Declaration of Annexation, including any subsequently recorded amended final maps, certificates of correction, lot line adjustments and/or records of survey.

2.26 MEMBER: The term "Member" shall mean an Owner.
2.27 **MORTGAGE**: The term "Mortgage" shall mean any duly recorded mortgage or deed of trust encumbering a Lot.

2.28 **MORTGAGEE**: The term "Mortgagee" shall mean a Mortgagee under a Mortgage as well as a beneficiary under a deed of trust.

2.29 **NOTICE AND HEARING**: The term "Notice and Hearing" shall mean the procedure which gives an Owner notice of an alleged violation of the Project Documents and the opportunity for a hearing before the Board.

2.30 **OWNER**: The term "Owner" shall mean the holder of record fee title to a Lot, including Declarant as to each Lot owned by Declarant. If more than one person owns a single Lot, the term "Owner" shall mean all owners of that Lot. The term "Owner" shall also mean a contract purchaser (vendee) under an installment land contract but shall exclude the contract vendor and any person having an interest in a Lot merely as security for performance of an obligation.

2.31 **PARTY FENCE**: The term "Party Fence" shall mean any portion of a fence which is constructed and placed approximately on the common boundary of two (2) or more Lots.

2.32 **PHASE**: The term "Phase" shall mean any Lots and/or Common Area which are simultaneously made subject to the provisions of this Declaration either by recording this Declaration or by recording a Declaration of Annexation.

2.33 **PROJECT**: The term "Project" shall mean the Subject Property and any property described in a Declaration of Annexation.

2.34 **PROJECT DOCUMENTS**: The term "Project Documents" shall mean the Articles, Bylaws, this Declaration and the Rules.

2.35 **PUBLIC REPORT**: The term "Public Report" shall mean a Final Subdivision Public Report issued by the Department of Real Estate of the State of California for one or more Phases of the Project.

2.36 **RESIDENCE**: The term "Residence" shall mean a dwelling situated on a Lot, including any attached garage also situated on a Lot.

2.37 **RULES**: The term "Rules" shall mean the rules adopted by the Board and the Architectural Design Guidelines adopted by the Architectural Design Committee.

2.38 **SUBJECT PROPERTY**: The term "Subject Property" shall mean Lots 1 through 47, inclusive, Lots A, B and C and those parcels designated as "Ruby Hill Boulevard", "East Ruby Hill Drive", "West Ruby Hill Drive", "Avio Court", "Varese Court", "Santel Court", "Piemonte Drive" and "Pineto Street" as shown on the Map and all Improvements thereon.

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2.39 VILLAGE: The term "Village" shall mean any portion of the Project which is designated as a "Village" in a Declaration of Annexation, whether or not it is subject to a Village Declaration. Lots belonging to a particular Village may be annexed in one or more Phases.

2.40 VILLAGE HOME: The term "Village Home" shall mean any Lot which is designated as a "Village Home" in a Declaration of Annexation, whether or not it is situated within a Village or subject to a Village Declaration.

2.41 VILLAGE MAINTAINED AREA: The term "Village Maintained Area" shall mean any portion of the Project which is designated as a "Village Maintained Area" in a Declaration of Annexation, whether or not it is subject to a VillageDeclaration.

2.42 VILLAGE DECLARATION: The term "Village Declaration" shall mean any declaration which (i) satisfies the requirements of Section 1353 of the Civil Code of the State of California and (ii) encumbers any Village.

2.43 VINEYARD ESTATE: The term "Vineyard Estate" shall mean that portion of the real property described on Exhibit "E" attached hereto which has been described on a recorded final subdivision or parcel map and conveyed to an owner other than Declarant. Vineyard Estates are not "Lots" as that term is defined and used in the Project Documents.
ARTICLE III
OWNERSHIP AND EASEMENTS

3.1 NON-SEVERABILITY: The interest of each Owner in the use and benefit of the Common Area shall be appurtenant to the Lot owned by the Owner. No Lot shall be conveyed by an Owner separately from the appurtenant interest in the Common Area. Any conveyance of any Lot shall automatically transfer the right to use the Common Area without the necessity of express reference in the instrument of conveyance. There shall be no judicial partition of the Common Area. Each Owner, whether by deed, gift, devise or operation of law, for the Owner's own benefit and for the benefit of all other Owners and each successor of each Owner, specifically waives and abandons all rights, interests and causes of action for judicial partition of any interest in the Common Area and does further agree that no action for judicial partition shall be instituted, prosecuted or reduced to judgment. The ownership interests in the Common Area and Lots described in this Article are subject to the easements described, granted and reserved in this Declaration. Each of the easements described, granted or reserved herein shall be established upon the recordation of this Declaration and shall be enforceable as equitable servitudes and covenants running with the land for the use and benefit of the Owners and their Lots superior to all other encumbrances applied against or in favor of any portion of the Project.

3.2 OWNERSHIP OF LOTS: Title to each Lot in the Project shall be conveyed in fee to an Owner. The Association, Declarant or the Club Owner who receives title to any portion of a Lot which is transferred by the Owner as a result of subsequently recorded amended final maps, certificates of correction, lot line adjustments and/or records of survey shall take such property free and clear of any requirement that such land be devoted to use as a Lot. Upon conveyance, such land may be used for any purpose for which land adjacent to it may be used. Any land which is added to a Lot as a result of subsequently recorded amended final maps, certificates of correction, lot line adjustments and/or records of survey shall be deemed, for all purposes of this Declaration, to be part of the Lot to which it is added.

3.3 OWNERSHIP OF COMMON AREA: Title to or a legal ownership interest in the Common Area in each Phase shall be conveyed to the Association prior to or concurrently with the conveyance of the first Lot in that particular Phase to an Owner. The Board shall have the authority to transfer fee interests in the Common Area to an Owner, or to the Club Owner when, in its reasonable discretion, it finds such transfer necessary to eliminate encroachment of Golf Club improvements on the Common Area, to conform boundaries to the natural contour of the land for purposes of permitting or promoting an efficient division of maintenance responsibilities between the Owners, the owner of the Golf Club and the Association and for similar purposes. However, transfers of fee estates in the Common Area made pursuant to the preceding sentence which accrue to any Lot shall not exceed two thousand (2,000) square feet.

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3.4 OWNERSHIP OF PARTY FENCES: Once the Party Fence has been constructed and the reimbursement provisions of Section 4.24 satisfied, each Owner of a Lot upon which a Party Fence is situated shall own to the center of the Party Fence. Prior to that time, the Owner who constructed the Party Fence shall own it. If a dispute arises between the Owners of the Party Fence and each Owner acquired title to his or her Lot from Declarant, Declarant shall have the right to enter and adjust the fence as Declarant determines appropriate to resolve the situation until Declarant no longer owns any Lot in the Project.

3.5 EASEMENTS: The easements and rights specified in this Article are hereby created and shall exist whether or not they are also set forth in individual grant deeds to Lots. All easements shall be binding upon the successors in interest and assigns of the owners of both the dominant and servient tenements.

3.5.1 Easements On Map: The Common Area and Lots are subject to the easements and rights of way shown on the Map.

3.5.2 Easements For Common Area: Every Owner shall have a non-exclusive right and easement for the ingress, egress, use and enjoyment of the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Board, after Notice and Hearing, to suspend an Owner's right to use any recreational facilities;

(b) The right of the Association to dedicate and/or grant easements over all or any portion of the Common Area;

(c) The easements and rights reserved to Declarant or otherwise granted in this Declaration; and

(d) The easements and rights reserved and granted to the Golf Club (i) prior to the recordation of this Declaration, (ii) in this Declaration and (iii) in the deeds by which the Common Area or an interest in the Common Area was conveyed to the Association.

3.5.3 Party Fences: Each Owner of a Party Fence shall have a reciprocal non-exclusive easement over and across such portions of the contiguous Lot as are necessary to maintain the Party Fence.

3.5.4 Utilities: Notwithstanding anything expressed or implied to the contrary, this Declaration shall be subject to all easements granted by Declarant for the installation and maintenance of drainage facilities, master television antenna or cable systems, wireless communications systems, security and similar systems, and all utilities, including but not limited to sewers, drainage systems, storm drainage systems, retention ponds,

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electrical, gas, telephone, and water necessary or appropriate for the development of the Project or the Golf Club.

3.5.5 **Encroachment:** Non-exclusive rights and easements are reserved and granted (i) for the benefit of each Lot, as dominant tenement, over, under and across each other Lot and the Common Area, as servient tenements, and (ii) for the benefit of the Common Area, as dominant tenement, over, under and across each Lot, as servient tenement. Such easements shall be for the purposes of encroachment, support, occupancy and use of such portions of Lots and/or Common Area as shall be encroached upon, used and occupied by the dominant tenement as a result of any original construction design, accretion, erosion, deterioration, decay, errors in original construction, movement, settlement, shifting or subsidence of any building or structure or any portion thereof. If any portion of the Project is partially or totally destroyed, the encroachment easement shall exist for any replacement structure which is rebuilt pursuant to the original construction design. The easement for maintenance of the encroaching Improvement shall exist for as long as the encroachment exists; provided, however, that no easement for encroachment shall be created due to the willful misconduct of the Association or any Owner. Any easement for encroachment may but need not be cured by repair or restoration of the Improvement.

3.5.6 **Environmental Easement:** There is hereby reserved for the benefit of Declarant, the Association, and their respective Invitees, a non-exclusive easement on, over and across all portions of the Project, excluding structures, for the purposes of taking any action necessary to effect compliance with environmental rules, regulations, and procedures promulgated or instituted from time to time by the Board or by any governmental entity. The easement includes, without limitation, the right to implement erosion control procedures and practices, the right to maintain any and all wetland areas on the Project, the right to drain standing water and the right to do whatever is necessary to comply with federal, state or local laws governing toxic or hazardous wastes.

3.5.7 **Golf Club Easements:** The easements and rights specified in this Section 3.5.7 are hereby created for the benefit of the Golf Club, Club Owner and all invitees of Club Owner whose presence at the Golf Club is at the request of or approved by Club Owner and shall exist whether or not such easements are also set forth in individual grant deeds conveying Lots, Common Area or the Golf Club. All easements shall be appurtenant to the Golf Club and shall be binding upon the successors in interest and assigns of the owners of both the dominant and servient tenements. No easement set forth in this Section shall be construed to act as a limitation upon the ability of Golf Club or Club Owner to hold tournaments from time to time and to provide whatever temporary services and facilities are deemed appropriate by Club Owner in connection with such tournament, including but not limited to, parking and storage on Common Areas. As full and complete compensation for use by Club Owner and its invitees, and maintenance by the Association of the
servient tenements, the Club Owner shall pay to Association a share of Association’s costs and expenses as set forth in Section 6.2.2(b)(i) of this Declaration.

(a) **Golf Course Overspray and Intrusion Easement:** There is reserved for the benefit of the Golf Club, the Club Owner, and its Invitees a non-exclusive right and easement appurtenant to the Golf Club for purposes of overspray in connection with the watering of the golf course, for the intrusion of golf balls from the fairways, roughs and greens thereof and for the retrieval of golf balls. Any person or entity for whose benefit the right and easement for overspray and intrusion is reserved shall not be liable to any Owner or the Association for any damage to person or property occasioned by such overspray or intrusion unless occasioned by the intentional act of such person. The rights and easements reserved by this Section shall be for the benefit of Declarant and the Club Owner and for the benefit of their employees, contractors, agents, guests, invitees, licensees or members (collectively referred to as "beneficiaries"). Each Owner of a Lot acknowledges and agrees that owning property adjacent to a golf course has benefits as well as detriments and that the detriments include the risk of damage to property or injury to persons and animals from golf balls or from players retrieving golf balls. Each Owner hereby assumes such risks, releases Declarant and the beneficiaries from and agrees to indemnify Declarant and the beneficiaries and hold Declarant and the beneficiaries harmless from and against any and all liability for damage or injury caused by golf balls which intrude in, on or around the Owner's Lot or Residence.

(b) **Utility Easement:** The Golf Club shall have and is hereby granted a non-exclusive easement over, under, through and across the Common Area for the purposes of installing, maintaining, repairing and replacing, and using master television antenna or cable systems, wireless communication systems, security and similar systems, and all permanent and temporary utilities, including but not limited to sewers, drainage systems, storm drainage systems, retention ponds, electrical, gas, telephone, and water necessary or appropriate for the development or operation of the Golf Club, including tournaments held at the Golf Club.

(c) **Ingress and Egress Easement:** The Golf Club shall have and is hereby granted a non-exclusive appurtenant easement over and across the Common Area for the purposes of ingress to and egress from the Golf Club by golf course maintenance vehicles, and vehicles, pedestrians and bicycles using or visiting the Golf Club. The Association may not unreasonably restrict rights of ingress and egress to the Golf Club. The Association may not impose any restrictions, limitations or requirements for entry into the Golf Club which are not imposed and enforced against all Owners and Invitees. If vehicle passes are issued to Association's Members, they must be made available to the owner of the Golf Club and its licensees and members on the same terms as they are made available to Association's members.
(d) General Easements onto Common Area and 20' Strip Over Lots: The Golf Club shall have and is hereby granted a non-exclusive appurtenant easement over and across the Common Area and the first twenty (20) feet of any Lot which shares a common boundary with the Golf Club for the following purposes: 

(i) use and enjoyment of the golf car paths by golf course maintenance vehicles and vehicles and pedestrians using the golf course located within the Golf Club, provided however, no golf car path shall be constructed on any portion of a Lot, 

(ii) constructing, maintaining, repairing and replacing pedestrian and golf car paths and directional signs related to the golf course located within the Golf Club, (iii) maintaining any lake, pond, wetland area, waterway, or other body of water and mowing and removing unsightly brush, and (iv) permitting registered golf course players and their caddies to enter to retrieve golf balls in accordance with the rules of the game of golf (any such entry shall be limited to pedestrian access for the minimum period of time required to retrieve golf balls).

(e) Easements To Facilitate Tournaments: The Golf Club shall have and is hereby granted a non-exclusive easement over and across the Common Area appurtenant to the Golf Club for all purposes reasonably necessary to hold and conduct tournament play at the Golf Club including without limitation, ingress and egress by vehicular and pedestrian traffic, parking, utility services, directional signs, traffic control and other related uses. During such periods, Golf Club shall have the right to take all reasonable actions which are appropriate for holding such an event. Golf Club is solely responsible for all additional costs incurred as a result of the tournament and shall repair any damage caused to the Common Area as a result of the tournament. The Association shall have no right to prohibit or impair the ability of the Club Owner to take any and all reasonable actions which are appropriate for holding a tournament.

(f) Additional Easements: The Golf Club and its duly authorized agents and representatives shall have a non-exclusive right and easement as is necessary or appropriate to the exercise of any rights granted to Golf Club or to the Club Owner by this Declaration, including the right to enter upon Lots and Common Area, subject to the limitations contained in this Declaration.

3.5.8 Sign Easements: The Golf Club shall have and is hereby granted a non-exclusive easement over and across the Common Area appurtenant to the Golf Club for the purposes of locating, establishing, maintaining, repairing, replacing and lighting all of its signs permitted pursuant to Section 4.28 of this Declaration.

3.5.9 Right to Photograph: Declarant and the Club Owner each hereby reserves a non-exclusive easement and right in gross to display, use and distribute for any and all purposes photographs, video recording and similar reproductions of all Residences and Improvements constructed anywhere in the Project.
3.5.10 **Easement to Governmental Entities:** All governmental and quasi-governmental entities, agencies and utilities and their agents shall have a non-exclusive easement over the Common Area for the purposes of performing their duties within the Project.

3.5.11 **Association's Easements:** The Association and its duly authorized agents and representatives shall have a non-exclusive right and easement as is necessary to perform the duties and obligations of the Association set forth in the Project Documents, including the right to enter upon Lots, subject to the limitations contained in this Declaration.

3.5.12 **Easement to Declarant For Adjoining Property:** Declarant shall have, and hereby expressly reserves, a right and easement over and across the Common Area for the purposes of reasonable ingress to and egress from, over and across the Project, including private roads and pathways, to the Additional Property until all of the Additional Property is annexed to the Project.

3.5.13 **Annexation of Additional Property:** Upon the recordation of a Declaration of Annexation, the Lots and the Owners of Lots in the annexed Phase shall have all of the rights and easements specified in this Article and the Lots and the Owners of Lots in the Project prior to annexation shall have all of the easements specified in this Article as though the annexed Phase were initially part of the Project.
ARTICLE IV
USES AND RESTRICTIONS

4.1 ALTERATIONS: Except as otherwise specifically provided in this Declaration, no Improvement (including landscaping) shall be constructed, reconstructed, performed, installed, altered, remodelled or demolished, nor shall the color of any Improvement be changed ("Alteration") until plans have been submitted and approved pursuant to Article XI. For purposes of this Declaration, the term "Alteration" shall not include (i) repainting or refinishing any Improvement in the same color or (ii) repairing any Improvement with the same materials.

4.2 ANIMALS: An Owner may keep two (2) customarily uncaged household pets within that Owner's Lot as long as the animals have no impact on the wildlife in the area. Each Owner may also maintain a reasonable number of small caged animals, birds or fish. Unless the Rules increase the number or type of animals which may be kept, no other animals or pets are permitted in the Project. No horses are permitted under any circumstances. Dogs who consistently bark are deemed to be nuisances and cannot be kept within the Project. The Board shall have the right to prohibit the maintenance of any pet which, after Notice and Hearing, is found to be a nuisance to other Owners. No animals may be kept for commercial purposes. No dog shall be allowed in the Common Area unless it is under the control of a responsible person by leash or other means. Each Owner or his or her Invitee shall restore the Common Area to the condition it was in immediately preceding its use by any dog permitted on the Common Area by the Owner or Invitee. The Association may use any suitable portions of the Common Area for grazing of livestock.

4.3 ANTENNAS: No outside television antenna, microwave or satellite dish, aerial, or other such device shall be erected, constructed or placed on any Common Area or any Lot, unless (i) installed by Declarant or (ii) first approved in accordance with the provisions of Article XI.

4.4 APPEARANCE OF GOLF CLUB: Each Owner acknowledges and agrees that neither any Owner nor the Association shall have any right to compel the Club Owner or the owner of the golf course to maintain the Golf Club or golf course or any improvements thereon to any particular standard of care and that the appearance of the Golf Club, golf course and improvements shall be determined in the sole discretion of the Club Owner.

4.5 BUSINESSES: Except for (i) uses within Residences permitted by local ordinances, (ii) home offices, entertainment, business meetings and social events which do not create regular customer, client or employee traffic, (iii) the business of Declarant and any Builders in completing the development and disposition of the Lots in the Project, (iv) the business of Club Owner in maintaining and operating the Golf Club, and (v) the business of the concessionaire for the Sports Park, no business of any kind shall be established, maintained, operated, permitted or
constructed in any portion of the Project. However, the provisions of this Section are not intended to preclude special event liquor licenses and other permits that may be obtained for activities within the Project.

4.6 CLOTHES DRYING: Except within screened service yards, outside clotheslines and other outside facilities for drying or airing clothes are prohibited and shall not be erected, placed or maintained on any Lot outside of a Residence. No clothing, rugs or other item may be hung on any exterior railing, fence, hedge or wall.

4.7 DRAINAGE: No Owner shall impede, alter or otherwise interfere with the drainage patterns and facilities in the Project until plans have been submitted and approved pursuant to Article XI and approved by any public authority having jurisdiction thereof. This Declaration provides notice that many Lots were carefully graded by Declarant to provide positive drainage to a common drainage system. Positive drainage is achieved by shaping and cutting drainage swales or channels in the ground. These swales are engineered progressively lower than the adjoining surface ground areas on the Lot and provide a receptacle and conduit to drain water away from foundations and into the streets or Project storm drainage system. Swales also help to prevent surface drainage water from flowing to adjacent Lots. All drainage on each Lot must flow away from the foundation of the Residence, must tie into the common drainage system and may not drain onto the golf course unless expressly approved by the Golf Club Owner. Each Residence must have a roof gutter system and downspouts which are directly connected to the Project's storm drainage system or piped through the curbs into the streets and the Owner of the Residence may not construct or alter a Residence or install landscaping in any manner which results in additional roof waters draining anywhere other than directly into such pipes or the Project's storm drainage system.

4.8 ENGINEERING REQUIRED: No Owner shall grade or fill or otherwise alter the slope or contour of any Lot, as established by Declarant, without first retaining a soils engineer or civil engineer, as appropriate, licensed by the State of California, and receiving from such engineer written recommendations, plans and specifications regarding such proposed grade, fill and/or alteration. No Owner shall perform any such grade, fill or alteration except in conformity with the recommendations, plans and specifications of such engineer. In addition, the Owner shall also obtain prior approval in accordance with the provisions of Article XI of this Declaration and shall comply with all applicable City requirements.

4.9 EXTERIOR LIGHTING: No Owner shall remove, damage or disable any exterior light, regardless of where located, which is connected to the Association's electric service.
4.10 FENCING:

4.10.1 Adjacent to Golf Course: Except for fencing originally constructed or approved by Declarant, there shall be no fencing constructed, maintained or placed (i) on any portion of the Project which adjoins the golf course, (ii) on any portion of the Common Area or any portion of any Lot which is subject to the twenty (20) foot easement established pursuant to Section 3.5.7(d) of this Declaration or (iii) on any portion of the Project which, in the judgement of the Club Owner, unreasonably interferes with the view from the Golf Club. For purposes of the preceding sentence, fencing includes fences, walls, netting, and other similar barriers, including landscaping. Any fencing approved in writing by the Club Owner shall be deemed to not be in violation of this Section.

4.10.2 Chain Link Fences: No chain link fences shall be permitted within the Project except for (i) maintenance or buffer areas located within the Common Area or the Golf Club, (ii) tennis courts, and (iii) those erected by Declarant.

4.10.3 Other Fences: All fences within the Project must conform to the overall project fencing plan contained in the Architectural Design Guidelines.

4.10.4 "Spite" Fences: Any perimeter fence on a Lot which is constructed parallel to any portion of an existing fence must maintain a minimum ten (10) foot horizontal separation.

4.11 GOLF COURSE AREAS: Owners and their Invitees adjacent to all golf course areas shall not engage in any action which would distract from the playing quality of the golf course. Such actions include but are not limited to burning materials where the smoke will cross the golf course, maintaining pets which are creating excess noise, playing loud radios, stereos, televisions or musical instruments, running, walking, jogging, bicycle riding, or skateboarding on the fairways or golf car paths, picking up golf balls or otherwise interfering with play.

4.12 GOLF CAR PATHS: Portions of the golf car path system may be situated on the Common Area. No Owner or Invitee shall have any right to use any portion of the golf car path system, including any portion situated on the Common Area or any Lot without the prior approval of the owner or manager of the Golf Club. All golf car paths shall be maintained, repaired and replaced by the Club Owner.

4.13 GOLF TOURNAMENTS: From time to time, the Golf Club may be used for tournament play. At such times, vehicular and pedestrian traffic within the Project is likely to increase substantially as persons who will play in the tournament as well as persons who will watch the tournament will be invited, the broadcast media and their equipment may be present, additional parking, utility services, directional signs, traffic control, security, clean-up crews and other services may be required.

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During all such periods, Golf Club shall have the right to take all reasonable actions which are appropriate for holding such an event as long as Golf Club is solely responsible for all additional costs incurred as a result of the tournament, including repairing any damage caused to the Common Area as a result of the tournament. The Association shall have no right to prohibit the Club Owner from taking any and all reasonable actions which are appropriate for holding a tournament.

4.14 INTRUSION ONTO GOLF COURSE: Neither the Association nor any Owner shall have any right of entry onto the Golf Club without the prior written consent of the owner of the Golf Club. All permitted entry shall be made only through entry points designated by Golf Club; no Owner may access the Golf Club or the golf course from any adjacent residential Lot. Neither the Association nor any Owner may permit any irrigation water to overspray or drain from its Common Area or Lot onto any portion of the Golf Club without approval of the Club Owner. Neither the Association nor any Owner may permit any fertilizer, pesticides or other chemical substances to overspray, drain, flow or be disposed of in any manner upon the Golf Club. If the Association or any Owner violates the provisions of this Section, it shall be liable to the owner of the Golf Club for all damages to the turf resulting from the violation and all damages, including consequential damages, suffered by the Club Owner.

4.15 INVITEES: Each Owner shall be responsible for compliance with the provisions of the Project Documents by his or her Invitees. An Owner shall promptly pay any Reimbursement Assessment levied and/or any fine or penalty imposed against an Owner for violations committed by his or her Invitees.

4.16 IRRIGATION SPECIFICATIONS: The irrigation specifications contained in the Architectural Design Guidelines have been designed to minimize consumption of water in landscape irrigation on individual Lots and Common Area. The Association shall follow the irrigation specifications when irrigating Common Area and/or Village Maintained Area and all Owners shall follow the irrigation specifications when irrigating their Lots.

4.17 LANDSCAPING: No hedge, shrubbery, plant or tree which obstructs sight-lines at intersections of driveways, streets or roadways within the Project shall be permitted to remain on any Lot. No Owner shall cut, remove, or mutilate any trees, shrubs, bushes or other vegetation having a trunk diameter of six (6) inches or more at a point four (4) feet above ground level, without obtaining approval pursuant to Article XI, except as provided in Section 5.8.

4.18 LIQUOR SALES: The Golf Club may be used for the sale of liquor to be consumed on-site and/or off-site. In addition, special event liquor licenses and other permits may be obtained for activities within the Project from time to time. Special event liquor licenses for events held within Common Area or for events which utilize Common Area are subject to the approval of the Board;
the Board shall have sole and absolute discretion to determine whether to grant approval of any request. By acceptance of a deed to a Lot, each Owner agrees not to contest any application for a liquor license to be used for the sale of liquor within the Golf Club and not to object to any special event liquor licenses applied for or issued from time to time.

4.19 MINERAL EXPLORATION: No Lot shall be used to explore for or to remove any oil, hydrocarbons or minerals of any kind without the approval of the Board and only if permitted by local ordinances.

4.20 OBLIGATIONS TO ADJACENT LANDOWNERS: This Section is intended to assure that the owners of the Foley Property involved in what are legal farming and ranching activities in the area in which the Project is located are held harmless and financially protected from claims by Declarant and its Invitees, the Club Owner and its Invitees, the Association and its Invitees, and the Owners and their Invitees which arise from such legal farming and ranching activities on the Foley Property or which arise from actions which are initiated within the Subject Property, the Additional Property, or the Golf Club. For purposes of this Section 4.20 only, the Subject Property, the Additional Property, and the Golf Club are all collectively referred to as the "Project". The Association, its Invitees, the Owners and their Invitees are collectively referred to as "Homeowners".

4.20.1 Hold Harmless By Developer: The Club Owner and all of the Club Owner's respective assignees, transferees and heirs and Declarant, to the extent that Declarant owns some portion of the Subject Property or the Additional Property, (collectively referred to in this Section 4.20 as "Developer") shall hold the owners of the Foley Property and their assignees, transferees and heirs (collectively "Landowners") harmless from any and all claims described in Section 4.20.2.

4.20.2 Indemnity by Developer: Developer shall be solely responsible for and shall indemnify, protect, defend and hold harmless Landowners and their agents, employees and representatives (collectively referred to as "Indemnitees") from and against the following:

(a) any and all costs, claims or liabilities arising from (i) the trespass by Developer or Homeowners onto the Foley Property, (ii) the trespass of any third party onto the Foley Property, as long as the entry onto the Foley Property was made from the Project, or (iii) any claim by Developer or Homeowners that the lawful conduct of Indemnitees' legal, ordinary and normal farming and ranching practices on the Foley Property constitutes a nuisance or is otherwise unlawful;

(b) any and all costs, expenses, demands and liability incurred by Indemnitees if Indemnitees become or are made a party to any claim or action described in (a)(i), (a)(ii), or (a)(iii) if such claim or action: (i) is instituted by any third

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party against Indemnites so long as such claim or action is asserted by Developer or Homeowners, (ii) otherwise arises out of or results from any act or transaction of Developer or Homeowners, or (iii) is necessary to protect Indemnites' interest under this indemnification in a bankruptcy proceeding, or other proceeding under Title 11 of the United States Code, as amended, which bankruptcy and proceeding affects Developer;

(c) any and all claims, costs, penalties, fines, losses, liabilities, attorneys' fees, damages, injuries, causes of action, judgments, and expenses incurred by Indemnites and which arise during or after the term of Developer's or Homeowners' ownership of the Project or residence as a result of Developer's or Homeowners' receipt, handling, use, storage, accumulation, transportation, generation, spillage, migration, discharge, release or disposal of chemicals, sprays, machinery or animals in, upon or about the Project or by Developer's or Homeowners' agents, employees, contractors, licensees or invitees. This indemnification of the Indemnites by Developer includes, without limitation, any and all costs incurred in connection with any legally required investigation of conditions and any cleanup, remediation, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Homeowners' actions in or on the soil, subsoils, groundwater or elsewhere in, on, under or about the Project as a result of actions by Developer or Homeowners during the term of this development. This indemnity is not intended to modify the County of Alameda's Right to Farm Ordinance.

(d) This indemnification by Developer under this Section 4.20.2 shall survive the term of the development. While this indemnification shall not include payment of judgments for intentional tortious acts by Indemnites, Developer shall have the duty to defend any claim coming within this Section even if a claim of an intentional tortious act by Indemnites is coupled with a claim subject to indemnity under this Section 4.20.

4.20.3 Attorney Fees and Defense: Developer shall defend Landowners against any claim or action described above at Developer's expense, with counsel reasonably acceptable to Landowners, which consent to counsel shall not be unreasonably withheld; or, Developer shall reimburse Landowners for any legal fees or costs incurred by Landowners in any such claim or action which shall be due and payable within thirty (30) days of Landowners' written demand.

4.20.4 Liability Insurance: During the term of the Project, Developer shall maintain a policy of comprehensive liability insurance, including coverage of contractual liability, at Developer's expense, naming Landowners, their officers, directors, employees, agents, assignees, transferees, and heirs as insured parties against any and all claims described in Section 4.20.2, above. The initial amount of such insurance shall be at least Five Million Dollars ($5,000,000), comprised of a primary policy of at least One Million Dollars ($1,000,000) and an umbrella
policy for the remaining amount, which shall be subject to periodic increase in One Million Dollar ($1,000,000) increments, based on the increase in the Consumer Price Index for All Urban Consumers for the San Francisco-San Jose Area, 1982-1984=100 issued by the United States Department of Labor, Bureau of Labor Statistics (CPI). At such time as the increase in the CPI over the first policy year would require an increase of Five Hundred Thousand Dollars ($500,000), the amount of coverage shall be increased by One Million Dollars ($1,000,000). However, the amount of such insurance shall not limit Developer's liability nor relieve Developer of any obligation under these provisions. The policy shall contain cross-liability endorsements, if applicable, and shall insure Developer's performance of the indemnity provisions of Section 4.20.2. Developer may, at Developer's expense, maintain such other liability insurance as Developer deems necessary to protect Developer.

4.20.5 Payment of Premiums; Evidence and Cancellation of Developer Insurance Policies: Developer shall pay all premiums for the insurance policies as described in Section 4.20.4 within fifteen (15) days after receipt by Developer of a copy of the premium statement or other evidence of the amount due. Developer shall provide Landowners with proof of insurance for each policy period. The insurance policy shall provide that the Landowners shall receive at least thirty (30) days notice prior to cancellation of coverage and Developer shall not cancel the policy without providing Landowners written notice within a minimum of thirty (30) days prior to any cancellation. All insurance shall be maintained with companies holding a "General Policyholder's Rating" of A-VI or better, as set forth in the current issue of "Best Insurance Guide."

4.20.6 Waiver of Subrogation: Landowners and Developer each hereby waive any and all rights of recovery against the other, or against the officers, employees, agents or representatives of the other, for loss of or damage to their property or the property of others under their control if such loss or damage is covered by the insurance policy in force at the time of such loss or damage. Upon obtaining the policies of insurance described herein, Landowners and Developer shall give notice to the insurance carrier or carriers of the foregoing mutual waiver of subrogation under these conditions.

4.21 OBLIGATIONS TO DEVELOPER: For purposes of this Section, the Club Owner and its assignees, transferees and heirs and Declarant, to the extent that Declarant owns any portion of the Subject Property or the Additional Property, are referred to collectively as "Developer". For purposes of this Section, the Association and its Invitees, and each Owner and his or her Invitees, assignees, transferees and heirs are referred to collectively as "Homeowners". For purposes of this Section, the owners of the Foley Property and their assignees and heirs are collectively referred to as "Landowners". Homeowners' aggregate liability under the provisions of Sections 4.21 through 4.21.9 shall be limited to an amount equal to the amount of the insurance

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specified in Section 4.21.4 below, and shall continue only for a term of thirty (30) years from the date of recordation of this Declaration.

4.21.1 **Hold Harmless By Homeowners:** Subject to the limits on the amount and duration of Homeowners' liability described in Section 4.21, above, Homeowners shall hold Developer harmless from any and all claims described in Section 4.21.2.

4.21.2 **Indemnity by Homeowners:** Subject to the limits on the amount and duration of Homeowners' liability described in Section 4.21, above, Homeowners shall be solely responsible for and shall indemnify, protect, defend and hold Developer harmless from and against the following, whether arising directly against Developer or as a result of the enforcement by Landowners of their rights pursuant to Section 4.20:

(a) any and all losses, costs, claims or liabilities arising from (i) the trespass by Homeowners onto the Foley Property or (ii) any claim by Homeowners that the lawful conduct of Landowners' legal, ordinary and normal farming and ranching practices on the Foley Property constitute a nuisance or is otherwise unlawful;

(b) any and all costs, expenses, demands and liability incurred by Developer if Landowners become or are made a party to any claim or action described in (a)(i) or (a)(ii) if such claim or action: (i) is instituted by any third party against Landowners so long as such claim or action is asserted by Homeowners, (ii) otherwise arises out of or results from any act or transaction of Homeowners, or (iii) is necessary to protect Developer's interest under this indemnification in a bankruptcy proceeding, or other proceeding under Title 11 of the United States Code, as amended, which bankruptcy and proceeding affects Homeowners;

(c) any and all claims, costs, penalties, fines, losses, liabilities, attorneys' fees, damages, injuries, causes of action, judgments, and expenses incurred by Landowners and which arise during or after the term of Homeowners' ownership of the Project or residence as a result of Homeowners' receipt, handling, use, storage, accumulation, transportation, generation, spillage, migration, discharge, release or disposal of chemicals, sprays, machinery or animals in, upon or about the Project or by Homeowners' agents, employees, contractors, licensees or invitees. This indemnification by Homeowners includes, without limitation, any and all costs incurred in connection with any legally required investigation of conditions and any cleanup, remediation, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Homeowners' actions in or on the soil, subsoils, groundwater or elsewhere in, on, under or about the Project as a result of actions by Homeowners during the term of this development. This indemnity is not intended to modify the County of Alameda's Right to Farm Ordinance.
(d) While this indemnification shall not include payment of judgments for intentional tortious acts by Landowners or Developer, Homeowner shall have the duty to defend any claim coming within this Section even if a claim of an intentional tortious act by Landowners or Developer is coupled with a claim subject to indemnity under this Section 4.21.

4.21.3 Attorney Fees and Defense: Subject to the limits on the amount and duration of Homeowners' liability described in Section 4.21, above, Homeowners shall defend Developer against any claim or action described in Sections 4.21.1 and 4.21.2, above, at Homeowner's expense, with counsel reasonably acceptable to Developer, which consent to counsel shall not be unreasonably withheld; or, Homeowners shall reimburse Developer for any legal fees or costs incurred by Developer in any such claim or action which shall be due and payable within thirty (30) days of Developers' written demand.

4.21.4 Liability Insurance: During the term described in Section 4.21, above, Developer shall maintain a policy of comprehensive liability insurance, including coverage of contractual liability, at Developer's expense, naming Developer, its officers, directors, employees, agents, assignees, transferees, and heirs as insured parties against any and all claims described in Section 4.21.2, above. The initial amount of such insurance shall be at least Five Million Dollars ($5,000,000), comprised of a primary policy of at least One Million Dollars ($1,000,000) and an umbrella policy for the remaining amount, which shall be subject to periodic tri-annual increase, in One Million Dollar ($1,000,000) increments. The policy shall contain cross-liability endorsements, if applicable, and shall insure Homeowners' performance of the indemnity provisions of Section 4.21.2. Homeowners may, at Homeowners' expense, maintain such other liability insurance as Homeowners deem necessary to protect Homeowners.

4.21.5 Payment of Premiums; Evidence and Cancellation of Insurance Policies: Developer shall pay all premiums for the insurance policies as described in Section 4.21.4. The Developer shall provide Association with proof of insurance for each policy period. The insurance policy shall provide that the Association shall receive at least thirty (30) days notice prior to cancellation of coverage and the Developer shall not cancel the policy without providing Association written notice within a minimum of thirty (30) days prior to any cancellation. All insurance shall be maintained with companies holding a "General Policyholder's Rating" of A-VI or better, as set forth in the current issue of "Best Insurance Guide." Within fifteen (15) days after receipt by the Association of a copy of the premium statement or other evidence of the amount due, the Association shall reimburse Developer; provided that the maximum annual reimbursement shall be limited to the Maximum Contractual Premium (as defined below) for that year. For purposes of this Section 4.21.5, the term "Maximum Contractual Premium" shall mean the initial sum of Five Thousand Dollars ($5,000.00), increased each year at the rate of seven percent (7%) per annum.

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4.21.6 Waiver of Subrogation: During the term described in Section 4.21, Developer and Homeowners each hereby waive any and all rights of recovery against the other, or against the officers, employees, agents or representatives of the other, for loss of or damage to their property or the property of others under their control if such loss or damage is covered by the insurance policy in force at the time of such loss or damage. Upon obtaining the policies of insurance described herein, Developer and the Association shall give notice to the insurance carrier or carriers of the foregoing mutual waiver of subrogation under these conditions.

4.21.7 Release of an Owner: The Owners of each Lot in the Project (excluding Declarant) may purchase a complete release of personal liability and a complete release of liability attached to their Lot under the provisions of this Section upon payment to the Association, in cash, of an amount equal to the then face amount of the liability policy required by Section 4.21.4 divided by 850 ("Liability Release Price"). Upon payment of the Liability Release Price, all personal liability that the Owners of the Lot may have under this Section 4.21 shall immediately terminate and they and their Lot shall not be liable for any portion of a Regular or Special Assessment levied as a result of the provisions of this Section 4.21, except for their proportionate share of the premium for the insurance required to be carried in Section 4.21.4.

4.21.8 Liability Release Account: All amounts paid to the Association pursuant to Section 4.21.7 shall be retained by the Association in a separate bank account entitled "Liability Release Account". No funds in the Liability Release Account, or any interest earned thereon, shall be used for any purpose other than to discharge liabilities incurred pursuant to this Section 4.21. Notwithstanding Sections 6.2 and 6.3 or any other provisions in this Declaration to the contrary, any cost or expenses paid by the Association to discharge liabilities incurred pursuant to this Section 4.21 shall be allocated to the Owners as follows:

(a) The Association shall draw against the Liability Release Account to pay a proportionate share of the costs or expenses which shall be determined by a fraction, the numerator of which is the total number of Owners who have paid the Liability Release Price, and the denominator of which is 850.

(b) The balance of the costs and expenses shall be allocated equally among the Lots whose Owners have not paid the Liability Release Price as Regular or Special Assessments.

4.21.9 Distribution of Liability Release Account: From and after the fortieth (40th) anniversary of the recordation of this Declaration, funds on deposit in the "Liability Release Account" shall be distributed equally to the Owners of those Lots for which the Liability Release Price has been paid, except to the
extent such funds remain encumbered by claims or charges arising under Sections 4.20 through 4.21.8, inclusive.

4.22 OWNERSHIP OF PROPERTY NEAR A GOLF COURSE: By acceptance of a deed to a Lot, each Owner acknowledges and agrees that owning property adjacent to a golf course has benefits as well as detriments and that the detriments include (a) the risk of damage to property or injury to persons and animals from golf balls which are hit onto an Owner's Lot or other portion of the Project utilized by the Owner, (b) the entry by golfers onto Owner's Lot or other portions of the Project utilized by the Owner to retrieve golf balls, (c) overspray in connection with the watering of the roughs, fairways and greens on the golf course, (d) noise from golf course maintenance and operation equipment (including, without limitation, irrigation systems, compressors, blowers, mulchers, tractors, utility vehicles and pumps, all of which may be operated at all times of the day and night and/or continuously), (e) odors arising from irrigation and fertilization of the turf situated on the golf course, (f) disturbance and loss of privacy resulting from golf car traffic and golfers and (g) noise, vehicular and pedestrian traffic, congestion and loss of privacy as a result of tournaments held on the golf course. Additionally, each Owner acknowledges that pesticides and chemicals may be applied to the golf course throughout the year and that reclaimed water, treated waste water or other sources of non-potable water may be used for irrigation of the golf course. Each Owner expressly assumes such detriments and risks and agrees that neither Declarant, the owner or manager of the golf course, nor any of their successors or assigns shall be liable to the Owner or anyone claiming any loss or damage, including, without limitation, indirect, special or consequential loss or damage arising from personal injury, destruction of property, trespass or any other alleged wrong or entitlement to remedy based upon, due to, arising from or otherwise related to the proximity of the Owner's Lot or Residence to the golf course, including, without limitation, any claim arising in whole or in part from the negligence of Declarant, the manager or owner of the golf course, or their successors or assigns. Each Owner hereby agrees to indemnify and hold harmless Declarant and the Club Owner, manager of the golf course, and their respective successors and assigns, against any and all such claims by Owner's Invitees.

By acceptance of a deed to a Lot, each Owner specifically covenants and agrees that he or she will specifically disclose the existence and contents of this Section 4.22 to his or her subsequent transferees.

4.23 PARKING: Vehicles shall not be parked anywhere in the Project except in areas designed and established for the parking of passenger motor vehicles ("Parking Areas") or wholly within garages. Parking is permitted on streets within designated areas only, except that there shall be no parking at any time on any cul-de-sac in the Project which has a radius of less than forty-two (42) feet and no parking within areas posted as "No Parking". All Parking Areas shall be used solely for the parking of motor
vehicles used for personal transportation. No boat, trailer, camper, commercial vehicle, mobile home, recreational vehicle or any inoperable vehicle shall be parked or stored in any Parking Area. Recreational vehicles or trailer-hauled boats may not be parked within the Project except entirely within a recreational vehicle parking area designated and maintained by the Association. Unless otherwise provided for in the Rules, garage doors shall remain closed, except when a vehicle is entering or leaving the garage. Garages shall be kept sufficiently clear so as to permit parking of the number of vehicles for which the garage was designed. A recreational vehicle or trailer-hauled boat may be parked within a garage only if there is additional space after parking all vehicles belonging to residents of that Lot in the garage. With the exception of garages, no part of the Common Area or any driveway on any Lot shall be used for repair, construction or reconstruction of any vehicle. No resident in the Project shall park in any Parking Area designated as "guest parking". As long as applicable ordinances and laws are observed, including the requirements of Section 22658.2 of the California Vehicle Code, any vehicle which is in violation of this Declaration may be removed. In addition, parking restrictions may be added or removed for temporary periods at the discretion of the Board to accommodate the planned activities of individual Owners. If the provisions of this Declaration regarding boats, trailers, campers, commercial vehicles, mobile homes, or recreational vehicles are ever amended to be less restrictive than the applicable City Zoning Ordinance, the Ordinance shall prevail over those provisions of this Declaration.

4.24 REIMBURSEMENT FOR COSTS OF PARTY FENCES: If a Lot adjoins a Lot owned by Declarant, after obtaining approval pursuant to Article XI, the Owner may construct a fence ("Party Fence") along or on the common boundary line between his or her Lot ("First Lot") and the Lot owned by Declarant ("Second Lot"). The Owner who purchases the Second Lot from Declarant shall reimburse the Owner of the First Lot for one-half (½) of the labor and materials costs of constructing the Party Fence. The Owner of the First Lot shall clearly document the labor and materials costs of the Party Fence and shall segregate the Party Fence construction costs from all other costs incurred by the Owner of the First Lot. All documentation regarding the construction costs of the Party Fence shall be made available to the Owner of the Second Lot for inspection, verification and copying. If the Second Owner and the First Owner cannot come to a mutually satisfactory agreement for payment, the matter shall be submitted to non-binding Judicial Arbitration in accordance with Rules 1600 through 1617 of the California Rules of Court.

4.25 RENTAL OF LOTS: Unless an Owner is prohibited from leasing or renting his or her Lot by the terms of another document, an Owner shall be entitled to rent or lease his or her Lot, if: (i) there is a written rental or lease agreement specifying that the tenant shall be subject to all provisions of the Project Documents and a failure to comply with any provision of the Project Documents shall constitute a default under the agreement; (ii) the
period of the rental or lease is not less than six (6) months; (iii) the Owner gives notice of the tenancy to the Board and has otherwise complied with the terms of the Project Documents; (iv) the Owner gives each tenant a copy of the Project Documents and (v) the Lot is rented to not more than one (1) family at anytime. Upon satisfaction of the foregoing conditions all rights to the use and enjoyment of the Common Area shall be exercised by the tenant rather than by the Owner of the leased or rented Lot; however, the Owner shall not be relieved of the obligations and duties imposed by this Declaration.

4.26 RIGHT TO FARM: Each Owner, by acceptance of a deed to a Lot, covenants and agrees to abide by and be bound by the provisions of the "Right to Farm" Ordinance (Alameda County Ordinance No. 0-89-73), a copy of which is attached hereto as Exhibit "C". Each Owner, by acceptance of a deed to a Lot, further covenants and agrees to abide by and be bound by any subsequently adopted amendments or modifications of the Ordinance made by the County from time to time. Notwithstanding the preceding sentence, if the City adopts a Right-to-Farm Ordinance that is the same as the County's Ordinance, then each Owner, by acceptance of a deed to a Lot, further covenants and agrees to abide by and be bound by the City's Ordinance and any subsequently adopted amendments or modifications of the Ordinance made by the City from time to time. If the City of Pleasanton adopts a Right-to-Farm Ordinance that is not the same as the County's Ordinance, then each Owner shall be bound by both the City's Ordinance (and any subsequently adopted amendments or modifications of the Ordinance made by the City from time to time) and the County's Ordinance (and any subsequently adopted amendments or modifications of the Ordinance made by the County from time to time) and, in the event of a conflict between the two Ordinances, the more restrictive provision shall apply.

4.27 RULES: The Board may promulgate rules concerning the use of the Project by Owners and their guests. The Board shall have the right to limit the number of an Owner's guests that may use any recreational facilities. Neither an Owner nor its Invitees shall violate any provision of this Declaration, the Bylaws or the Rules as the same may be amended from time to time.

4.28 SIGNS: All signs displayed in the Project shall be attractive and compatible with the design of the Project and shall comply with all applicable local ordinances. The only signs of any kind which may be displayed to the public view on or from any Lot or the Common Area shall be as follows:

4.28.1 Approved By Board: Other signs, posters and notices approved by the Board or specified in the Rules or in this Declaration may be posted in locations designated by the Board;

4.28.2 Declarant: Signs may be displayed by Declarant on Common Area, unsold Lots or Residences, as Declarant deems appropriate, advertising Lots and/or Residences owned by Declarant for sale or rent;
4.28.3 Golf Club Crossing Signs: Appropriate signs may be displayed by the Club Owner to identify, warn and otherwise control crossings of streets and roads within the Project by golf cars and pedestrian golfers;

4.28.4 Golf Club Identification: Permanent and temporary signs may be displayed by the Club Owner to identify the Golf Club and provide appropriate directions to the Golf Club and/or golf course for motorists and pedestrians;

4.28.5 Golf Course Boundaries: Permanent and temporary markers may be displayed by the Club Owner to identify the boundaries of the golf course;

4.28.6 Legal Proceedings: Signs required by legal proceedings may be displayed;

4.28.7 Project Identification: Appropriate signs may be displayed by the Association to identify the Project;

4.28.8 Sale or Rent: One (1) sign which conforms to the signage program standards set forth in the Rules or the Architectural Design Guidelines may be placed on a Lot advertising the Lot for sale or rent; and

4.28.9 Traffic Signs: Appropriate signs may be displayed by the Association to regulate and control vehicular, pedestrian, and other traffic within the Project.

4.29 STORAGE OF WASTE MATERIALS: All garbage, trash and accumulated waste material shall be placed in appropriate covered trash containers, which may be placed on Common Area or where visible only on the night before and the day that pick-up is to occur.

4.30 TRAFFIC REGULATIONS: The Association may promulgate, administer and enforce reasonable rules and regulations governing vehicular and pedestrian traffic, including reasonable safety measures and speed limits; provided however that the Association may not regulate, beyond that which is necessary for safety reasons, or prohibit golf car access to streets within the Project. Vehicular and pedestrian traffic includes but is not limited to motor vehicles, trailers, golf cars, bicycles, skateboards and roller skates. The Association shall be entitled to enforce such provisions by establishing such enforcement procedures as it deems appropriate, including levying fines for the violation thereof, as long as such procedures are consistent with the Project Documents. Only drivers licensed to operate motor vehicles shall operate any type of motor vehicle within the Project. All vehicles of any kind which are operated within the Project shall be operated in a careful, prudent, safe and quiet manner and with due consideration for the rights of all Owners and their Invitees and the Golf Club, the Club Owner and its Invitees.
4.31 USE AND OCCUPANCY OF RESIDENCES: Each Lot shall be used solely for residential purposes. No Residence shall be permanently occupied by any more than two (2) persons per bedroom. No Owner may permit or cause anything to be done or kept upon, in or about his or her Lot which might obstruct or interfere with the rights of other Owners or which would be noxious, harmful or unreasonably offensive to other Owners. Each Owner shall comply with all of the requirements of all federal, state and local governmental authorities, and all laws, ordinances, rules and regulations applicable to his or her Lot.

4.32 USE OF COMMON AREA: All use of Common Area is subject to the Rules. All persons residing within the Project may enjoy the use of all facilities in the Common Area as long as they abide by the terms of the Project Documents. There shall be no obstruction of any part of the Common Area. Nothing shall be stored or kept in the Common Area without the prior consent of the Board. Nothing shall be done or kept in the Common Area which will increase the rate of insurance on the Common Area without the prior consent of the Board. No Owner shall permit anything to be physically done or kept in the Common Area or any other part of the Project which might result in the cancellation of insurance on any part of the Common Area, which would interfere with rights of other Owners, or which would be a nuisance, noxious, harmful or unreasonably offensive to other Owners. No waste shall be committed in the Common Area.

4.32.1 Conveyance of Property by Association: An Owner, Declarant or the Club Owner who receives title to any portion of the Common Area which is transferred by the Association as a result of subsequently recorded amended final maps, certificates of correction, lot line adjustments and/or records of survey shall take such property free and clear of any requirement that such land be devoted to use as Common Area. Upon conveyance, such land may be used for any purpose for which land adjacent to it may be used.

4.32.2 Conveyance of Property to Association: If the Association accepts title to any real property transferred by an Owner, Declarant or the Club Owner as a result of subsequently recorded amended final maps, certificates of correction, lot line adjustments and/or records of survey, the property received shall be Common Area unless the conveyancing deed specifically provides otherwise.

4.33 USES IN SURROUNDING AREAS: In addition to tournaments within the Project, areas surrounding the Project may be subject to a wide variety of uses, including but not limited to agricultural, viticultural, commercial, retail, hotel, bed and breakfast, and winery purposes. Each Owner, by acceptance of a deed to a Lot, expressly waives for himself or herself and his or her successors in interest and assigns any and all claims against owners of land adjacent to the Project, including Declarant and all of its general and limited partners, and their successors in interest and assigns which arise from landowners' business uses of

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their lands as long as such uses are legal and are customarily considered ordinary and normal within the scope of the business use.

4.34 WELLS AND SEPTIC TANKS: Except as specifically permitted and approved by Declarant in connection with the conveyance of a Lot, no well for water shall be constructed or installed on any Lot. No septic tank shall be constructed or installed on any Lot. Declarant has no express or implied obligation to permit the installation of any well and approving the installation of any well or wells does not impose any express or implied obligation on Declarant to approve the installation of any other well.

4.35 WINDOW COVERINGS: No foil or other reflective materials shall be used on any windows for sunscreens, blinds, shades, or other purposes. No window-mounted heating or air-conditioning unit is permitted.
ARTICLE V
MAINTENANCE, REPAIR AND RECONSTRUCTION OF IMPROVEMENTS

5.1 MAINTENANCE OF COMMON AREA: The Association shall be responsible for the maintenance, repair, replacement, management, operation, painting and upkeep of Common Area and Improvements thereon. The Association shall keep the Common Area and Improvements thereon in good condition and repair, provide for all necessary services and cause all acts to be done which may be necessary or proper to assure the maintenance of the Common Area in first class condition. Notwithstanding the provisions of this Section or of Section 5.8, the Association shall not be obligated to continue to maintain, repair or replace any Improvement whose maintenance, repair or replacement is undertaken subsequent to the recording of this Declaration by any Landscaping and Lighting District, Community Service Area, Geological Hazard Abatement District, or other district, governmental or quasi-governmental entity or utility company.

5.1.1 Streets and Street Lighting: All streets and street lighting within the Project shall be private and, as Common Area Improvements, shall be operated, maintained, repaired and replaced, as necessary, by the Association. The identification from time to time of some individual components of Common Area Improvements in this Declaration is the result of requirements imposed by the City and/or County and shall not be construed as limiting the type, nature or extent of other Common Area Improvements within the Project.

5.1.2 Tiger Salamander Habitat: The Association shall maintain those areas that constitute the Salamander Habitat in accordance with the Salamander Habitat Mitigation Plan on file with and approved by the City. The Association shall endeavor to prevent individual Owners from taking any actions that would be detrimental to such mitigation and management plan. The Board can delegate this responsibility to another organization if (i) the organization accepts the such responsibilities for environmental protection or education purposes and (ii) the organization is approved by the City.

5.1.3 Landscape Strip: Parcel V as shown on the Map is a landscaped area adjacent to portions of the perimeter boundary of the Project ("Landscape Strip"). Each portion of the Landscape Strip shall be maintained by the Owner of the land underlying the Landscape Strip (or the Association in the case of Common Area) as a "buffer zone". Permanent structures are prohibited within the Landscape Strip. Within that portion of the Landscape Strip adjacent to the Foley Property, attractive and full landscaping with native trees and shrubbery shall be maintained, trees shall be maintained at a height of at least fifteen (15) feet (once they have grown that tall), and no trespassing signs shall be posted and maintained at frequent intervals to prevent the Landscape Strip from being used for recreational or other purposes.

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5.1.4 **Slope Control**: The Association shall inspect all slopes and related facilities on Common Area at least once annually prior to October 1 of each year and shall repair any mass soil movement or erosion in a timely manner.

5.1.5 **Street Sweeping**: The Association shall sweep all streets within the Project on a regular schedule to minimize trash, oil, grease, and other toxic urban runoff to watercourses.

5.1.6 **Riparian Areas**: The Association shall maintain those areas outside of the Golf Club that constitute Riparian Areas in accordance with the Riparian Area Protection Plan on file with and approved by the City.

5.1.7 **Fuel Management and Wildfire Protection Plan**: The Association shall maintain those areas which constitute Fire Buffer Areas in accordance with the Ruby Hill Fuel Management and Wildfire Protection Plan on file with and approved by the City.

5.1.8 **Bat Habitat**: The Association shall maintain those areas which constitute Bat Habitats in accordance with the Ruby Hill Bat Survey on file with and approved by the City.

5.1.9 **Trees**: The Association shall maintain the trees on the Common Areas in accordance with the Preliminary Tree Report for Ruby Hill on file with and approved by the City.

5.1.10 **Sports Park**: Once constructed or installed on Common Area, the Association shall maintain the following Improvements: recreation building, sand volleyball courts, swimming pool, tennis court(s), baseball and/or soccer field(s) and play areas and equipment for children.

5.1.11 **Sewer Lift Station**: Once constructed or installed on Common Area, the Association shall operate, maintain, repair and replace the sewer lift station.

5.2 **ALTERATIONS TO COMMON AREA**:

5.2.1 **Approval**: Only the Association or Declarant shall construct, reconstruct, refinish or alter any improvement situated upon the Common Area. A proposal for any construction or alteration, maintenance or repair to an Improvement may be made at any meeting. A proposal may be adopted by the Board, subject to the limitations contained in the Bylaws.

5.2.2 **Funding**: Expenditures for maintenance, repair or replacement of an existing capital Improvement for which reserves have been collected may be made from the Reserve Account. Subject to the limitations set forth in Section 6.5.2, the Board may levy a Special Assessment to fund any construction, alteration, repair or maintenance of an Improvement for which no reserve has been collected or to alter existing Improvements.

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5.3 MAINTENANCE OF VILLAGE MAINTAINED AREA: The Association shall maintain, repair, replace, manage, operate, paint and care for all Village Maintained Area, which shall be maintained to the same standards as Common Area, unless a Village Declaration covering the Village Maintained Area specifies otherwise.

5.4 ALTERATIONS TO VILLAGE MAINTAINED AREA:

5.4.1 Approval: Only the Association or Declarant shall construct, reconstruct, refinish or alter any improvement situated upon Village Maintained Area. A proposal for any construction of or alteration, maintenance or repair to an Improvement may be made at any meeting. A proposal may be adopted by the Board, subject to the limitations contained in the Bylaws. In the case of Village Maintained Area, the limitations in the Bylaws shall be deemed to refer only to Members who own Lots in the Village responsible for that Village Maintained Area.

5.4.2 Funding: Expenditures for maintenance, repair or replacement of an existing capital Improvement for which reserves have been collected may be made from the Reserve Account. The Board may levy a Special Assessment to fund any construction, alteration, repair or maintenance of an Improvement in a Village Maintained Area for which no reserve has been collected or to alter existing Improvements in a Village Maintained Area, subject to the limitations contained in the Bylaws which shall be deemed to refer only to Members who own Lots in the Village responsible for that Village Maintained Area.

5.5 MAINTENANCE OF LOTS AND RESIDENCES: Except as otherwise specifically provided in this Declaration, each Owner shall maintain and care for his or her Lot, Residence, and all other Improvements located in or on his or her Lot in a manner consistent with the standards established by the Project Documents and other well maintained residential areas in the vicinity of the Project. Special architectural design standards may be established in the Rules. Each Owner shall regularly clear all storm drainage inlets and maintain the capacity and flow of all storm drainage Improvements and drainage swales situated on the Owner's Lot. The finished ground surface of each Lot shall be maintained to slope away from all structures at a minimum five percent (5%) grade for at least five (5) feet or to a drainage swale located at least two and one-half (2½) feet from all structures. Landscaping may not be installed in any manner which interferes with the storm drainage improvements or which traps or ponds water adjacent to a Residence. Any Lot upon which a Residence has not yet been constructed shall be maintained by the Owner of the Lot in accordance with the Rules adopted by the Association for maintenance of vacant, improved Lots. The Association shall maintain, repair and replace sidewalk pavements on all Lots. If the pavement is damaged by the Owner of the Lot or his or her Invitees, the Association shall repair it at the expense of the Lot Owner. The Association shall maintain, repair and replace all exterior light fixtures and bulbs connected to the Association's electric service; provided, however, each Owner shall replace any inoperable light bulb in any such light.
fixture located on that Owner's Lot within eight (8) feet of ground level.

5.6 ALTERATIONS TO LOTS AND RESIDENCES: Owners may alter or remodel the interiors of their Residences, if the alterations do not impair the structural integrity of the Residence and if the Owner complies with all laws and ordinances regarding alterations and remodeling. Any proposals for alterations, additions or other improvements on Lots or to the exteriors of Residences shall be made in accordance with the provisions of Article XI.

5.7 MAINTENANCE AND REPAIR OF FENCES:

5.7.1 Fences Adjacent to Golf Club: All fences situated on the common boundary of a Lot and the Golf Club shall be maintained by the Owner of the Lot at the sole cost and expense of the Owner. All fences situated on the common boundary of Common Area and the Golf Club shall be maintained by the Association at the sole cost and expense of the Association.

5.7.2 Party Fences: The Owners of a Party Fence shall be responsible for maintaining, repairing and replacing it. The costs of such maintenance, repair and/or replacement shall be shared equally by the Owners; provided, however, that all costs of any maintenance, repair or replacement necessitated by the negligent or willful action of an Owner shall be borne by that Owner. In the absence of negligent or willful conduct, any necessary maintenance, repair or replacement performed by an Owner shall entitle that Owner to a right of contribution from the other Owners of the Party Fence. The right of contribution shall be appurtenant to the Lot and shall pass to the successor(s) in interest of the Owner entitled to contribution.

5.7.3 Fences Separating Common Area and Lots: Unless a Village Declaration provides otherwise, each fence which separates a Lot from Common Area shall be maintained, repaired and replaced by the Association; provided however, if the side of the fence which faces a Lot is inaccessible by the Association, the Owner of the Lot shall maintain that fence surface. Maintenance shall include refinishing the exterior surface of the fence if that surface was previously finished with paint or stain.

5.8 LANDSCAPING: All landscaping in the Project shall be maintained and cared for in a manner consistent with the standards of design and quality as originally established by Declarant and in a condition comparable to that of other well maintained residential areas in the vicinity of the Project. All landscaping shall be maintained in a neat and orderly condition. Any weeds or diseased or dead lawn, trees, ground cover or shrubbery shall be removed and replaced. All lawn areas shall be neatly mowed and trees and shrubs shall be neatly trimmed. Other specific restrictions on landscaping may be established in the Rules.

5.8.1 Association: The Association shall be responsible for all landscaping located on Common Area. The 5.4 03/01/94
Association shall also irrigate, maintain and replace landscaping located within any public right-of-way described in a Declaration of Annexation.

5.8.2 Owners: Each Owner shall be responsible for all landscaping located within that Owner's Lot. If landscaping within Lots is not installed by Declarant, each Owner shall install permanent landscaping within his or her Lot prior to obtaining the occupancy permit, unless the time period is lengthened in the Architectural Design Guidelines. Each Owner shall install and maintain landscaping and any necessary engineering measures to maintain slope stability in order to prevent mass soil movement and erosion. Any mass soil movement or erosion which occurs on a Lot shall be promptly repaired by the Owner of the Lot. Unless the responsibility is assumed by the Association, each Owner shall also maintain the landscaping and street trees(s) within the right of way between the back of the nearest street curb and the Owner's Lot line. Maintenance of street trees shall include pruning as appropriate.

5.9 RIGHT OF MAINTENANCE AND ENTRY:

5.9.1 By Association: If an Owner fails to perform maintenance and/or repair which that Owner is obligated to perform pursuant to this Declaration, and if the Association determines, after Notice and Hearing given pursuant to the provisions of the Bylaws, that such maintenance and/or repair is necessary to preserve the attractiveness, quality, nature and/or value of the Project, the Association may cause such maintenance and/or repair to be performed. The costs of such maintenance and/or repair shall be charged to the Owner of the Lot as a Reimbursement Assessment. In order to effectuate the provisions of this Declaration, the Association may enter any Lot whenever entry is necessary in connection with the performance of any maintenance or construction which the Association is authorized to undertake. Entry within a Lot shall be made with as little inconvenience to an Owner as practicable and only after reasonable advance written notice of not less than forty-eight (48) hours, except in emergency situations.

5.9.2 By Golf Club: If either the Association or an Owner ("defaulting party") fails to maintain any landscaping or fencing situated adjacent to the Golf Club and within twenty (20) feet of any portion of the golf course, the Club Owner shall have the right, but not the duty, to maintain the landscaping or fencing at the sole cost and expense of the defaulting party. If the Club Owner desires to perform any such maintenance authorized by the preceding sentence, the Club Owner shall first notify the defaulting party in writing and provide the defaulting party with at least thirty (30) days from the date of the notice to perform such maintenance. If the defaulting party fails to commence and complete such maintenance within said thirty (30) day period, the Club Owner shall have the right to enter the Lot or Common Area on which the maintenance is required during reasonable business hours and perform such maintenance. Written notice of the costs incurred by the Club Owner in performing such maintenance and/or repair
shall be given to the defaulting party who shall have ten (10) days to reimburse the Club Owner in full. The Club Owner shall have the right to deduct any charges which remain unpaid for longer than thirty (30) days from its obligation to the Association described in Section 6.2.2(b)(i) of this Declaration. The Association may then assess any such charges which are attributable to a specific Owner against that Owner and the Owner's Lot as a Reimbursement Assessment.

5.10 DAMAGE AND DESTRUCTION: The term "restore" shall mean repairing, rebuilding or reconstructing a damaged Common Area Improvement to substantially the same condition and appearance in which it existed prior to fire or other casualty damage. If fire or other casualty damage extends to any Common Area which is so insured, the Association shall proceed with the filing and adjustment of all claims arising under the existing insurance policies. The insurance proceeds shall be paid to and held by the Association.

5.10.1 Bids: Whenever restoration is to be performed pursuant to this Section, the Board shall obtain such bids from responsible licensed contractors to restore the damaged Common Area as the Board deems reasonable; and the Board, on behalf of the Association, shall contract with the contractor whose bid the Board deems to be the most reasonable.

5.10.2 Sufficient Proceeds: The costs of restoration of the damaged Common Area shall be funded pursuant to the provisions and in the priority established by this Section 5.10.2. A lower priority procedure shall be utilized only if the aggregate amount of funds then available pursuant to the procedures of higher priority are insufficient to restore the damaged Common Area. The following funds and procedures shall be utilized:

1. The first priority shall be any insurance proceeds paid to the Association under existing insurance policies.

2. The second priority shall be all Reserve Account funds designated for the repair or replacement of the capital Improvement(s) which has been damaged.

3. The third priority shall be funds raised by a Special Assessment against all Owners levied by the Board up to the maximum amount permitted without the approval of the Members in accordance with the limitations set forth in Section 6.5.2.

4. The fourth priority shall be any funds raised by a Special Assessment against Owners levied by the Board pursuant to a vote of the Members pursuant to Section 5.10.3.

5.10.3 Additional Special Assessment: If the total funds available to restore the damaged Common Area pursuant to the first three priorities described in Section 5.10.2 is insufficient to restore the damaged Common Area, then a special meeting of the Members shall be called for the purpose of voting whether to impose
an additional Special Assessment and deciding upon the amount thereof. The Board shall then contract for the restoration of the damaged Common Area as described above, making use of whatever funds are then available to it.

5.10.4 Village Maintained Area: If the damaged Improvement is situated within a Village Maintained Area, all provisions of Sections 5.10.1, 5.10.2 and 5.10.3 which refer to Members or Owners shall be deemed to refer only to Members or Owners who own Lots in the Village responsible for that Village Maintained Area.

5.11 DAMAGE OR DESTRUCTION TO RESIDENCES AND/OR LOTS: If all or any portion of a Lot or Residence is damaged by fire or other casualty, the Owner shall immediately perform whatever work is necessary for the Lot to be clean and safe. Thereafter, the Owner shall either (i) restore the damaged Improvements or (ii) remove all damaged Improvements, including foundations, and maintain the Lot in a clean and safe condition. Any restoration under (i) preceding must be performed so that the Improvements are in substantially the same condition in which they existed prior to the damage, unless the provisions of Article XI are complied with by the Owner. The Owner must commence such work within six (6) months after the damage occurs and must complete the work within one (1) year thereafter.

5.12 CONDEMNATION OF COMMON AREA: If all or any portion of the Common Area is taken for any public or quasi-public use under any statute, by right of eminent domain or by purchase in lieu of eminent domain, the entire award shall be deposited into the Current Operation Account until distributed. The Association shall distribute such funds proportionately to all Owners as their interests appear according to the respective fair market values of their Lots at the time of condemnation, as determined by an independent appraisal made by an independent real estate appraiser with a Member of the Appraisal Institute Certificate or the equivalent, as selected by the Board. The Association shall represent the interests of all Owners.
ARTICLE VI
FUNDS AND ASSESSMENTS

6.1 COVENANTS TO PAY: Declarant and each Owner covenant and agree to pay to the Association the assessments and any Additional Charges levied pursuant to this Article VI.

6.1.1 Liability for Payment: The obligation to pay assessments shall run with the land so that each successive record Owner of a Lot shall in turn become liable to pay all such assessments. No Owner may waive or otherwise escape personal liability for assessments or release the Lot owned by the Owner from the liens and charges hereof by non-use of the Common Area, abandonment of the Lot or any other attempt to renounce rights in the Common Area or the facilities or services within the Project. Each assessment shall constitute a separate assessment and shall also be a separate, distinct and personal obligation of the Owner of the Lot at the time when the assessment was levied and shall bind the Owner’s heirs, devisees, personal representatives and assigns. Any assessment not paid when due is delinquent. The personal obligation of an Owner for delinquent assessments shall not pass to a successive Owner unless the personal obligation is expressly assumed by the successive Owner. No such assumption of personal liability by a successor Owner (including a contract purchaser under an installment land contract) shall relieve any Owner from personal liability for delinquent assessments. After an Owner transfers fee title of record to his or her Lot, the transferring Owner shall not be liable for any charge thereafter levied against the Lot.

6.1.2 Funds Held in Trust: The assessments collected by the Association shall be held by the Association for and on behalf of each Owner and shall be used solely for the operation, care and maintenance of the Project as provided in this Declaration.

6.1.3 Offsets: No offsets against any assessment shall be permitted for any reason, including, without limitation, any claim that the Association is not properly discharging its duties.

6.2 REGULAR ASSESSMENTS:

6.2.1 Payment of Regular Assessments: Regular Assessments for each fiscal year shall be established when the Board approves the Budget for that fiscal year. Regular Assessments shall be levied on a fiscal year basis; however, each Owner shall be entitled to pay the Regular Assessment in twelve (12) equal monthly installments, one installment payable on the first day of each calendar month during the fiscal year, as long as the Owner is not delinquent in the payment of any monthly installment. If an Owner fails to pay any monthly installment by the fifteenth (15th) day of the month, that Owner’s right to continue to pay the Regular Assessment in monthly installments shall immediately terminate for that fiscal year. Regular

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Assessments shall commence for all Lots in each Phase on the first day of the first month following the month in which the first Lot in that Phase is conveyed to an Owner and may commence prior to that date at the option of Declarant.

6.2.2 Allocation of Regular Assessments: The total amount of the Association's anticipated revenue attributable to Regular Assessments as reflected in the Budget(s) for that fiscal year shall be allocated as provided in this Section.

(a) Village Budget(s): The total amount of the Association's anticipated revenue attributable to Regular Assessments as reflected in a Village Budget shall be allocated equally among all Lots in that Village. After a new Phase has been annexed which increases the number of Lots annexed to a specific Village, the Village Maintained Area Costs, as that term is defined in Section 6.7.1(a), below, shall be reallocated equally among all Lots in that Village, including those in the annexed Additional Property. For the first fiscal year of each Village, the Village Budget shall be substantially based upon the operating budget accepted by the Department of Real Estate of the State of California. After a new Phase has been annexed which increases the number of Lots annexed to a specific Village, the Board shall approve a Village Budget, which is substantially based upon the operating Budget accepted by the Department of Real Estate of the State of California in connection with the Public Report for that Phase, for the remainder of the current fiscal year for use upon the commencement of Regular Assessments against Lots in the new Phase.

(b) Project Budget:

(i) Portion Paid By Club Owner: A fractional share of all of the operating and reserve costs for the entire Project excluding all Village Maintained Area Costs set forth in all Village Budgets shall be assessed to the Club Owner. The numerator of the fraction shall be two hundred fifty six (256) and the denominator of the fraction shall be nine thousand two hundred thirty two (9232). This fraction is based upon a trip generation analysis prepared by TJKM Transportation Consultants, dated December 19, 1991. The fraction shall be subject to adjustment once every five (5) years on the anniversary of the commencement of assessments for the first Phase of the Project and such adjustment shall be based upon a trip generation analysis or other similar study mutually acceptable to the Association and the Club Owner. If the Association and the Club Owner cannot agree as to the type of study or the person(s) to perform it, the issues shall be resolved by arbitration.

(ii) Portion Paid By All Lots: The total amount of the Association's anticipated revenue attributable to Regular Assessments as reflected in the Project Budget for that fiscal year, less the amount described in subparagraph (i) immediately preceding, shall be allocated equally among all Lots in the Project. After annexation of each Phase, the allocation and
assessment of the Project Budget Costs, as that term is defined in Section 6.7.1(b), in the Project Budget shall be reallocated equally among all Lots in the Project, including those in the annexed Additional Property. For the first fiscal year, the Project Budget shall be substantially based upon the operating budget accepted by the Department of Real Estate of the State of California. After a new Phase has been annexed, the Board shall approve a Project Budget, which is substantially based upon the operating Budget accepted by the Department of Real Estate of the State of California in connection with the Public Report for that Phase, for the remainder of the current fiscal year for use upon the commencement of Regular Assessments against Lots in the new Phase.

6.2.3 Exemptions from Regular Assessment: Notwithstanding the provisions of Section 6.2, the Board shall exempt each Owner of a Lot which satisfies paragraph (a), below, and may exempt all Owners if paragraph (b), below, is satisfied, from the payment of a portion of the Regular Assessment levied against that Lot as described in those paragraphs.

(a) Lots: An Owner of a Lot is exempt from payment of that portion of the Regular Assessment which is allocated for defraying operating expenses and reserves directly attributable to the existence and use of any landscaping situated on his or her Lot which the Association is responsible for maintaining until the landscaping is complete.

(b) Other Common Area: Each Owner may be exempted from payment of that portion of the Regular Assessment which is allocated for defraying operating expenses and reserves directly attributable to the existence and use of a common facility (including landscaping) that is not complete at the time Regular Assessments commence until the first to occur of the following events: (i) a notice of completion of the common facility is recorded or (ii) the common facility has been placed into use.

6.2.4 Non-Waiver of Assessments: If before the expiration of any fiscal year the Association fails to fix Regular Assessments for the next fiscal year, the Regular Assessment established for the preceding year shall continue until a new Regular Assessment is fixed.

6.3 SPECIAL ASSESSMENTS: Subject to the limitations set forth in Section 6.5.2, Special Assessments may be levied in addition to Regular Assessments for (i) constructing capital Improvements, (ii) correcting an inadequacy in the Current Operation Account, (iii) defraying, in whole or in part, the cost of any construction, reconstruction, unexpected repair or replacement of Improvements in the Common Area, or (iv) paying for such other matters as the Board may deem appropriate for the Project. Special Assessments shall be levied in the same manner as Regular Assessments. Only Owners of Lots within a particular Village are subject to Special Assessments for the Village Maintained Area in that Village.

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6.4 REIMBURSEMENT ASSESSMENTS: The Association shall levy a Reimbursement Assessment against any Owner and the Owner's Lot to reimburse the Association for the costs of repairing damage caused by an Owner or an Owner's Invitee or if a failure to comply with the Project Documents has (i) necessitated an expenditure of monies, including attorneys' fees, by the Association to bring the Owner or the Owner's Lot into compliance or (ii) resulted in the imposition of a fine or penalty. A Reimbursement Assessment shall be due and payable to the Association when levied. A Reimbursement Assessment shall not be levied by the Association until Notice and Hearing has been given in accordance with the Bylaws. Notwithstanding any other provision in the Project Documents expressed or implied to the contrary, Reimbursement Assessments are assessments but they may not be enforced by any lien rights provided in this Declaration.

6.5 INCREASE LIMITATIONS: This Section 6.5 is intended to implement the limitations on increases in Regular and Special Assessments established by Section 1366 of the California Civil Code. To the extent that the limitations set forth in Section 1366 are amended or replaced, the limitations set forth in this paragraph shall be automatically amended and replaced by the new statutory limitations. Further, if the limitations set forth in Section 1366 are repealed, the provisions of this Section 6.5 shall no longer have any force or effect.

6.5.1 Limitation on Regular Assessment Increases in Excess of 20%: Without the approval of the Members obtained pursuant to Section 3.3.2 of the Bylaws, the Board shall be prohibited from levying Regular Assessments which are more than twenty percent (20%) greater than the Regular Assessments levied for the immediately preceding fiscal year.

6.5.2 5% Special Assessment Limitation: Without the approval of the Members obtained pursuant to Section 3.3.2 of the Bylaws, the Board shall be prohibited from levying Special Assessments within a single fiscal year which in the aggregate exceed five percent (5%) of the budgeted gross expenses for that fiscal year.

6.5.3 Budget Distribution Limitation: Without the approval of the Members obtained pursuant to Section 3.3.2 of the Bylaws, the Board shall be prohibited from levying a Regular Assessment which is greater than the Regular Assessment per Lot for the immediately preceding fiscal year unless the Board has distributed a Budget in compliance with Section 1365(a) of the California Civil Code. The pro forma operating Budget requirements currently established by Section 1365(a) are set forth in Section 6.7.1, below.

6.5.4 Emergency Exception: The limitations set forth in Sections 6.5.1 and 6.5.2, above, shall not apply to any Special Assessment or any increase in Regular Assessments necessary for: (i) extraordinary expenses required by an order of a court;
(ii) extraordinary expenses necessary to repair or maintain the Project or any part of it for which the Association is responsible where a threat to personal safety on the Project is discovered; (iii) extraordinary expenses necessary to repair or maintain the Project or any part of it for which the Association is responsible that could not have been reasonably foreseen by the Board when it prepared and distributed the Budget or Budget summary to the Members; or (iv) extraordinary expenses incurred in making the first payment of the earthquake insurance surcharge pursuant to Section 5003 of the California Insurance Code. Prior to the imposition or collection of an assessment pursuant to this Section, the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expenses involved and why the expense was not or could not have been reasonably foreseen in the budgeting process. The resolution shall be distributed to the Members with the notice of the increased assessment.

6.6 ACCOUNTS:

6.6.1 Types of Accounts: Assessments collected by the Association shall be deposited into at least two (2) separate accounts with a responsible financial institution, which accounts shall be clearly designated as (i) the Project Current Operation Account and (ii) the Project Reserve Account. The Association's books and financial records shall also clearly identify the following line items for each Village: (i) Village Operation Funds; and (ii) Village Reserve Funds. The Board shall deposit those portions of the assessments collected for current maintenance and operation into the Current Operation Account and shall deposit those portions of the assessments collected as reserves for replacement and deferred maintenance of major components which the Association is obligated to repair into the Reserve Account.

6.6.2 Reserve Account: Withdrawal of funds from the Reserve Account shall require the signatures of either two (2) Directors or one (1) Director and one (1) officer of the Association who is not a Director.

(a) The Association shall pay out of the Reserve Account only those costs that are attributable to the maintenance, repair or replacement of capital Improvements for which reserves have been collected and held. The Board shall not expend funds collected for the Reserve Account for any purpose other than the repair, restoration, replacement, or maintenance of, or litigation involving the repair, restoration or maintenance of, major components which the Association is obligated to repair, restore, replace, or maintain and for which the Reserve Account was established.

(b) Notwithstanding paragraph (a), above, and so long as authorized by Civil Code Section 1365.5, the Board may authorize the temporary transfer of money from the Reserve Account to the Current Operation Account to meet short-term cash-flow requirements or other expenses. The transferred funds shall be restored to the Reserve Account within three (3) years of the date.
of the initial transfer, unless the Board makes a finding supported by documentation that a delay would be in the best interests of the Project. If the Board makes such a finding, the Board may delay the restoration until the time which the Board reasonably determines is necessary. The Board shall exercise prudent fiscal management in delaying restoration of these funds and in restoring the expended funds to the Reserve Account; and if necessary, the Board shall levy a Special Assessment to recover the full amount of the expended funds within the time limits required by this Section. Any Special Assessment levied pursuant to the preceding sentence shall not be subject to the limitations imposed by Section 6.5.2.

6.6.3 **Current Operation Account:** All other costs properly payable by the Association shall be paid from the Current Operation Account.

6.7 **BUDGET, FINANCIAL STATEMENTS, REPORTS AND STUDIES:**

6.7.1 **Preparation of Operating Budget:** This Section 6.7.1 is intended to implement the pro forma operating budget requirements established by Section 1365 of the California Civil Code. To the extent that Section 1365 is amended or replaced, the provisions of this Section shall be automatically amended and replaced by the new statutory provisions. Further, if the requirements set forth in Section 1365 are repealed, the provisions of paragraph (c)(iv), below, shall no longer have any force or effect, but the remainder of this Section shall remain in full force and effect. Regardless of the number of Members or the amount of assets of the Association, each year the Board shall prepare and approve one or more pro forma operating budgets.

(a) **Village Budget(s):** One budget shall be prepared for each Village ("Village Budget") which identifies the costs of the Village Maintained Area for that Village ("Village Maintained Area Costs"), so that those Costs can be allocated as provided in Section 6.2.2(a), above. The Village Maintained Area Costs for each Village shall include all operation and reserve costs attributable to the operation, maintenance, repair and replacement, including insurance, of that Village's Village Maintained Area and Improvements thereon. As long as the administrative, legal and management costs per Village Lot do not substantially vary from Village to Village, such costs shall be included in the Project Budget, rather than in each Village Budget. If those costs vary substantially, then they shall be separated allocated to each Village and included in each Village Budget. Additionally, if the Board receives a written request signed by Owners of Lots entitled to cast a majority of votes in a specific Village, the Board shall appoint a Village Budget committee consisting of two (2) of its Directors and three (3) Owners of Lots in that Village. The Village Budget Committee shall be responsible for preparing and determining the budget for that Village for that fiscal year. The budget prepared by the Village Budget Committee shall be adopted by the Board for the fiscal year for which it was prepared. The Village Budget Committee members shall serve one (1)
year terms. Once a Village Budget Committee is appointed for a Village, the Committee shall continue as a duly constituted Committee until such time as Owners of Lots entitled to cast a majority of votes in a specific Village submit a written request to the Board to dissolve that Village Budget Committee.

(b) **Project Budget**: A budget shall be prepared for the Project ("Project Budget") which shall include all costs and reserves for the maintenance and operation of the Project which are not included in a Village Budget as Village Maintained Area Costs ("Project Budget Costs"). The Project Budget shall separately identify all operation and reserve costs attributable to the operation, maintenance, repair and replacement, including insurance and administration, of the Sports Park ("Sports Park Costs"). The Project Budget Costs shall be allocated as provided in Section 6.2.2(b), above.

(c) **All Budgets**: All Village Budgets and the Project Budget shall also include all of the following, unless they are not applicable:

1. estimated revenue and expenses on an accrual basis;

2. a statement as to whether the Board has determined or anticipates that the levy of one or more Special Assessments will be required to repair, replace, or restore any major component or to provide adequate reserves therefor;

3. a general statement setting forth the procedures used by the Board in the calculation and establishment of reserves to defray the future repair, replacement or additions to those major components that the Association is obligated to maintain; and

4. a summary of the Association's reserves based upon the most recent review or study conducted pursuant to Section 1365.5 of the California Civil Code. The summary of the Association's reserves shall not be admissible in evidence to show improper financial management of the Association; provided that other relevant and competent evidence of the financial condition of the Association is not made admissible by this provision. The summary of the Association's reserves shall be printed in bold type and shall include all of the following:

   A. the current estimated replacement cost, estimated remaining life, and estimated useful life of each major component; and

   B. if applicable, as of the end of the fiscal year for which the study is prepared:

      i. the current estimate of the amount of cash reserves necessary to repair, replace, restore or maintain the major components; and
ii. the current amount of accumulated cash reserves actually set aside to repair, replace, restore, or maintain major components; and

C. the percentage that the amount determined for purposes of clause i. of subparagraph B is of the amount determined for purposes of clause ii. of subparagraph B.

6.7.2 Distribution of Budget: The Budget shall be made available to each Member. Not less than forty-five (45) and not more than sixty (60) days prior to the beginning of the fiscal year, the Board shall distribute either a copy or a summary of the Budget to all Owners. If a summary of the Budget is distributed, a written notice must accompany it. The written notice must be in at least 10-point bold type on the front page of the summary. It shall state that the Budget is available at the Association's office (or at another suitable location within the Project) and that copies will be provided upon request and at the expense of the Association. If a Member requests a copy of the Budget, the Board shall provide a copy to the Member by first class United States mail within five (5) days after the Association's receipt of the request.

6.7.3 Annual Report: Within one hundred twenty (120) days after the close of each fiscal year, the Board shall cause to be distributed to each Member an annual report consisting of the following: (i) a balance sheet as of the end of the fiscal year; (ii) an operating (income) statement for the fiscal year; (iii) a statement of changes in financial position for the fiscal year; and (iv) any information required to be reported under Section 8322 of the California Corporations Code. If the report is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized officer of the Association stating that the statements were prepared without independent audit or review from the books and records of the Association. Any annual report prepared for a fiscal year in which the gross income to the Association exceeds seventy-five thousand dollars ($75,000.00) shall be reviewed in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy and a copy of such review shall be distributed as part of the annual report.

6.7.4 Quarterly Reconciliation: At least quarterly, the Board shall: (i) cause a current reconciliation of the Association's Operating Account(s) to be made and review the same; (ii) cause a current reconciliation of the Association's Reserve Account to be made and review the same; (iii) review the current year's actual reserve revenues and expenses compared to the current year's Budget; (iv) review the most current account statements prepared by the financial institution where the Association has its Operation and Reserve Accounts; and (v) review an income and expense statement for the Association's Operation and Reserve Accounts.

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6.7.5 **Reserve Account Study:** This Section 6.7.5 is intended to implement the reserve account study and review requirements established by Section 1365.5 of the California Civil Code. To the extent that Section 1365.5 is amended or replaced, the provisions of this Section shall be automatically amended and replaced by the new statutory provisions. Further, if the limitations set forth in Section 1365.5 are repealed, the provisions of this Section 6.7.5 shall no longer have any force or effect. If the current replacement value of the major components of the Common Area is equal to or greater than one-half (½) of the budgeted gross expenses for any fiscal year, then (a) at least once every three (3) years, the Board shall cause a study of the reserve account requirements, as defined below, to be conducted, and (b) the Board shall review this study annually and shall consider and implement necessary adjustments to the Board's analysis of the reserve account requirements as a result of that review. At a minimum, the study required by this Section shall include:

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

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

(c) An estimate of the cost of repair, replacement, restoration, or maintenance of each major component identified in (a), above, during and at the end of its useful life; and

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

The term "reserve account requirements" as used in this Section 6.7.5 shall mean the estimated funds which the Board has determined are required to be available at a specified point in time to repair, replace, or restore those major components which the Association is obligated to maintain.

6.7.6 **Notice of Increased Assessments:** The Board shall provide notice by first-class mail to the Owners of any increase in Regular Assessments or Special Assessments not less than thirty (30) and not more than sixty (60) days prior to the increased assessment becoming due.

6.7.7 **Statement of Outstanding Charges:** Within ten (10) days of a written request by an Owner, the Association shall provide to the Owner a written statement which sets forth the amounts of delinquent assessments, penalties, attorneys' fees and other charges against that Owner's Lot. A charge for the statement
may be made by the Association, not to exceed the reasonable costs of preparation and reproduction of the statement.

6.7.8 **Initial Six Month Statement:** The Board shall prepare a balance sheet and an operating statement for the period ending on the last day of the sixth (6th) month from the date Regular Assessments were initially levied and distribute them to each Member within sixty (60) days after that date. The operating statement shall include a schedule of assessments received and receivable, identified by the Lot number and the name of the Member(s) assessed.

6.7.9 **Schedule of Monetary Penalties:** If the Board adopts a policy imposing any monetary penalty on or charging any fee to any Member for a violation of the Project Documents by that Member or his or her Invitee, the Board shall adopt a schedule of the monetary penalties that may be assessed for those violations. The penalties must be consistent with the Project Documents. A copy of the schedule shall be personally delivered or mailed by first-class mail, postage prepaid, to each Member by the Board. Each time the schedule is modified, the Board shall again deliver a copy to each Member, either personally or by first-class mail, postage prepaid.

6.8 **ENFORCEMENT OF ASSESSMENTS:** The Board shall annually distribute, not more than sixty (60) and not less than forty-five (45) days prior to the beginning of the fiscal year, a statement of the Association's policies and practices in enforcing its remedies against Owners for defaults in the payment of Regular and Special Assessments, including the recording and foreclosing of liens against Owners' Lots. In addition to all other remedies provided by law, the Association, or its authorized representative, may enforce the obligations of the Owners to pay each assessment provided for in this Declaration in any manner provided by law or by either or both of the following procedures:

6.8.1 **By Suit:** The Association may commence and maintain a suit at law against any Owner personally obligated to pay a delinquent assessment. The suit shall be maintained in the name of the Association. Any judgment rendered in any action shall include the amount of the delinquency, Additional Charges and any other amounts as the court may award. A proceeding to recover a judgment for unpaid assessments may be maintained without the necessity of foreclosing or waiving the lien established herein.

6.8.2 **By Lien:** The Association or a trustee nominated by the Association may commence and maintain proceedings to establish and/or foreclose assessment liens. No action shall be brought to foreclose a lien until the lien is created by recording a Notice of Delinquent Assessment ("Notice"). The Notice must be authorized by the Board, signed by an authorized agent or by any Owner if the Board fails or refuses to act, and recorded in the Official Records of the County. The Notice shall state the amount of the delinquent assessment(s), the Additional Charges incurred to date, a description of the Lot, the name(s) of the

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6.8.3 Additional Charges: In addition to any other amounts due or any other relief or remedy obtained against an Owner who is delinquent in the payment of any assessments, each Owner agrees to pay such additional costs, fees, charges and expenditures ("Additional Charges") as the Association may incur or levy in the process of collecting from that Owner monies due and delinquent. All Additional Charges shall be included in any judgment in any suit or action brought to enforce collection of delinquent assessments or may be levied against a Lot as a Reimbursement Assessment. Additional Charges shall include, but not be limited to, the following:

(a) Attorney's Fees: Reasonable attorneys' fees and costs incurred in the event an attorney(s) is employed to collect any assessment or sum due, whether by suit or otherwise;

(b) Late Charges: A late charge in an amount to be fixed by the Board in accordance with the then current laws of the State of California to compensate the Association for additional collection costs incurred in the event any assessment or other sum is not paid when due or within any "grace" period established by law;

(c) Costs of Suit: Costs of suit and court costs incurred as are allowed by the court;

(d) Interest: Interest on the delinquent assessment and Additional Charges at a rate fixed by the Board in accordance with the then current laws of the State of California; and

(e) Other: Any such other additional costs that the Association may incur in the process of collecting delinquent assessments or sums.

6.8.4 Certificate of Satisfaction of Lien: Upon payment or other satisfaction of a delinquent assessment for which a Notice was recorded, the Association shall record a certificate stating the satisfaction and release of the assessment lien.

6.9 Subordination of Lien: Notwithstanding any provision to the contrary, the liens for assessments created pursuant to this Declaration shall be subject and subordinate to and shall not affect the rights of the holder of a First Mortgage made in good faith and for value. Upon the foreclosure of any First Mortgage on a Lot, any lien for assessments which became due prior to such foreclosure shall be extinguished; provided, however, that after such foreclosure there shall be a lien on the interest of the
purchaser at the foreclosure sale to secure all assessments, whether Regular or Special, charged to such Lot after the date of such foreclosure sale, which lien shall have the same effect and shall be enforced in the same manner as provided herein. For purposes of this Section, a Mortgage may be given in good faith or for value even though the Mortgagee has constructive or actual knowledge of the assessment lien provisions of this Declaration.
ARTICLE VII
MEMBERSHIP IN AND DUTIES OF THE ASSOCIATION

7.1 THE ORGANIZATION: The Association is a nonprofit mutual benefit corporation. Its affairs shall be governed by and it shall have the powers set forth in the Project Documents.

7.2 MEMBERSHIP: Each Owner (including Declarant for so long as Declarant is an Owner), by virtue of being an Owner, shall be a Member of the Association. No other person shall be accepted as a Member.

7.2.1 Appurtenant to Ownership: Association membership is appurtenant to and may not be separated from the ownership of a Lot. Membership shall terminate upon termination of Lot ownership. Ownership of a Lot shall be the sole qualification for Association membership. Membership shall not be transferred, pledged or alienated in any way except upon transfer of title to the Owner's Lot (and then only to the transferee of title to such Lot). Any attempt to make a prohibited transfer is void. Membership shall not be related to the use or non-use of the Common Area and may not be renounced. The rights, duties, privileges and obligations of all Members shall be as provided in the Project Documents.

7.2.2 Annexation: Upon the commencement of Regular Assessments in a subsequent Phase, the Owners of the Lots described in the Declaration of Annexation for that Phase shall become Members.

7.3 VOTING: Any action required by law or by the Project Documents to be approved by the Owners, the Members or each class of Members shall be approved, if at all, in accordance with the procedures set forth in the Bylaws.

7.4 RULES: The Board may propose, adopt, amend and repeal Rules appropriate for the management of the Project, which are consistent with the Project Documents. The Rules may also govern the use of the Common Area by Members or their Invitees. After adoption, a copy of the Rules shall be furnished to each Member. Members shall be responsible for distributing the Rules to their tenants.

7.5 DEDICATION AND EASEMENTS: Subject to any applicable provision in the Bylaws, the Board shall have the power to (i) dedicate any of the Common Area to an appropriate public authority for public use or (ii) grant and convey easements and licenses for use and rights of way in, on, over and under any Common Area.

7.6 INSURANCE: The Board shall make every reasonable effort to obtain and maintain the insurance policies as provided in this Section. If the Board is unable to purchase a policy or if the
Board believes that the cost of the policy is unreasonable, the Board shall call a special meeting of Members to determine what action to take. The Board shall comply with any resolution concerning insurance coverage adopted at such a meeting.

7.6.1 General Provisions and Limitations: All insurance policies shall be subject to and, where applicable, shall contain the following provisions and limitations:

(a) Underwriter: All policies shall be written with a company legally qualified to do business in the State of California and (i) holding no less than a financial performance index of "6" as established by Best's Insurance Reports, (ii) reinsured by a company described in (i), above, or (iii) if such a company is not available, the best rating possible or its equivalent.

(b) Named Insured: Unless otherwise provided in this Section, the named insured shall be the Association or its authorized representative, as a trustee for the Members. However, all policies shall be for the benefit of Owners and their Mortgagees, as their interests may appear.

(c) Authority to Negotiate: Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Board; provided, however, that no Mortgagee having an interest in such losses may be prohibited from participating in any settlement negotiations related thereto.

(d) Contribution: In no event shall the insurance coverage obtained and maintained by the Association be brought into contribution with insurance purchased by Owners or their Mortgagees.

(e) General Provisions: To the extent possible, the Board shall make every reasonable effort to secure insurance policies providing for the following:

(i) A waiver of subrogation by the insurer as to any claims against the Board, the manager, the Owners and their respective servants, agents and guests;

(ii) That the policy will be primary, even if an Owner has other insurance which covers the same loss;

(iii) That no policy may be cancelled or substantially modified without at least ten (10) days' prior written notice to the Association and to each First Mortgagee listed as a scheduled holder;

(iv) An agreed amount endorsement; and

(v) An inflation guard endorsement.
(f) **Term:** The period of each policy shall not exceed three (3) years. Any policy for a term greater than one (1) year must permit short rate cancellation by the insureds.

(g) **Deductible:** The policy may contain a reasonable deductible and the amount of the deductible shall be added to the face amount of the policy in determining whether the insurance equals replacement cost.

7.6.2 **Types of Coverage:** Unless the Association determines otherwise pursuant to Section 7.6, the Board shall obtain at least the following insurance policies in the amounts specified:

(a) **Property Insurance:** A policy or policies of all risk property insurance for all insurable Common Area Improvements, including fixtures and building service equipment, against loss or damage by fire or other casualty, in an amount equal to at least ninety percent (90%) of the current full replacement cost (without respect to depreciation) of the Common Area, and exclusive of land, foundations, excavation and other items normally excluded from coverage. A replacement cost endorsement shall be part of the policy.

(b) **Liability Insurance:** A combined single limit policy of public liability insurance in an amount not less than Five Million Dollars ($5,000,000.00) (comprised of a primary policy of at least One Million Dollars ($1,000,000) and an umbrella policy for the remaining amount) covering the Common Area and all damage or injury caused by the negligence of the Association, the Board or any of its agents or the Members against any liability to the public or to any Member incident to the use of or resulting from any accident or intentional or unintentional act of an Owner or a third party occurring in or about any Common Area. The Board shall also determine whether the liability policy shall contain coverage of the obligations of the Association and the Owners under Section 4.21.2. If available, each policy shall contain a cross liability endorsement in which the rights of the named insured shall not be prejudiced with respect to any action by one named insured against another named insured.

(c) **Worker's Compensation:** Worker's compensation insurance to the extent necessary to comply with all applicable laws of the State of California or the regulations of any governmental body or authority having jurisdiction over the Project.

(d) **Fidelity Bond:** A fidelity bond naming the Board, the Members, the Association and such other persons as the Board may designate as obligees, in an amount equal to at least one-fourth (1/4th) of the total sum budgeted for the Current Operation Account and Reserve Account for the current fiscal year. The fidelity bond shall contain a waiver of any defense based on the exclusion of persons serving without compensation.

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(e) **Directors and Officers**: Errors and omissions insurance covering Directors and officers, if reasonably available, in types and amounts as the Board determines to be appropriate.

(f) **Other Insurance**: Other types of insurance as the Board determines to be necessary to fully protect the interests of the Members.

(g) **Insurance by Member**: Each Member shall obtain insurance coverage which the Member considers necessary or desirable to protect himself or herself, his or her Lot, his Residence and his or her personal property at the Owner's own expense; provided, however, that no Owner shall be entitled to exercise his or her right to maintain insurance coverage in a manner so as to decrease the amount which the Association, on behalf of all Owners and their Mortgagees, may realize under any insurance policy which the Association may have in effect at any time.

7.6.3 **Annual Review**: The Board shall review the adequacy of all insurance, including the amount of liability coverage and the amount of property damage coverage, at least once every year. At least once every three years, the review shall include a replacement cost appraisal of all insurable Common Area Improvements and Residences without respect to depreciation. The Board shall adjust the policies to provide the amounts and types of coverage and protection that are customarily carried by prudent owners of similar property in the area in which the Project is situated.

7.7 **NATURAL HABITAT PRESERVATION BOOKLET**: From time to time, the Association shall have qualified biological and horticultural consultants revise the Natural Habitat Preservation Booklet (attached hereto as Exhibit "F") with recommendations for protecting creek water quality and riparian habitat, preserving oak and other valuable trees, protecting the California tiger salamander and minimizing conflicts with rare wildlife. The Association shall distribute the Natural Habitat Preservation Booklet to each Owner of a Lot who purchases that Lot from someone other than Declarant. Each Owner who receives the Booklet shall acknowledge in writing that he or she has read, understood, and will abide by the information contained in the Booklet. The acknowledgement shall be returned to the Association. The Association shall maintain records of the acknowledgements and copies shall be made available to the City upon request. The Natural Habitat Preservation Booklet shall be part of the Rules and Owners who do not abide by the information contained in the Booklet shall be in violation of the Rules and shall be subject to Notice and Hearing.

7.8 **INDEMNIFICATION OF CITY**: The Association shall indemnify, defend and hold the City harmless from and against any and all costs, claims, causes of action and liabilities for personal injuries and/or property damage caused by or resulting
from the construction of Common Area Improvements or improper maintenance of Common Area Improvements within the Project.

7.9 **VINEYARD ESTATES**: The Association may offer licenses to use the Sports Park to the occupants of residences situated on Vineyard Estates. Each such license granted shall entitle the holder and those persons who permanently reside on the same Vineyard Estate as the holder to use the Sports Park on the same terms and conditions as the Members of the Association. Each such license shall obligate the holder to pay to the Association a share of the Sports Park Costs, as that term is defined in Section 6.7.1(b) which is the same as that currently paid by Members of the Association. All use of the Sports Park shall be subject to the Rules adopted by the Association which shall not discriminate between owners and residents of Vineyards Estates and Owners and Members of the Association.
ARTICLE VIII
DEVELOPMENT RIGHTS

8.1 LIMITATIONS OF RESTRICTIONS: Declarant is undertaking the work of developing Lots and other Improvements within the Project. The completion of the development and the marketing, sale, lease, rental and/or other disposition of the Lots is essential to the establishment and welfare of the Subject Property and the Additional Property as a residential community. In order that the work may be completed and the Project be established as a fully occupied residential community as rapidly as possible, nothing in this Declaration shall be interpreted to deny Declarant or any Builder the rights set forth in this Article with respect to any portion of the Project owned by Declarant or any Builder respectively.

8.2 RIGHTS OF ACCESS AND COMPLETION OF CONSTRUCTION: Until the fifth (5th) anniversary of the original issuance of the Public Report for the most recent Phase, Declarant, its contractors and subcontractors and any Builder and its contractors and subcontractors shall have the right to: (i) obtain reasonable access over and across the Common Area of the Project and/or do within any Lot owned by it whatever is reasonably necessary or advisable in connection with the completion of the Project; and (ii) erect, construct and maintain on the Common Area of the Project and/or within any Lot owned by it such structures as may be reasonably necessary for the conduct of its business to complete the work, establish the Project as a residential community and dispose of the Project in parcels by sale, lease, rental or otherwise.

8.3 SIZE AND APPEARANCE OF PROJECT: Declarant shall not be prevented from increasing or decreasing the number or size of Lots that may be annexed to the Project, changing the exterior appearance of any Improvement, building different product types on similarly situated Lots, adding, altering, removing or reconstructing any Improvement located on any property owned by Declarant, adding, realigning or eliminating any proposed street or road, or altering any other matter directly or indirectly connected with the Project in any manner deemed desirable by Declarant, if Declarant obtains all governmental consents required by law.

8.4 ALTERATIONS TO MAP: At any time within three (3) years from the date that the first Lot in a Phase is conveyed to an Owner other than Declarant or a Builder, the boundaries of any Lot or Common Area in that Phase may be altered by a lot line adjustment or other change reflected on a subsequently recorded Record of Survey or subdivision map, provided that the altered boundaries are approved by Declarant and all owners of the Property involved in the boundary adjustment (the Board, with respect to property owned by the Association). Any such alteration shall be effective upon recordation of the Record of Survey or subdivision map and, upon such recordation, the boundaries of the altered Lot or Common Area.
shall be altered for purposes of this Declaration to conform to the boundaries as shown on the Record of Survey or subdivision map.

8.5 MARKETING RIGHTS: Declarant and to the extent approved by Declarant, each Builder, shall have the right to: (i) maintain model homes, sales, leasing and/or rental offices, storage areas and related facilities in any unsold Lots or Common Area within the Project as are necessary or reasonable, in the opinion of Declarant, for the sale, lease, rental or other disposition of the Lots; (ii) make reasonable use of the Common Area and facilities for the sale, lease, rental or other disposition of Lots; and (iii) conduct its business of disposing of Lots by sale, lease, rental or otherwise; provided, however, Declarant shall pay the Association reasonable rent for the use of any Common Area facilities, if Declarant's use of those Common Area facilities materially interferes with the full use and enjoyment of the Common Area facilities by Owners.

8.6 TITLE RIGHTS: This Declaration shall not be construed to constitute a limitation on Declarant's title rights to the Additional Property prior to its annexation, nor shall it impose any obligation on Declarant or any other person or entity to improve, develop or annex any portion of the Additional Property. This Declaration shall not be construed to limit the right of Declarant at any time prior to such an annexation to establish additional licenses, easements, reservations, restrictions and rights-of-way for itself, utility companies or others as reasonably necessary for the proper development and disposition of property owned by Declarant.

8.7 AMENDMENT: After the expiration of Class B membership (as defined in the Bylaws), the provisions of this Article may not be amended without the written consent of Declarant until either (i) all of the Additional Property has been annexed to the Project and all of the Lots in the Project owned by Declarant have been conveyed or (ii) five (5) years after the original issuance of the Public Report for the most recent Phase of the Project, whichever occurs first.
ARTICLE IX
RIGHTS OF MORTGAGEES

9.1 CONFLICT: Notwithstanding any contrary provision contained elsewhere in the Project Documents, the provisions of this Article shall control with respect to the rights and obligations of Institutional Mortgagees specified herein.

9.2 LIABILITY FOR UNPAID ASSESSMENTS: Any Institutional Mortgagee who obtains title to a Lot pursuant to the remedies provided in the First Mortgage (except upon a voluntary conveyance to the Institutional Mortgagee) or by foreclosure of the First Mortgage shall take the property free of any claims for unpaid assessments or charges against the Lot which accrue prior to the acquisition of title to the Lot by the Institutional Mortgagee.

9.3 RESERVE FUND: The Association shall maintain as reserve funds the Reserve Account which shall be sufficient to pay for maintenance, repair and periodic replacement of Common Area Improvements which the Association is obligated to maintain. This reserve fund shall be funded by Regular Assessments which are payable in installments, as specified in Section 6.2 hereof, rather than by Special Assessments; provided, however, that this provision shall not be deemed to limit the power of the Association to levy any other type of assessment or charge authorized by this Declaration.

9.4 CONTRACTS AND AGREEMENTS: Any agreement for professional management of the Project or any agreement providing for services of Declarant shall be for a term not to exceed one (1) year without the approval of fifty-one percent (51%) of each class of Members; provided, however, that in no event shall such an agreement exceed a term of three (3) years. Any such agreement shall provide that the agreement may be terminated by either party without cause and without payment of a termination fee upon not more than ninety (90) days written notice.

9.5 NOTICES TO ELIGIBLE HOLDERS: The Association shall give timely written notice of each of the following events to each Eligible Holder:

9.5.1 Loss: Any condemnation loss or casualty loss which affects either a material portion of the Project or the Lot on which Eligible Holder holds a First Mortgage;

9.5.2 Delinquency: Any delinquency in the payment of assessments or charges owed by the Owner of a Lot which is subject to a First Mortgage held by the Eligible Holder if the delinquency is not cured within sixty (60) days after its due date;

9.5.3 Insurance: Any lapse, cancellation or material modification of any insurance policy maintained by the Association;

9.5.4 Material Changes: Any proposal to take any action specified in this Article or in Section 10.1.2; or

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9.5.5 **Default:** Any default by an Owner-mortgagor of a Lot in the performance of the Owner's obligations under this Declaration or the Bylaws which is not cured within sixty (60) days.

9.6 **INSPECTION OF BOOKS AND RECORDS:** Upon request, any Owner, First Mortgagee or Institutional Mortgagee shall be entitled to inspect and copy the books, records and financial statements of the Association, the Project Documents and any amendments thereto during normal business hours.

9.7 **FINANCIAL STATEMENTS FOR MORTGAGEES:** If the Project contains more than fifty (50) Lots, the Association, at its expense, shall prepare an audited financial statement for the immediately preceding fiscal year. The audited financial statement shall be available within one hundred twenty (120) days of the end of the Association's fiscal year. The Association shall provide a copy of the audited financial statement to any Mortgagee or Institutional Mortgagee who makes a written request for it. If the Project contains fifty (50) or fewer Lots and if an audited financial statement is not available, any Mortgagee or Institutional Mortgagee who desires to have an audited financial statement of the Association may cause an audited financial statement to be prepared at the Mortgagee's expense.

9.8 **VOTING RIGHTS OF MORTGAGEES:** For purposes of this Section, a Mortgagee shall be entitled to one (1) vote for each Lot encumbered by a First Mortgage owned by that Mortgagee.

9.8.1 **FHLMC:** Unless sixty-seven (67%) of the Institutional Mortgagees or sixty-seven percent (67%) of the Owners other than Declarant have given their prior written approval, the Association shall not be entitled to:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any property or Improvements owned, directly or indirectly, by the Association for the benefit of the Lots and the Owners. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the property by the Association and Owners shall not be deemed a transfer within the meaning of this Subsection);

(b) By act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to architectural design or exterior appearance of Lots, the exterior maintenance of Lots, the maintenance of party walls, party fences or other Improvements which serve more than one Lot, or the upkeep of lawns, plantings or other landscaping in the Project;

(c) Fail to maintain fire and extended coverage insurance on insurable portions of the Common Area on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value based on current replacement cost;
(d) Use hazard insurance proceeds for losses to any property or Improvements owned by the Association other than for the repair, replacement or reconstruction of the property and Improvements.

9.8.2 Termination of Project: Any election to terminate the legal status of the Project as a Planned Development Project shall require:

(a) The approval of sixty-seven percent (67%) of the Institutional Mortgagees and the approval of sixty-seven percent (67%) of the total voting power of the Association, if the decision to terminate the legal status is a result of substantial destruction or a substantial taking in condemnation of the property within the Project; or

(b) The approval of sixty-seven percent (67%) of the Members and sixty-seven percent (67%) of the Eligible Holders, if Section 9.8.2(a), above, is not applicable.

9.9 PAYMENT OF TAXES AND INSURANCE: Institutional Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Area or Improvements thereon and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for such Common Area. Institutional Mortgagees making such payments shall be owed immediate reimbursement for such expenditures from the Association and, on demand, the Association shall execute an agreement in favor of all Institutional Mortgagees reflecting entitlement to reimbursement.

9.10 SELF-MANAGEMENT: The approval of sixty-seven percent (67%) of the total voting power of the Association and fifty-one percent (51%) of the Eligible Holders, based on one (1) vote for each Lot encumbered by a First Mortgage owned by the Eligible Holder, shall be required to assume self-management of the Project, if professional management of the Project has been previously required by the Project Documents or by an Eligible Holder.

9.11 MORTGAGE PROTECTION: A breach of any of the conditions or the enforcement of any lien provisions contained in this Declaration shall not defeat or render invalid the lien of any First Mortgage made in good faith and for value as to any Lot in the Project; but all of the covenants, conditions and restrictions contained in this Declaration shall be binding upon and effective against any Owner of a Lot if the Lot is acquired by foreclosure, trustee's sale or otherwise.
ARTICLE X
AMENDMENT AND ENFORCEMENT

10.1 AMENDMENTS: Prior to the conveyance of the first Lot to an Owner other than a Declarant, any Project Document may be amended by Declarant alone. After the conveyance of the first Lot, the Project Documents may be amended in accordance with the following provisions:

10.1.1 Mortgagee Requirements: With respect to any action to be taken under this Section 10.1 which is also governed by provisions of Article IX that expressly require the approval of the Members and/or Mortgagees, the requirements of Article IX must be satisfied in addition to the requirement of this Section 10.1.

10.1.2 Specific Subjects: The approval of sixty-seven percent (67%) of each class of Members and fifty-one percent (51%) of the Eligible Holders, based on one (1) vote for each Lot encumbered by a First Mortgage owned by the Eligible Holder, shall be required to amend any provision of this Declaration or the Bylaws which establishes, provides for, governs or regulates any of the following subjects:

(a) Voting rights;
(b) Assessments, assessment liens or priority of assessment liens;
(c) Reserves for maintenance, repair and replacement of Common Area;
(d) Insurance policies or fidelity bonds;
(e) Rights to use the Common Area;
(f) Responsibilities for maintenance and repair of any portion of the Project;
(g) The boundaries of a Lot;
(h) The interest of an Owner in Common Area;
(i) Convertibility of Lots into Common Area or of Common Area into Lots;
(j) Leasing of Lots;
(k) Imposition of any restriction on the right of an Owner to sell, transfer or otherwise convey the Owner's Lot;
(l) Any change in the primary purposes to which any Lot or the Common Area is restricted;
(m) Restoration or repair of the Project (after hazard damage or partial condemnation) in a manner other than that specified in the Project Documents; or

(n) The provisions of Section 6.9, Article IX and this Section 10.1.2.

Any amendment or addition to the Declaration or Bylaws regarding any of the foregoing subjects shall not be considered material and need not be approved by Eligible Holders if the amendment or addition is solely for the purposes of correcting technical errors or for clarification. Any Eligible Holder who receives a written request to approve an addition or amendment and who does not deliver or have its response postmarked within thirty (30) days of the date contained within the written request shall be deemed to approve the addition or amendment. All notices or other communications made pursuant hereto shall be in writing and shall be deemed properly delivered, given or served when (i) personally delivered against receipted copy; or (ii) mailed by certified or registered mail, postage prepaid, return receipt requested, in either case (i) or (ii) to the parties at their last known address.

10.1.3 Other Provisions of Declaration: Any other provision of this Declaration may be amended by the approval of each class of Members; provided however, that (i) no provision of this Declaration which provides for a vote of more than fifty-one percent (51%) may be amended by a vote less than the percentage specified in the section to be amended, (ii) no amendment which materially alters or changes any rights or easements granted to the Club Owner in this Declaration shall be valid without the written consent of the Club Owner, (iii) the provisions of the amendment must first be determined by the City to be consistent with the conditions imposed on the development of the Project by the City, and (iv) the provisions of Sections 4.20 and 4.21 cannot be amended without the consent of Club Owner.

10.1.4 Recordation of Amendment: Any amendment to this Declaration shall be effective upon the recordation in the Official Records of the County of an instrument executed by the President and Secretary of the Association which sets forth the terms of the amendment and a statement which certifies that the required percentage of Members have approved the amendment.

10.2 ENFORCEMENT:

10.2.1 Rights to Enforce: The Association, Declarant, and/or any Owner shall have the power to enforce the provisions of the Project Documents in any manner provided by law or in equity and in any manner provided in this Declaration. The Association may institute appropriate legal action, temporarily suspend an Owner's use of the recreation facilities or an Owner's voting rights and/or levy a fine against an Owner in a standard amount to be determined by the Board from time to time. No determination of whether a violation has occurred shall be made until Notice and Hearing has been provided to the Owner pursuant to the Bylaws. If
legal action is instituted by the Association, any judgment rendered shall include all appropriate Additional Charges. Notwithstanding anything to the contrary contained in this Declaration, the Association shall not have the power to cause a forfeiture or abridgement of an Owner's right to the full use and enjoyment of the Owner's individually owned Lot, including access thereto over and across the Common Area, due to the Owner's failure to comply with the provisions of the Project Documents, unless the loss or forfeiture is the result of the judgment of a court, an arbitration decision, a foreclosure proceeding or a sale conducted pursuant to this Declaration. The provisions of this Declaration shall be equitable servitudes, enforceable by any Owner and/or the Association against the Association and/or any other Owner, tenant or occupant of the Project. Except as otherwise provided, Declarant, the Association or any Owner(s) shall have the right to enforce, in any manner permitted by law or in equity, any and all of the provisions of the Project Documents, including any decision made by the Association, upon the Owners, the Association or upon any property in the Project.

10.2.2 Violation of Law: The Association may treat any Owner's violation of any state, municipal or local law, ordinance or regulation, which creates a nuisance to the other Owners in the Project or to the Association, in the same manner as a violation of the Project Documents by making such violation subject to any or all of the enforcement procedures set forth in this Declaration, as long as the Association complies with the Notice and Hearing requirements.

10.2.3 Remedies Cumulative: Each remedy provided by this Declaration is cumulative and not exclusive.

10.2.4 Nonwaiver: The failure to enforce the provisions of any covenant, condition or restriction contained in this Declaration shall not constitute a waiver of any right to enforce any such provisions or any other provisions of this Declaration.

10.3 RIGHTS OF CITY: In consideration of the approval by the City of the Project, Declarant hereby covenants and agrees, and each owner of a Lot by the acceptance of any deed thereto, for itself and its heirs, executors, administrators, successors in interest and assigns, covenants and agrees as follows:

10.3.1 Failure to Maintain Common Areas:

(a) If the Association fails to maintain the Common Area so that Owners, lessees, and their guests suffer, or will suffer substantial diminution in the enjoyment, use or property value of their Property, thereby impairing the health, safety and welfare of the residents in the Project, the City, by and through its duly authorized officers and employees, shall have the right to enter upon the Project and to commence and complete such work as is necessary to maintain the Common Area. The City shall enter and repair only if, after giving the Association written notice of
the Association's failure to maintain the Common Area, the Association does not commence correction of such conditions in no more than thirty (30) days from delivery of the notice and proceed diligently to completion. The Association agrees to pay all expenses incurred by the City within thirty (30) days of written demand. Upon failure by the Association to pay within said thirty (30) days, the City shall have the right to impose a lien for the costs against the Common Area.

(b) It is understood that by the provisions hereof, the City is not required to take any affirmative action, and any action undertaken by the City shall be that which, in its sole discretion, it deems reasonable to protect the public health, safety and general welfare, and to enforce it and the regulations and ordinances and other laws.

(c) It is understood that action or inaction by the City, under the provisions hereof, shall not constitute a waiver or relinquishment of any of its rights to seek redress for the violation of any of the provisions of these restrictions or any of the rules, regulations and ordinances of the City, or of other laws by way of a suit in law or equity in a court of competent jurisdiction or by other action.

(d) It is further understood that the remedies available to the City by the provision of this Section or by reason of any other provisions of law shall be cumulative and not exclusive, and the maintenance of any particular remedy shall not be a bar to the maintenance of any other remedy.

10.3.2 Right to Enforce: The City shall be a third party beneficiary to the provisions of this Declaration and shall have the right but not the duty to enforce any or all of such provisions.

10.3.3 Amendment: This Section 10.3 cannot be amended or eliminated without the consent of the City.

10.4 ENFORCEMENT BY CLUB OWNER: The Club Owner shall be a third party beneficiary to the provisions of this Declaration which confer a benefit upon the Club Owner or the Golf Club. The Club Owner shall have the right to enforce any and all such provisions against the Association or any Owner in any manner provided by law or in equity. No provision of this Declaration which exists for the benefit of the Club Owner or the Golf Club may be amended or eliminated without the consent of the Club Owner. This Section cannot be amended or eliminated without the consent of the Club Owner.

10.5 LIMITATION OF CLAIMS: The Association, whether on its own behalf or on behalf of any Owner or Owners, shall not file any claim or bring any action against Declarant, its agents, affiliates, officers, directors, partners, employees, contractors, subcontractors, material suppliers, architects, engineers, attorneys or consultants, including but not limited to claims or

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actions relating to the Project or any Lot, Residence or Improvements in the Project, whether pursuant to this Declaration or any Purchase and Sale Agreement between Declarant any Owner, or otherwise, or for any alleged breach of fiduciary duty or any defect, structural, in material, in workmanship, or otherwise, whether patent or latent, unless such claim is filed or action is brought within four (4) years of the date on which Declarant ceases to be a Class "B" Member pursuant to Section 4.1.2 of the Bylaws.
ARTICLE XI
ARCHITECTURAL CONTROL

11.1 APPLICABILITY: Except as otherwise provided in this Declaration, proposals for alterations (as that term is defined in Section 4.1) shall be subject to the provisions of this Article and may not be made until approved in accordance with the provisions of this Article. The provisions of this Declaration requiring architectural approvals shall not apply to (i) alterations of Common Area Improvements, (ii) the original construction of any Improvements on a Lot by Declarant, its agents, contractors or employees or (iii) prior to the first conveyance of a Lot to an Owner. The preceding sentence may not be amended without the consent of Declarant until all of the Lots in the Project owned by Declarant have been conveyed.

11.2 RESERVATION TO DECLARANT: Notwithstanding the power of the Board to appoint committees, Declarant hereby reserves to itself the right to appoint an Architectural Design Committee in accordance with the provisions of this Article. When there is no longer any Member appointed by Declarant on the Architectural Design Committee, the Board may decide to dissolve the Architectural Design Committee and undertake the Architectural Design Committee's responsibilities.

11.3 MEMBERS: The Architectural Design Committee shall consist of a chairman and four (4) additional members. Persons appointed to the Architectural Design Committee need not be Members of the Association. All members shall serve until the expiration of the term for which they were appointed, if specified by the Board, or until they resign or are replaced. After all of the Additional Property has been annexed to the Project and upon the conveyance of one hundred percent (100%) of all Lots, the term of any remaining members appointed by Declarant shall terminate and replacement members shall be appointed by the Board. Declarant may appoint all of the original members of the Architectural Design Committee and all replacements until the second anniversary of the conveyance of title to the first Lot in the Project to an Owner other than a Builder. After that date, the Board shall have the power to appoint one member of the Architectural Design Committee and Declarant may appoint the remainder of the members of the Architectural Design Committee until the conveyance of ninety percent (90%) of all Lots or the tenth (10th) anniversary of the conveyance of title to the first Lot in the Project to an Owner other than a Builder, whichever first occurs. The Board may appoint a replacement for any member of the Architectural Design Committee originally appointed by the Board who resigns, is removed by the Board or otherwise fails to act. Declarant may appoint a replacement for any member of the Architectural Design Committee originally appointed by Declarant who resigns or otherwise fails to act, unless such member resigns in order to enable the Board to appoint a member as required by this Section. If Declarant fails to appoint a replacement it is authorized to appoint within fifteen (15) days after receiving notice of the vacancy, the Board shall appoint the replacement.
11.4 DUTIES AND POWERS:

11.4.1 Duties: The Architectural Design Committee shall review and approve, disapprove or conditionally approve all plans, submittals, applications and requests made or tendered to it by Owners or their agents, pursuant to the provisions of this Declaration. In connection therewith, the Architectural Design Committee may investigate and consider the architecture, design, layout, landscaping, energy conservation measures, water conservation measures, fence detail, and other features of the proposed Improvements.

11.4.2 Architectural Design Guidelines: The Architectural Design Committee, from time to time and in its sole discretion, may adopt architectural rules, regulations and guidelines ("Architectural Design Guidelines"). The Architectural Design Guidelines may impose different conditions upon those Lots which are designated as Village Homes. The Architectural Design Guidelines may also impose additional specific requirements on Lots if those requirements are reasonable in light of specific Lot topography, visibility or other factors. The Architectural Design Guidelines shall be effective when they are adopted by the Architectural Design Committee. The Architectural Design Guidelines shall interpret and implement the provisions of this Declaration by setting forth the standards and procedures for architectural review and guidelines for architectural design, placement of buildings, color schemes, exterior finishes and materials, landscaping, fences, and similar features which may be used in the Project; provided, however, that the Architectural Design Guidelines shall not be in derogation of the minimum standards established by this Declaration. The Architectural Design Guidelines may include a schedule of fees for processing submittals (which shall not exceed the amount necessary to defray all costs incurred by the Architectural Design Committee in processing the submittals) and establish the time and manner in which such fees shall be paid. The Architectural Design Guidelines shall constitute Rules.

11.4.3 Powers: The Architectural Design Committee may adopt rules and regulations for the transaction of business, scheduling of meetings, conduct of meetings and related matters. The Architectural Design Committee may also adopt criteria, consistent with the purpose and intent of this Declaration to be used in making its determination to approve, disapprove or conditionally approve any matter submitted to it for decision.

11.4.4 Consultants: With the consent of the Board, the Architectural Design Committee may hire and pay consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the Architectural Design Committee in performing its duties.

11.5 APPLICATION FOR APPROVAL OF IMPROVEMENTS: Any Owner, except Declarant and its designated agents, who wants to perform
any alteration or addition for which approval is required shall notify the Architectural Design Committee in writing of the nature of the proposed work and shall furnish such information as may be required by the Architectural Design Guidelines or reasonably requested by the Architectural Design Committee. The Architectural Design Committee may require an application to include site plans, diagrams, photographs, sample materials or other presentation material as may be necessary for complete review and consideration of the proposed development. All applications shall be submitted in writing, shall conform to the requirements set forth in the Architectural Design Guidelines and shall be accompanied by any required fee. The approval process may also be divided into preliminary and final approvals as set forth in the Architectural Design Guidelines.

11.6 BASIS FOR APPROVAL OF IMPROVEMENTS: The Architectural Design Committee may approve the proposal only if the Architectural Design Committee finds that:

11.6.1 Conformity to Architectural Design Guidelines: The plans and specifications conform to this Declaration and to the applicable Architectural Design Guidelines in effect at the time the proposal was submitted;

11.6.2 Architectural Review: General architectural considerations, including the character, scale, and quality of the design, the architectural relationship with the site and other buildings, building materials, colors, screening of exterior appurtenances, exterior lighting and similar elements have been incorporated in order to ensure the compatibility of the proposed improvement with its design concept and the character of adjacent buildings;

11.6.3 Site Review: General site considerations including site layout, open space and topography, orientation and locations of buildings, vehicular access, circulation and parking, setbacks, height, walls, fences, and similar elements have been designed to provide a desirable environment and one which maximizes the view of the surrounding Residences and golf course considering the location of trees, vegetation and other aesthetic and environmental factors;

11.6.4 Landscape Review: General landscape consideration, including the location, type, size, color, texture and coverage of plant materials, provision for irrigation, maintenance and protection of landscaped areas and similar elements have been considered to ensure visual relief, to complement buildings and structures, and to provide an attractive environment for the enjoyment of the Owners in general and the enhancement of property values in the Project generally;

11.6.5 Drainage: The percentage area of the Lot to be cleared or graded and the percentage area of the Lot to be covered by structures or other Improvements will not cause excessive drainage or surface water run-off due to the topography,
percolation rate of the soil, soil types and conditions, vegetation cover and other environmental factors;

11.6.6 Lots on Golf Course: For those Lots which adjoin the golf course, the Golf Club Owner has approved (i) the landscaping plan for the portion of the Lot which adjoins the golf course, (ii) any drainage plan which potentially impacts the golf course; and (iii) the aesthetics of that portion of the Residence and Lot which impact the view from the golf club.

11.6.7 Garage Size: The first garage to be constructed on any Lot shall contain sufficient area for a minimum of two (2) parking spaces.

If the Architectural Design Committee makes a negative finding on one or more of the items set forth in this Section 11.6, it shall disapprove such matter, or condition its approval so as to allow such findings to be made.

11.7 FORM OF APPROVALS AND DENIALS: All approvals and denials shall be in writing. Any denial of an application must state the reasons for the decision to be valid. Any application which has not been rejected in writing within ninety (90) days from the date of submission shall be deemed approved.

11.8 PROCEEDING WITH WORK: Upon approval of the Architectural Design Committee, the Owner shall diligently proceed with the commencement and completion of all work so approved. Work must be commenced within one hundred eighty (180) days from the date of the approval. If the Owner fails to comply with the provisions of this Section, the approval given shall be deemed revoked unless the Architectural Design Committee extends the time for commencement. Any request for an extension shall be in writing. No extension shall be granted unless the Architectural Design Committee finds that there has been no change in the circumstances under which the original approval was granted.

11.9 FAILURE TO COMPLETE WORK: Completion of the work approved must occur within eighteen (18) months following the approval of the work unless the Architectural Design Committee determines that completion is impossible or would result in great hardship to the Owner due to strikes, fires, national emergencies, natural calamities or other supervening forces beyond the control of the Owner or the Owner's agents. If the Owner fails to complete the work within the eighteen (18) month period, the Architectural Design Committee may notify the Owner in writing of his or her non-compliance and shall proceed in accordance with the provisions of Section 11.11, below.

11.10 DETERMINATION OF COMPLIANCE: The Architectural Design Committee shall have the right to inspect any work being performed during the construction period. Whether or not the Owner obtained proper approvals and whether or not any inspections were performed during the course of construction, the Architectural Design

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Committee shall inspect any completed work and shall make a determination of compliance as follows:

11.10.1 Notice of Completion: Upon the completion of any work performed by an Owner for which approval was required, the Owner shall give written notice of completion to the Architectural Design Committee. If the Owner fails to give the notice of completion for which approval was required, the Architectural Design Committee may proceed upon its own motion.

11.10.2 Inspection: Within sixty (60) days thereafter, the Architectural Design Committee shall inspect the work performed and determine whether it was performed in substantial compliance with the approval granted. If the Architectural Design Committee finds that the work was not performed in substantial compliance with the approval granted or if the Architectural Design Committee finds that the approval required was not obtained, the Architectural Design Committee shall notify the Owner in writing of the non-compliance. The notice shall specify the particulars of non-compliance and shall require the Owner to remedy the non-compliance.

11.11 Failure to Remedy the Non-Compliance: If the Architectural Design Committee has determined that an Owner has not constructed an Improvement consistent with the specifications of the approval granted or within the time permitted for completion and if the Owner fails to remedy such non-compliance in accordance with the provisions of the notice of non-compliance, then after the expiration of thirty (30) days from the date of such notification, the Architectural Design Committee shall notify the Board, and the Board shall provide Notice and Hearing to consider the Owner's continuing non-compliance. At the Hearing, if the Board finds that there is no valid reason for the continuing non-compliance, the Board shall determine the estimated costs of correcting it. The Board shall then require the Owner to remedy or remove the same within a period of not more than forty-five (45) days from the date of the Board's determination. If the Owner does not comply with the Board's ruling within such period or within any extension of such period as the Board, in its discretion, may grant, the Board may either remove the non-complying Improvement or remedy the non-compliance. The costs of such action shall be assessed against the Owner as a Reimbursement Assessment.

11.12 Waiver: Approval of any plans, drawings or specifications for any work proposed, or for any other matter requiring approval shall not be deemed to constitute a waiver of any right to deny approval of any similar plan, drawing, specification or matter subsequently submitted for approval.

11.13 Appeal of Decision of Architectural Design Committee: This Section does not apply if the Board has dissolved the Architectural Design Committee or during the period of time that a majority of the Members of the Architectural Design Committee have been appointed by Declarant. If any Owner who alters his or her Lot or Residence disputes the jurisdiction or powers of the

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Architectural Design Committee or any requirement, rule, regulation or decision of the Architectural Design Committee (collectively referred to as "decision"), the Owner may appeal such decision to the Board. The Board shall notify such Owner of the time, date and place of a hearing to review the decision of the Architectural Design Committee. The notice shall be given at least fifteen (15) days prior to the date set for the hearing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after it has been deposited in the United States mail, first class, postage prepaid, addressed to the Member at the address given by the Member to the Board for the purpose of service of notices or to the address of the Member's Lot if no other address has been provided. After the hearing has taken place, the Board shall notify the Owner of its decision. The decision shall become effective not less than five (5) days after the date of the hearing. The determination of the Board shall be final.

11.14 LIABILITY: No approval of plans or specifications or publication of Architectural Design Guidelines shall be construed as representing or implying that (i) such plans, specifications or Architectural Design Guidelines will result in properly designed Improvements if followed or (ii) any Improvement built in accordance therewith will be built in a good and workmanlike manner. If members of the Architectural Design Committee have acted in good faith, neither the Architectural Design Committee nor any member shall be liable to the Association or to any Owner for any damage, loss or prejudice suffered or claimed due to: (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective; (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications; (c) the development of any property within the Project; or (d) the execution and filing of any estoppel certificate, whether or not the facts therein are correct.

11.15 ESTOPPEL CERTIFICATE: Within thirty (30) days after a determination of compliance is made pursuant to Section 11.10 and written demand is delivered to the Board by any Owner, and upon payment to the Association of a reasonable fee (as fixed from time to time by the Association), the Board shall record an estoppel certificate, executed by any two (2) Directors, certifying that as of the date thereof, either: (a) the work completed complies with this Declaration or (b) the work completed does not comply. In the latter situation, the certificate shall also identify the particulars of the non-compliance. Any successor in interest of the Owner shall be entitled to rely on the certificate with respect to the matters set forth. The certificate shall be conclusive as between the Association, Declarant and all Owners and such persons deriving any interest through any of them.
ARTICLE XII
ANNEXATION

12.1 RESTRICTION ON ANNEXATION: Property may be added to the Project by annexation only in accordance with the provisions of this Article.

12.2 PROPERTY WHICH MAY BE ANNEXED: APPROVAL OF MEMBERS: All or any portion of the Additional Property may be added to the Project by Declarant as one or more subsequent Phases without the approval of the Association or any Owner other than the Declarant, if annexed prior to the third (3rd) anniversary of the original issuance of the most recent Public Report issued for a Phase of the Project ("Annexation Period"). Property other than the Additional Property and any portion of the Additional Property not annexed within the Annexation Period may be annexed to the Project only with the approval of two-thirds (2/3rds) of each class of Members.

12.3 PROCEDURE FOR ANNEXATION: In addition to any required approval by Members, a final subdivision map(s) or final parcel map(s) and a Declaration of Annexation for the property to be annexed must be recorded. The Declaration of Annexation shall: (i) describe the portion of the Additional Property to be annexed; (ii) describe any Common Area within the Additional Property to be annexed; (iii) set forth the ownership of any such Common Area; (iv) describe any Village Maintained Area within the Additional Property to be annexed; (v) specify the allocation or reallocation of the Village Costs; and (vi) specify that all of the covenants, conditions and restrictions of this Declaration shall apply to the annexed Additional Property in the same manner as if it were originally covered by this Declaration. The Declaration of Annexation shall also provide that if and only if at the time of the first conveyance of a Lot in a Phase Declarant has rented or leased Lots in that Phase for a period of at least one (1) year after the most recent review of a budget for that Phase by the Department of Real Estate, Declarant shall pay to the Association the following amount: an amount equal to that portion of the Regular Assessment which would have been attributable to each Lot in that Phase and which would have been allocable to reserves for replacement and deferred maintenance of Common Area Improvements had Regular Assessments in that Phase commenced at the time of the most recent review of a budget for that Phase. Such amount, if any, shall be paid to the Association prior to or concurrently with the first conveyance of a Lot in that Phase. The Declaration of Annexation may also (i) impose any additional covenants, conditions and restrictions on the Additional Property that are necessary to include the property in the Project and to reflect differences in nature, if any, of the Improvements to be constructed on the Additional Property and (ii) provide for a specified date on which assessments shall commence for Lots in that Phase, provided that the date specified may not be later than the first day of the first month following the month in which the first Lot in that Phase is conveyed to an Owner. No Declaration of Annexation shall diminish the covenants, conditions or restrictions established by this Declaration nor shall it discriminate between the Owners in the...
Project. No Declaration of Annexation shall alter or change the general common plan or scheme created by this Declaration nor shall it affect the provisions hereof as covenants running with the land or as equitable servitudes.

12.4 EFFECT OF ANNEXATION: After complying with the procedures for annexation and upon the commencement of assessments for Lots in the annexed Phase, Owners of Lots in the annexed Phase shall be Members, shall be subject to this Declaration and shall be entitled to use all Common Area in the Project. The Association shall reallocate the Regular Assessments so as to assess each Owner of a Lot in the Project for a proportionate share of the total expenses of the Project.

12.5 DEANNEXATION AND AMENDMENT: Declarant has the right, at its sole option, to (i) amend a Declaration of Annexation by executing and recording an amendment of the Declaration of Annexation provided that the amendment is consistent with this Article, or (ii) remove from the Project any property described in a recorded Declaration of Annexation for a Phase by executing and recording a rescission of the Declaration of Annexation, as long as all of the following conditions are satisfied at the time of the execution and recordation of the amendment or rescission: (a) no Lot in that Phase has been conveyed to an Owner; (b) no Common Area in that Phase has been conveyed to the Association; and (c) assessments have not commenced for any Lot in the annexed property.

12.6 AMENDMENT: After the conversion of Class B membership to Class A membership and until the day following the date which is the third (3rd) anniversary of the original issuance of the most recent Public Report issued for a Phase of the Project, this Article may not be amended without the written consent of Declarant unless all of the Additional Property has been annexed to the Project.
ARTICLE XIII
MISCELLANEOUS PROVISIONS

13.1 TERM OF DECLARATION: This Declaration shall continue for a term of fifty (50) years from its date of recordation. Thereafter, this Declaration shall be automatically extended for successive periods of ten (10) years until two-thirds (2/3rds) of the Members approve a termination of this Declaration.

13.2 CONSTRUCTION OF PROVISIONS: The provisions of this Declaration shall be liberally construed to effect its purpose of creating a uniform plan for the development and operation of a planned development pursuant to the provisions of Section 1350, et seq. of the California Civil Code.

13.3 BINDING: This Declaration shall be for the benefit of and be binding upon all Owners, their respective heirs, legatees, devisees, executors, administrators, guardians, conservators, successors, purchasers, tenants, encumbrancers, donees, grantees, mortgagees, lienors and assigns.

13.4 SEVERABILITY OF PROVISIONS: The provisions hereof shall be deemed independent and severable, and the invalidity or unenforceability of any one provision shall not affect the validity or enforceability of any other provision hereof.

13.5 GENDER, NUMBER AND CAPTIONS: As used herein, the singular shall include the plural and masculine pronouns shall include feminine pronouns, where appropriate. The title and captions of each paragraph hereof are not a part thereof and shall not affect the construction or interpretation of any part hereof.

13.6 DISTRIBUTION OF PROJECT DOCUMENTS: Upon the resale of any Lot by any Owner, the Owner shall supply to the buyer of the Lot a copy of each of the Project Documents, a copy of the current Budget and a copy of the Natural Habitat Preservation Booklet attached as Exhibit "F" to this Declaration.

13.7 EXHIBITS: All exhibits attached to this Declaration are incorporated by this reference as though fully set forth herein.

13.8 ENFORCEMENT OF BONDED OBLIGATIONS: When Common Area Improvements have not been completed prior to the issuance of the original Public Report to which the Common Area is subject and the Association is the obligee under a bond or other arrangement ("Bond") to secure performance of the commitment of Declarant to complete the Improvements, the following provisions shall apply to initiating action to enforce the obligations of Declarant and the surety under the Bond.

13.8.1 Action by Board: The Board shall consider and vote on the question of action by the Association to enforce the obligations under the Bond with respect to any Improvements for which a notice of completion has not been filed within sixty (60) days after the completion date specified for that Improvement in
the planned construction statement appended to the Bond. If the Association has given a written extension for the completion of any Common Area Improvements, the Board shall consider and vote whether to take action if a notice of completion has not been filed within thirty (30) days after the expiration of the most recent extension.

13.8.2 Action by Members: If the Board decides not to act or fails to initiate action to enforce bonded obligations, then upon receipt by the Board of a petition for a special meeting signed by Members entitled to cast five percent (5%) or more of the total number of votes which may be cast by the Members, the Board shall call a special meeting of the Members. If the Board has failed to initiate action, the Members shall determine whether they wish to initiate action. If the Board has decided not to initiate action, the Members shall determine whether to override the Board's decision. The meeting shall be held not less than thirty-five (35) nor more than forty-five (45) days after receipt of the petition by the Board. At the meeting, the approval of the Members, excluding the vote of Declarant, to take action to enforce the obligations under the Bond shall be deemed to be the decision of the Association. The Board shall thereafter implement the decision by initiating and pursuing appropriate action in the name of the Association.

13.8.3 Release of Bond: On satisfaction of the Declarant's obligation to complete the Common Area Improvements, the Association shall acknowledge in writing that it approves the release of the Bond and shall execute any other documents as may be reasonably necessary to effect the release of the Bond. The Association shall not condition its approval on the satisfaction of any condition other than completion of the Common Area Improvements. If the Association breaches any of the foregoing obligations, it shall be liable to the Declarant for any damages incurred thereby, including reasonable attorney's fees. Any dispute between the Declarant and the Association regarding the completion of Common Area Improvements shall be submitted to binding arbitration under the commercial rules of the American Arbitration Association and the prevailing party shall be entitled to recover costs, including reasonable attorney's fees.

13.9 REQUIRED ACTIONS OF ASSOCIATION: The Association shall at all times take all reasonable actions necessary for the Association to comply with the terms of this Declaration or to otherwise carry out the intent of this Declaration.

13.10 SUCCESSOR STATUTES: Any reference in the Project documents to a statute shall be deemed a reference to any amended or successor statute.

13.11 CONFLICT: In the event of a conflict, the provisions of this Declaration shall prevail over the Bylaws and the Rules.
IN WITNESS WHEREOF, the undersigned has executed this Declaration on the 24th day of February, 1994.

DECLARANT: RUBY HILL DEVELOPMENT JOINT VENTURE L.P., a California limited partnership

BY: SIGNATURE PROPERTIES I, a California limited partnership
   Its General Partner

BY: SIGNATURE PROPERTIES, INC., a California corporation
   Its General Partner

JAMES C. GHIELMETTI
President

BY: NICKLAUS/SIERRA DEVELOPMENT CORPORATION OF NORTHERN CALIFORNIA, INC., a California corporation
   Its General Partner

JAMES T. CULLIS
Vice-President

02/22/94
State of California

County of Alameda

On February 24, 1994, before me, Susan M. Brady, personally appeared James C. Ghielmetti, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

[Signature]

Notary Public

[Stamp]

[Seal]

13.4 02/22/94
State of California )
County of Alameda ) ss.

On February 24, 1994, before me, Susan M. Brady, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

[Stamp]
SUSAN M. BRADY
NOTARY PUBLIC - CALIFORNIA
ALAMEDA COUNTY
My Commission Expires June 13, 1997

Notary Public
EXHIBITS

A  Description of Additional Property (Section 2.2)
B  Description of Golf Club Property (Section 2.20)
C  Right To Farm Ordinance (Section 4.26)
D  Description of Foley Property (Section 2.19)
E  Description of Vineyard Estates Property (Section 2.43)
F  Natural Habitat Preservation Booklet (Section 7.7)
Exhibit "A"

[Description of Additional Property]

Being situated in the City of Pleasanton, County of Alameda, State of California, more particularly described as follows:

All of Tract 6452, filed August 24, 1993, Map Book 209, Page 54, Alameda County Records, including any future subdivisions thereof.

EXCEPTING THEREFROM, Lots 1 through 47, inclusive, Lots A, B and C and those parcels designated as "Ruby Hill Boulevard", "East Ruby Hill Drive", "West Ruby Hill Drive", "Avio Court", "Varese Court", "Santel Court", "Piemonte Drive" and "Pineto Street" as shown on said Map of Tract 6452.
Exhibit "B"

[Description of Golf Club Property]

Being situated in the City of Pleasanton, County of Alameda, State of California, more particularly described as follows:

ORDINANCE NO. 0-89-73
AN ORDINANCE ADDING CHAPTER 8 TO TITLE 3 OF THE
ORDINANCE CODE OF THE COUNTY OF ALAMEDA
RELATING TO THE RIGHT TO FARM

The Board of Supervisors of the County of Alameda ordains as follows:

Section I

Chapter 8 is added to Title 3 of the Ordinance Code of the County of Alameda to read:

CHAPTER 8
RIGHT TO FARM

ARTICLE 1--DEFINITIONS

Section 3-310.0. "Agricultural Land" shall mean all that real property within the unincorporated boundaries of Alameda County currently zoned in the "A" (Agricultural) zoning district or with Combining District or in another zoning district and may be used for agricultural operations as defined herein.

Section 3-310.1. "Agricultural Operation" shall mean and include, but not be limited to, the cultivation and tillage of the soil, dairying, the production, irrigation, frost protection, cultivation, growing, harvesting and processing of any agricultural commodity, including viticulture, horticulture, floriculture, timber or apiculture, the raising of livestock, fur bearing animals, fish or poultry, and any commercial agricultural practices performed as incidental to or in conjunction with such operations, including preparation for market, delivery to storage or to market, or to carriers for transportation to market, consistent with all County regulations.

ARTICLE 2--FINDINGS AND POLICY

Section 3-311.0. The Board of Supervisors of Alameda County finds that commercially viable agricultural land exists within the County, and that it is in the public interest to enhance and encourage economically viable agricultural operations within the County. The Board of Supervisors of Alameda County also finds that residential and commercial development adjacent to certain agricultural lands often leads to restrictions on agricultural operations to the detriment of the adjacent agricultural uses and the economic viability of the County's agricultural industry as a whole.

Section 3-311.1. The purposes of this Chapter are to promote public health, safety and welfare and to support and encourage continued agricultural operations in the County. This chapter is not to be construed as in any way modifying or abridging state law as set forth in the California Civil Code, Health and Safety Code, Fish and Game Code, Food and Agricultural Code, Division 7 of the Water Code, or any other applicable provisions of state law relative to nuisances, rather it is only to be utilized in the interpretation and enforcement of the provision of this code and County regulations and provide a forum to discuss and resolve disputes to avoid litigation.
Section 3-311.2. This Chapter is to promote a good neighbor policy between agricultural and non-agricultural property owners by providing owners of property adjacent to or near agriculture operations a forum to discuss problems resulting from agricultural operations including, but not limited to, the noises, odors, dust, chemicals, smoke and hours of operation that may accompany agricultural operations. It is intended that, through a discussion forum, property owners will understand the impact of living adjacent to or near agricultural operations and be prepared to accept attendant conditions as the natural result of living in or near rural areas and agricultural operations.

ARTICLE 3--NUISANCE; DISPUTE RESOLUTION

Section 3-312.0. Nuisance. No present or future agricultural operation or any of its appurtenances conducted or maintained for commercial purposes and in a manner consistent with proper and accepted customs and standards of the agricultural industry on agricultural land shall become or be a nuisance, private or public, due to any changed condition of the use of adjacent land in or about the locality thereof, provided that the provisions of this section shall not apply whenever a nuisance results from the negligent or improper operation of any such agricultural operation and its appurtenances or if the agricultural activity or appurtenances obstruct the free passage or use in the customary manner of any navigable lake, stream, river, canal or basin or any public park, square, street or highway.

Section 3-312.1. Resolution of Disputes. Should any dispute arise regarding any inconveniences or discomforts occasioned by agricultural operations, including, but not limited to, noises, odors, fumes, dust, the operations of machinery of any kind during any 24 hour period (including aircraft), the storage and disposal of manure, and the application by spraying or otherwise of chemical fertilizers, soil amendments, herbicides, and pesticide, the parties shall submit the dispute to the Alameda County Agricultural Advisory Committee created by the Alameda County Board of Supervisors in an attempt to resolve the matter prior to filing any court action as set forth below.

Section 3-312.2. Role of Agricultural Advisory Committee. In the event a dispute arises between an owner of an agricultural operation and a resident (or residents) in or about the locality thereof as to whether a particular agricultural operation constitutes a nuisance, an interested party shall submit a written request to the Agricultural Advisory Committee to act as a mediator in such dispute. The Agricultural Advisory Committee may decline any such request to consider or issue an advisory opinion or mediate a dispute. The Agricultural Advisory Committee may promulgate such regulations as are necessary for the implementation of this section.

The party submitting the complaint may select up to three residents to join with the Agricultural Advisory Committee in the deliberation, mediation and resolution of the dispute.

The Agricultural Advisory Committee may request technical assistance from County agencies, departments, private industry or the general public in the course of investigating and evaluating any dispute.
Section 3-312.3. Procedures.

(a) Any dispute between the parties shall be submitted to the Agricultural Advisory Committee within thirty (30) days of the date of the occurrence of the particular activity giving rise to the dispute or of the date party became aware of the occurrence.

(b) The parties to a dispute recognize the value and importance of full discussion and complete presentation and agreement concerning all pertinent facts in order to eliminate any misunderstandings. The parties will cooperate in the exchange of pertinent information concerning the controversy.

(c) The dispute shall be presented to the Committee by written request of one of the parties within the time limits specified. Thereafter the Committee may investigate the facts of the dispute, but must, within thirty (30) days, hold a meeting to consider the merits of the matter and within twenty (20) days of the meeting must render a written decision to the parties. At the time of the meeting both parties shall have an opportunity to present what each considers to be pertinent facts. This matter may be continued from time to time as determined by the Agricultural Advisory Committee.

(d) The decision of the Committee shall not be binding.

ARTICLE 4--SEVERABILITY

Section 3-313.0. If any section, subsection, sentence, clause or phrase of this Chapter is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, it shall not affect the remaining portions of the Chapter.

SECTION II

This Ordinance shall take effect and be in force thirty (30) days from and after the date of passage and before the expiration of fifteen (15) days after its passage it shall be published once with the names of the members voting for and against the same in The Inter-City Express, a newspaper published in the said County of Alameda.

Adopted by the Board of Supervisors of the County of Alameda, State of California, on the 26th day of September, 1989, by the following called vote:

AYES: Supervisors Campbell, King, Santana and Chairman Perata - 4
NOES: Supervisors None
EXCUSED: Supervisors Widener - 1

DON PERATA
Chairman of the Board of Supervisors, County of Alameda, State of California

ATTEST: WILLIAM MEHRWEIN, Clerk, of the Board of Supervisors, County of Alameda, State of California

By WILLIAM MEHRWEIN

LEC/pb
12431
9/21/89

0-89-73
Agenda 9/26/89
Item 17
File 4567

Exhibit "C"
Page 3 of 3 Pages

I CERTIFY THAT THE FOREGOING IS A CORRECT COPY OF AN ORDINANCE ADOPTED BY THE BOARD OF SUPERVISORS ALAMEDA COUNTY, CALIFORNIA SEp 26 1989

ATTEST: WILLIAM MEHRWEIN, CLERK OF THE BOARD OF SUPERVISORS

By: [Signature]
LEGAL DESCRIPTION FOLEY PARCEL

That certain parcel of land situate in the Township of Pleasanton, County of Alameda, State of California, described as follows:

Beginning at the Southwest corner of Plot No. 28 of the Bernal portion of the Rancho el Valle de San Jose, as described in Book 40 of Deeds, at page 315, et seq., Alameda County Records; thence along the South boundary line of said Plot, East 8.70 chains; thence leaving Plot line South 33° East 16.80 chains to a stake from which a white Oak tree ten (10) inches in diameter marked "B. T." bears South 37° West 22 links distant; thence 55-3/4° East 5.80 chains to a stake from which a white Oak tree eighteen (18) inches in diameter marked "3" bears South 45-1/2° West 30 links; thence South 15° East 3.50 chains, South 37° East 5 chains, South 38-1/2° East 4.43 chains, South 66-1/2° East 2 chains, South 54° East 8-3/8 chains, South 39-3/4° East 4.75 chains, South 17.50 chains, South 53° East at 54 links to Buckeye Tree ten (10) inches in diameter, marked "B. T." at 3.40 chains to marked post in wire fence, South 50° East 11 chains, South 47-3/4° East 7.55 chains, South 40° East 6.45 chains, South 33-3/4° East 10.65 chains, South 59° West 2.21 chains, South 46° West 1.47 chains, South 27-1/2° West 3.48 chains, South 34° West 10 chains, South 11° West 4.10 chains, South 45-1/2° West 5.10 chains South 39° West 4.18 Chains, South 29-3/4° West 3.28 chains, South 41-1/2° West 2.32 chains to a point on the Southwestern line of Plot 3 of said Bernal portion, from which point the center line of the former County Road commonly called the Patterson Pass Road, as said center line existed in 1899, bear South 52° 24' East 16.40 chains distant; thence along said last named line, North 52° 24' West 111.60 chains to a stake from which a double live Oak tree marked "B. T." bears North 29-1/2° West 71 links distant; thence leaving said line North 110.90 chains to a post in fence line on line dividing Plots 3 and 4 of said Bernal portion of said Rancho, from which post a white Oak tree three (3) feet in diameter marked "B. T." bears North 82° West 53 links distant; thence along line dividing said Plots 3 and 4, East 21.45 chains to the Northwest corner of the lands conveyed by T. W. Harris and wife, to H. B. Oxsen, by deed dated April 20, 1896 and recorded in Book 593 of Deeds, at page 125, Alameda County Records; thence along said lands of Oxsen, South 10 chains; thence East 20.30 chains to the Westerly line of aforesaid Plot No. 28 and thence along same South 56.88 chains to the place of beginning.

EXHIBIT "b"
EXHIBIT "E"

Description of Vineyard Estates Property

Being situated in the City of Livermore, County of Alameda, State of California, more particularly described as follows:

PARCEL ONE:

Being a portion of Plot No. 30 of the Bernal portion of said Rancho el Valle de San Jose, described as follows:

Beginning at a point on the center line of Wetmore Road, County Road No. 2011, west 79/100 chains distant from the southwest corner of Plot No. 26, said corner being also the northwest corner of Plot No. 31, of the Bernal portion of the Rancho el Valle de San Jose, running thence south 13 1/2° west 12.50 chains; thence south 36° west 19.95 chains to a corner common to Plots No. 30 and 31, of the aforesaid Rancho; thence on the line dividing said Plots No. 30 and 31 south 33.84 chains to the northeast corner of the Plot No. 34 of said Rancho; thence on the line dividing Plots No. 30 and 34 aforesaid, west 33.80 chains to a stake on the easterly bank of a gulch; thence along said bank of said gulch north 36 3/4° west 2.74 chains; north 13 1/2° east 1.50 chains; north 69 1/4° west 2 chains; north 54 1/4° west 1.75 chains; south 65 1/4° west 0.84 chains; north 15 3/4° west 0.41 chains; north 23 3/4° east 1.36 chains; north 38 1/4° west 1.90 chains; thence leaving said gulch north 9 3/4° east 16.07 chains; thence north 14 1/4° west 3.72 chains; thence north 26 1/2° west 2.28 chains; thence north 1/4° west 6.72 chains; thence north 6 1/4° east 8.39 chains; thence north 48° 53' east 20.63 chains; thence north 76° east 14.37 chains to the westerly terminus of the abandoned portion of said County Road No. 2011 (Resolution No. 37559); thence along the center of said abandoned road east 13.21 chains to the point of beginning.

EXCEPTING therefrom that portion granted to the State of California by Grant Deed recorded December 27, 1939, Book 3852, Page 274, Alameda County Records.

ALSO EXCEPTING therefrom that portion thereof as granted to the State of California by Grant Deed recorded April 3, 1992, Series No. 92-102109, Alameda County Records.
PARCEL TWO:
Being a portion of Plot 30 of the Bernal portion of the Rancho el Valle de San Jose, described as follows:

Beginning at a point on the southern line of Plot 30, as said plot is shown on the Map of Rancho el Valle de San Jose, accompanying Referees Report in the case of Augustine Bernal and Juana Higuerra Bernal versus Juan Pablo Bernal, Case 1723, District Court of the Third Judicial District, in and for the County of Alameda, State of California, distant thereon west 23.80 chains from the southeastern corner of said plot north 36-3/4" west 2.74 chains; north 13-1/2" east 1.50 chains; north 69-1/4" west 2.00 chains; north 54-1/2" west 1.75 chains; south 65-1/2" west 0.84 chains; north 15-3/4" west 0.41 chains; north 23-3/4" east 1.36 chains; north 38-1/2" west 1.90 chains; north 9-3/4" east 16.07 chains; north 14-1/4" west 3.72 chains; north 26-1/2" west 2.28 chains; north 0-1/4" west 6.72 chains; north 6-1/4" east 8.39 chains; south 48' 22' west 11.89 chains; south 51-3/4" west 7.31 chains; south 20-1/2" west 4.50 chains; south 3-3/4" east 2.59 chains; south 1" west 2.00 chains; south 36-1/2" west 3.50 chains; south 56" west 11.00 chains; south 34-1/4" west 2.22 chains; south 53-1/2" west 2.00 chains; south 67-1/4" west 5.41 chains; south 45-3/4" west 4.00 chains; south 7-3/4" west 3.48 chains; south 24-3/4" west 1.55 chains; south 1.76 chains to the common corner of said Plots 30, 3 and 34, as said Plot 30 is shown on said Map; thence along the line dividing said Plots 30 and 34 east 43.54 chains to the intersection thereof with the western boundary line of that certain piece or parcel of land containing 180.50 acres heretofore conveyed by Chateau Bellevue Vineyard Co., to Christiana True by Deed, dated June 12, 1915, recorded July 28, 1915, Book 2363 of Deeds, Page 133, Alameda County Records and point of beginning.


ALSO EXCEPTING therefrom that portion thereof as granted to the State of California, by Grant Deed recorded April 3, 1992, Series No. 92-102108, Alameda County Records.
EXHIBIT "E" (continued)

PARCEL THREE:

A portion of Plot 34 of the Rancho el Valle de San Jose, according to the map of said Rancho attached to the Report of the Referee in the Decree of Partition, Augustine Bernal, et al., vs. Juan Pablo Bernal in the District Court of the Third Judicial District, State of California, in and for the County of Alameda, made April 1, 1869, and recorded April 12, 1869 in Book 40 of Deeds, Page 315, Alameda County Records, bounded as follows:

Beginning at the northwestern corner of said Plot 34; thence east along the northern boundary line thereof 4444.44 feet to the eastern boundary line of said Plot 34; thence south along the said last mentioned line 1960.20 feet; thence west 4444.44 feet to a point on the western line of said Plot 34; thence north along the said last mentioned line 1960.20 feet to the point of beginning.

EXCEPTING therefrom that portion granted to the State of California by Grant Deed recorded April 7, 1992, Series No. 92-104647, Alameda County Records.

PARCEL FOUR:

Being a portion of Plots 3 and 30 of the Bernal portion of said Rancho el Valle de San Jose, and a portion of the 1,423.42 acre tract of land conveyed by Mary Refugio Bernal de Kottinger to T. W. Harris by Deed, recorded in Book 572 of Deed, Page 197, Alameda County Records, described as follows:

Beginning at the northwestern corner of said plot 30; thence from said point of beginning along the line dividing said Plot 30 and Plot 27 of said Rancho south 89° 45' east 3,910.25 feet to a point in the southwesterly line of County Road No. 2065; thence along said southwesterly and southerly line of said County Road south 48° 30' east 75.83 feet to an angle point thereof and south 89° 45' east 457.40 feet, leaving said southerly line of County Road No. 2065 south 44° 43' 30" east 435.45 feet to a point in the northwesterly line of State Highway IV, Ala. Route 108A, as said Highway is described in the Deed from Henry Grabau to the State of California, recorded December 27, 1939, Book 3852, Page 274, Alameda County Records; thence along last said line southwesterly from a tangent bearing south 50° 15' 28" west on the arc of a curve to the left with a radius of 7,050.00 feet, subtending a central angle of 1° 39' 58", an arc distance of 205.01 feet continuing along said line south 48° 35' 30" west 608.88 feet to a point in the northwesterly line of existing State Highway, distant north 41° 24' 30" west 50.00 feet from the Engineer's Station 330+83.74 in the center line of the Department of Public Works Survey for the relocation of a portion of the State Highway from Mission San Jose to Livermore, as described in said Deed 3852/274; thence continuing along northwesterly line of existing State Highway 66.00 feet wide, described in the Indenture between T.V. Perry, et al and the County of
EXHIBIT "E" (continued)

Alameda, recorded June 5, 1931, Book 2586, Page 268, Alameda County Records and as a portion of said Highway has been abandoned by the Resolution of the Board of Supervisors of Alameda County, State of California, recorded November 20, 1931, Book 2652, Page 357, Alameda County Records, the following courses: south 48° 35' 30" west 1,789.61 feet, tangent to the last said course, on the arc of a curve to the left with a radius of 593.00 feet, subtending a central angle of 45° 10' 45", a distance of 467.60 feet; south 3° 24' 45" west 171.98 feet, tangent to the last said course on the arc of a curve the right with a radius of 267.00 feet, subtending a central angle of 50° 52' 05", a distance of 237.05 feet; south 54° 16' 50" west 494.51 feet, tangent to the last said course on the arc of a curve to the left with a radius of 1,033.00 feet, subtending a central angle of 9° 31' 55", a distance of 171.85 feet; south 44° 44' 55" west 224.20 feet; tangent to the last said course on the arc of a curve to the right with a radius of 367.00 feet, subtending a central angle of 23° 22' 25", a distance of 149.72 feet; south 68° 07' 20" west 343.70 feet; tangent to the last said course on the arc of a curve to the left with a radius of 353.00 feet, subtending a central angle of 55° 56', an arc distance of 344.61 feet; south 12° 11' 20" west 328.60 feet, tangent to the last said course on the arc of a curve to the left with a radius of 333.00 feet, subtending a central angle of 12° 17' 20", a distance of 71.42 feet; south 0° 06' east 1,213.57 feet, tangent to the last said course on the arc of a curve to the right with a radius of 767.00 feet, subtending a central angle of 35° 42' 15", a distance of 477.96 feet; south 35° 36' 15" west 450.60 feet, tangent to last said course on the arc of a curve to the right with a radius of 567.00 feet, subtending a central angle of 23° 36', a distance of 233.55 feet; south 59° 12' 15" west 149.98 feet, tangent to the last said course on the arc of a curve to the left with a radius of 1,033.00 feet, subtending a central angle of 9° 53' 50", a distance of 178.44 feet; south 49° 18' 25" west 626.03 feet, tangent to the last said course on the arc of a curve to the right with a radius of 967.00 feet, subtending a central angle of 11° 47' 55", a distance of 199.13 feet; south 61° 06' 20" west 209.81 feet, tangent to the last said course on the arc of a curve to the left with a radius of 283.00 feet, subtending a central angle of 51° 22' 30", a distance of 253.76 feet; south 9° 43' 50" west 86.78 feet, tangent to the last said course on the arc of a curve to the right with a radius of 267.00 feet, subtending a central angle of 29° 08' 50", a distance of 135.83 feet; south 38° 52' 40" west 134.36 feet, tangent to the last said course on the arc of a curve to the left with a radius of 333.00 feet, subtending a central angle of 27° 05' 50", a distance of 157.49 feet; south 11° 46' 50" west 492.23 feet, tangent to the last said course on the arc of a curve to the left with a radius of 5,033.00 feet, subtending a central angle of 2° 10' 50", a distance of 191.55 feet; south 9° 36' west 311.06 feet, tangent to the last said course on the arc of a curve to the right with a radius of 1,967.00 feet, subtending a central angle of 5° 31' 10", a distance of 189.49 feet; south 15° 07' 10" west 148.29 feet, tangent to the last said course on the arc of a curve to the right with a radius of 967.00 feet, subtending a central angle of 14° 20' 36", a distance of 242.08 feet to a point in the southwestern line of aforesaid Plot 3 of the Rancho el Valle de San Jose; thence leaving the northwestern line of the State Highway along said southwestern line of Plot 3 north 52° 39' west 1046.91 feet to the southern corner of a 900.34 acre tract of land conveyed by
EXHIBIT "E" (continued)

T. W. Harris and wife to C.H. Schween, W.H. Martin and W.J. Martin by Deed dated October 2, 1899, recorded in Book 710 of Deeds, Page 314, Alameda County Records; thence along the general eastern line of said 900.34 acre tract the following courses: north 41° 05' 54" east 153.12 feet; north 29° 20' 54" east 216.48 feet; north 38° 35' 54" east 275.88 feet; north 45° 05' 54" east 336.60 feet; north 10° 35' 54" east 270.60 feet; north 33° 35' 54" east 660.00 feet; north 27° 05' 54" east 229.68 feet; north 45° 35' 54" east 97.02 feet; north 58° 35' 54" east 145.86 feet; north 33° 33' 59" west 702.90 feet; north 39° 48' 59" west 425.70 feet; north 47° 33' 59" west 498.30 feet; north 49° 48' 59" west 726.00 feet; north 52° 48' 59" west 224.40 feet; north 0° 15' east 1,155.00 feet; north 39° 30' west 313.50 feet; north 53° 45' west 553.08 feet; north 66° 15' west 132.00 feet; north 38° 15' west 292.38 feet; north 36° 45' west 330.00 feet; north 14° 45' west 231.00 feet; north 55° 30' west 382.80 feet; north 32° 45' west 1,066.56 feet to a point in the southern line of Plot 28 of the Bernal Portion of the Rancho el Valle de San Jose; thence leaving aforesaid eastern line of 900.34 acre tract along said southerly line of Plot 28 south 89° 45' east 2,065.80 feet to a point in the westerly line of Plot 29 of said Rancho; thence along line south 362.34 feet to the southwestern corner thereof; thence along the southerly line of said Plot 29 east 2,640.00 feet to the southeastern corner thereof in the westerly line of aforesaid Plot 30; thence along the line dividing said Plot 30 and Plot 29 north 0° 15' east 1,819.34 feet to the point of beginning.


ALSO EXCEPTING THEREFROM all that portion lying westerly of the easterly boundary line of Tract 6452, filed August 24, 1993, Map Book 209, Page 54, Alameda County Records.

PARCEL FIVE:

All that portion of Plot 27, of the Bernal Portion of the Rancho el Valle de San Jose, as surveyed and determined in accordance with the final decree in partition in the case of Bernal vs. Bernal in the District Court of the Third Judicial District, in and for the County of Alameda, State of California, dated April 1, 1869, and recorded on April 12, 1869, in Book 40 of Deeds, Page 315, Alameda County Records, which lies southwesterly of County Road No. 2065.

EXCEPTING THEREFROM all that portion lying southwesterly of the northeasterly boundary of Tract 6452, filed August 24, 1993, Map Book 209, Page 54, Alameda County Records.
FIRST AMENDMENT
TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
RUBY HILL

RUBY HILL DEVELOPMENT JOINT VENTURE, L.P., a California limited partnership ("Declarant") hereby makes this First Amendment to Declaration of Covenants, Conditions and Restrictions of Ruby Hill (the "First Amendment") on the terms and conditions herein stated.

RECATALS:

Declarant makes this First Amendment based on the following facts and intentions:

A. Declarant is the owner of all the real property and improvements thereon located in the City of Pleasanton, County of Alameda, State of California, described as:

Lots 1 through 47, inclusive, Lots A, B and C and those parcels designated as "Ruby Hill Boulevard", "East Ruby Hill Drive", "West Ruby Hill Drive", "Avio Court", "Varese Court", "Santel Court", "Piemonte Drive" and "Pinegro Street" as shown on the subdivision map of Tract 6452 filed for record on August 24, 1993, in Book 209 of Maps at Pages 54 through 71, inclusive, as amended by the Certificate of Correction recorded on April 6, 1994 as Series No. 94-134055, both in the Official Records of the County of Alameda, State of California.

B. The Declaration of Covenants, Conditions and Restrictions of Ruby Hill was recorded on March 3, 1994, as Recorder's Series No. 94-082427 in the Official Records of the County of Alameda, State of California, (the "Declaration").

C. Declarant now desires to amend the Declaration.

THEREFORE, Declarant hereby declares the following:
1. The fifth (5th) sentence of Section 4.23 is deleted.

2. Exhibit "B" to the Declaration is deleted and the document attached to this First Amendment as Exhibit "B" is substituted in lieu thereof.

3. Except as expressly stated herein, all of the provisions of the Declaration are restated and affirmed and shall remain in full force and effect.

4. This First Amendment to Declaration of Covenants, Conditions and Restrictions shall be effective upon the date of its recordation in the Official Records of the County of Alameda, State of California.

IN WITNESS WHEREOF, the undersigned has executed this First Amendment to Declaration of Covenants, Conditions and Restrictions of Ruby Hill on this [specific date] day of April, 1994.

DECLARANT: RUBY HILL DEVELOPMENT JOINT VENTURE L.P., a California limited partnership

BY: SIGNATURE PROPERTIES I, a California limited partnership
   Its General Partner

BY: SIGNATURE PROPERTIES, INC., a California corporation
   Its General Partner

BY: NICKLAUS/SIERRA DEVELOPMENT CORPORATION OF NORTHERN CALIFORNIA, INC., a California corporation
   Its General Partner

JAMES T. CULLIS
   Vice-President
State of California  
County of Alameda  

On April 12, 1994, before me, Susan M. Brady, personally appeared James C. Ghialmetti, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

(Seal) 

[Signature]  
Notary Public

County of Alameda  

On April 12, 1994, before me, Susan M. Brady, personally appeared James T. Cullis, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

(Seal) 

[Signature]  
Notary Public

04/08/94
Exhibit "B"

[Description of Golf Club Property]

Being situated in the City of Pleasanton, County of Alameda, State of California, more particularly described as follows:

ARCHITECTURAL DESIGN GUIDELINES

A Residential Golf Course Community by
Signature Properties and Nicklaus/Sierra Development

2001 Ruby Hill Boulevard, Pleasanton, CA 94566
(925) 417-2250 • (925) 417-8586 Fax

Updated January 2000
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I. Introduction

Gently rolling hills, panoramic vistas of historic vineyards, abundant native oaks, lakes and natural stream beds create the setting for Ruby Hill. These features, combined with a Jack Nicklaus-designed championship golf course, a majestic clubhouse, and the Ruby Hill Park for all homeowners, will make Ruby Hill one of the finest residential and recreational communities in the country.

Ruby Hill, located in Pleasanton, is the cornerstone of the South Livermore Valley’s efforts to regain national recognition as the premier wine growing region in California. Homes in Ruby Hill will be nestled in the foothills overlooking approximately 900 acres of vineyards, boutique wineries, bed and breakfast inns, and wine country estates.

Great care has been taken in the planning, design and construction phases to ensure aesthetic harmony between Ruby Hill’s natural beauty and its developed amenities. To this end, it is one of the utmost importance that the homes in Ruby Hill are creatively conceived, environmentally sensitive and demonstrate architectural integrity.

For this purpose, an Architectural Design Committee (the “Committee”) will review all designs, plans and construction for:

- Consideration of primary site design issues.
- Sensitivity of the special landscape potential of the homesite.
- Excellence in architectural design and conformance to the Design Guidelines

I(a) Purpose of Guidelines

The Architectural Design Guidelines have been created to provide property owners, architects, home builders and contractors with a set of parameters for the preparation of their drawings and specifications. Adherence to these Guidelines will assure the homeowners that Ruby Hill will be known for its uncompromising standards of architectural and landscape quality and integrity.

It is very important that every purchaser at Ruby Hill and their design team thoroughly read the Design Guidelines and understand its requirements. All design submittals will be carefully checked to ensure that all requirements of the Guidelines are met or exceeded.

1(b) Goals of the Guidelines

The goals of the Guidelines are to establish Ruby Hill as a community that is the model of excellence in site planning, architectural design and landscape design.

1(c) Role of the Architectural Design Committee

Ruby Hill is designed to be a unique community of estate and Village homes. The community’s Covenants, Conditions and Restrictions do not list specific design items necessary for plan approval. Rather, the authority to approve or disapprove individual building and landscaping plans is given to the Architectural Design Committee. The Committee does not seek to restrict individual creativity or preferences, but rather maintain within the overall community the aesthetic relationship between homes, natural amenities, golf course and surrounding neighbors. As the community matures, these prime relationships will become increasingly important, requiring coordination through the design process.

The Architectural Design Committee is composed of five (5) members who are intricately involved in the development of the Ruby Hill community. Additionally, an architect or other design professional may serve on or act as a consultant to the Committee.

The Committee will use the Design Guidelines for the purpose of review, but may individually consider the merits of any design due to special conditions that, in the opinion of the Committee, provide benefits to the adjacent areas, the specific site or to the community as a whole. Approval by the Committee must be received prior to the start of any clearing, grading, construction, or landscaping. The authority to approve or disapprove building and landscape plans is provided by the Covenants, Conditions and Restrictions for Ruby Hill, Article XI.
1(d) Selection of Your Design/Construction Team — Consultant/Builder Approval

The selection of your design and construction team is one of the most important decisions that you will make in the process of designing and building your new home. The Committee requires that homesite owners at Ruby Hill utilize professional architects and builders who have thoroughly acquainted themselves with the Architectural Design Guidelines and have demonstrated an understanding of the quality and standards that will be required at Ruby Hill. Before selection of an architect or builder, homesite owners should check with the Committee to determine if the professional they are considering has been approved for work at Ruby Hill.

- Selection of an Architect

To assist in the selection of an architect, Ruby Hill has assembled a list of qualified architects which, in the opinion of the Committee, have demonstrated a high level of quality design. All approved architects have been reviewed by the Committee and deemed qualified to design homes at Ruby Hill. Homesite owners may utilize an architect which is not on the approved list only after he/she has been reviewed and approved by the Committee. Unlicensed designers will not be considered unless the Committee determines their design quality to be exceptional.

- Selection of a Builder

Ruby Hill has assembled a select group of featured builders who have demonstrated, in the opinion of the Committee, an excellent track record of high quality construction and customer satisfaction in development of custom homes. Homesite owners may elect to utilize a builder who is not in the Featured Builder Program if they have been approved by the Ruby Hill Architectural design Committee prior to starting construction. If a homeowner wants to act as his/her own builder, he or she must be licensed and meet all builder qualifications and be approved by the Committee.

As mentioned above, all architects and builders, unless they are Featured Builders, must be approved by the Ruby Hill Architectural design Committee prior to performing any work at Ruby Hill. Approval of an architect or builder by the Committee is not a guarantee that designs and plans will be approved or that the quality of construction will be acceptable.

- Consultant/Builder Approval Process

If you are considering an architect or builder who is not approved for work at Ruby Hill, you may obtain a Builder/Designer Approval form from the Sales and Information Center. The architect or builder will need to complete the application and submit it to the Committee for review and approval. The Committee may conduct additional research to determine the qualifications of architects or builders.
II. Design Review Process

The design review process has been created to assist homesite owners in the development of their plans and ensure that the individual home design from initial concept to final working drawings conform to the requirements of the Ruby Hill Architectural Design Guidelines.

The Design review procedure at Ruby Hill involves three major steps (1) Pre-Design Conference, (2) Preliminary Design Review Submittal; and (3) Final Design Review Submittal. Each of these are required in order for plans to receive Committee approval.

II(a) Pre-Design Conference

The Pre-Design Conference is intended to give a homesite owner the opportunity to share with the Committee his/her vision of the design concept of his/her new home. These ideas can be conveyed by sharing photographs of homes from books, magazines and/or rough sketches that illustrate the desired look.

It is not mandatory to have an architect selected or present for the Pre-Design Conference. However, if an architect is on board, the Pre-Design Conference is the time to review and discuss any preliminary sketches which may have been prepared. The homesite owner may appoint a personal representative to attend this meeting but the Committee suggests that the owner be present.

The purpose of the Pre-Design Conference is to ensure that the homesite owner and the Committee are in agreement with the design concept prior to preparation of the Preliminary Design Submittal.

The City of Pleasanton has jurisdiction over the Ruby Hill community. The Pleasanton Building and Planning Departments should be contacted at the beginning of the planning process to ensure compliance with their requirements. Compliance with all government regulations is the obligation of the Homesite Owner.

II(b) Preliminary Design Review Submittal

The Pre-Design Conference should give the owner and his/her design team sufficient direction to prepare the Preliminary Design Submittal.

The Preliminary Design submittal package shall contain two (2) sets of plans as defined below:

Preliminary plans should be submitted on 24" x 36" minimum sheet size; drawn at 1/4" = 1'-0" unless otherwise noted; be in order and include any of the additional information stated below. Also include the street address of the lot and tract number in the title block plus all information previously noted in the Pre-Design Conference (if any).

NOTE: Preliminary design review approval will not be granted without an approved grading plan showing existing and proposed grades. This can be combined with site plan if desired. Also refer to Section IV(f) for grading requirements.

1. Site Plan

A site plan drawn at 1/8" = 1'-0", scale showing:

a. Property lines;
b. Contours, existing grades, proposed finish grades and swales;
c. Home location, setbacks and easements. See Section IV(a), Setbacks, and Section IV(b), Easements for requirement;
d. Driveway and turnaround locations and dimensions and guest parking spaces. See Section IV(e), Driveway/Parking, for requirements;
e. Indicate the garage back-up distance, a minimum of 28' (30' recommended), plus a minimum of 3' between the edge of the driveway and the property line. Landscape screening is required between the property line and driveway;
f. Culverts, pipes, headwalls, mailbox location, walks, patios, A/C and garbage enclosure locations, mechanical rooms, mechanical panels;
g. Proposed top of finished floor and pad elevation;
h. Rear deck size and location (if proposed);
i. Existing trees - all trees with a trunk diameter of 6" and larger (as measured 3 ft. above the ground) with a designation of those which must be removed. Designation and
protection provisions for heritage trees, if any are present on the homesite, should be provided;

j. Show the length, design, height, finish and location of all walls (retaining and freestanding) and fences. Both walls and fences must conform to the Ruby Hill Master Fencing Plan;

k. Show the proposed structures including accessory structures.

2. **Floor Plans**

   a. Indicate decks, patios, stoops, retaining walls, trash enclosures, air conditioning screening, front entry step sizes, materials and finishes, and all interior floor spaces;

   b. Walk-out basements should indicate windows, doors, patio areas, stoops, deck columns, retaining walls and roof pitches.

3. **Roof Plan**

   a. Indicate lower roof projections, roof overhangs, chimney and roof pitches.

4. **Elevations**

   a. Building elevations should be labeled to match the site plan orientation

   b. The elevations should show all sides, including hidden or courtyard elevations. All exterior elevations should be drawn with enough detail to allow the Committee to make an effective review of the plan. All oblique elevations should be drawn “straight on.”

   c. Items to be included in the elevation drawings are:
      
      (1) Identification of exterior material(s);

      (2) Roof pitch(es);

      (3) Plate height(s);

      (4) Window and door treatment(s) and operation;

      (5) Deck(s);

   d. Show the proposed finish grades against elevations, garbage screens, air conditioner locations, other screens, decks, and rear stairs;

   e. Show the maximum height from the existing grade to the uppermost roof peak, section V(f), Height restrictions, for maximum height;

   f. Note the architectural style on the drawings.

5. **Elevation Renderings**

   Elevation renderings can be in black and white or color and should include shadowing and texturing that accurately illustrates how the home will look (minimum of front elevation required; on corner lots both street facing elevations are required).

6. **Schematic Landscape Plan**

   Schematic Landscape Plan drawn 1/8" = 1'-0" scale showing:

   a. Existing and final grades, this should be coordinated with the grading plan;

   b. Home and driveway location;

   c. Patios, walks and decks;

   d. Fences and/or walls;

   e. Schematic lawn and plant bed layout;
f. Tree locations;  
g. Shade structures;  
h. Pools/spas  
i. Accessory/play structures

7. **Preliminary color and material selections to include a labeled Colors and Materials Board:**

   (a) Maximum size 8-1/2” x 14”;  
   (b) Labeled as follows at a minimum:  
       “Homesite owner last name, lot and tract number,  
        date of submittal, manufacturer(s) name of color  
        and/or material(s), manufacturer style number(s).”

8. **Two (2) copies of the Application for Plan approval form completely filled in.**

9. **Processing fee of $1,500.00**

Homesite owners should submit the completed Application for Plan Approval forms, along with the plans and color(s) and material(s) selection(s) as described above, to the Architectural Design Committee. All resubmittals should include an updated application form.

For the Preliminary Design review process, allow ten (10) working days from submittal date of Thursday at 12:00 p.m. to completion of review. Within the 10 working days the applicant and architect will meet with the committee to review this committee’s comments.

The Architectural Design Committee will review a set of your Preliminary Design Submittal plans to the Pleasanton Planning Department for comment. The Planning Department’s comments will be incorporated into the Architectural Design Committee’s comments when reviewed with the applicant.

The following information also needs to be submitted as part of the Preliminary Design Review Submittal:

10. **A labeled Colors and Materials Board:**

   (a) maximum size 8-1/2” x 14”;  
   (b) labeled as follows at a minimum:  
       “Homesite owner last name, lot and tract number,  
        date of submittal, manufacturer(s) name of color  
        and/or material(s), manufacturer style number(s).”

11. **An envelope containing a set of color chips** and a manufacturer cut sheet for material(s) detailed on the Color and Materials board. Labeled in same manner as the Color and Materials Board.

12. **Sample(s) of material(s) for home** (i.e. roof material, stone, masonry, siding material (if not stucco, etc.). All samples are required to be labeled in the same manner as on the Color and Materials Board.

II(c) **Final Design Review Submittal**

After Preliminary Design Review and approval of the materials and design concept, the owner or his/her agent must submit a final set of blueprints (working drawings) incorporating all information previously noted in the Preliminary Design Submittal. The submittal shall consist of two (2) separate packages:

1. **Architectural;**
2. **Landscape and Irrigation**

Applicants should submit two (2) sets of final architectural plans and two (2) sets of landscaping plans fulfilling all of the following design criteria.

**Architectural Design Submittal**

The Architectural Design Submittal shall consist of the Final Construction plans that will be submitted to the City of Pleasanton for a building permit. Plans should be submitted on 24" x 36" minimum sheet size and be drawn at 1/4"=1'-0" unless otherwise noted. The sheets should be in order as numbered and include any of the additional information stated below. Include the street address, lot and tract number in the title block. At a minimum include the following:

1. **Site Plan (1/8" = 1'-0")**

   (a) Indicate Sewer/Water Tie-In Locations;
(b) Indicate Floor Area, FAR, Lot Coverage, Site Area;
(c) All other site plan information, see Section II(b), Preliminary Design Review Submittal.

2. Grading and Drainage Plan
(a) Existing and finish grades;
(b) Site drainage;

3. Floor Plans
(a) Note door and window sizes and operation;
(b) Fully dimensioned floor plans;
(c) Area of each floor;
(d) All other floor plan information, see Section II(b), Preliminary Design Review Submittal.

4. Elevations
(a) Articulate with detail bubbles all typical architectural details;
(b) Specify or detail the size, height and color of all precast exterior materials including foam trim;
(c) Specify stucco finishes and all exterior colors, finishes and materials
(d) Indicate maximum height.
(e) Indicate architectural style on each elevation sheet.
(f) All other elevation information, see Section II(b), Preliminary Design Review Submittal.

5. Roof Plan
(a) Note plate heights and downspout locations;
(b) All other elevation information, see Section II(b), Preliminary Design Review Submittal.

6. Building Sections
(a) Indicate floor to floor heights, plate heights and relevant architectural details;
(b) Show interior volumes.

7. Architectural Details (1-1/2" = 1'-0" min.)
(a) Architectural details may be combined on other sheets;
(b) Detail and/or specify all exterior architectural details.

8. Site Soils Report

* Landscape and Irrigation Design Submittal

1. The Landscape Design Submittal should be in order as numbered and include any of the additional information stated below. Include the street address, lot and tract number in the title block. See Section VI, Landscape Plan.

(a) Home location drawn to scale;
(b) Driveway, patios, walks and decks fully dimensioned with materials specified;
(c) Fences and Walls — Fences should conform to the Ruby Hill Fence Master Plan. All other walls and fences must be dimensioned and detailed in plan and elevation. See Section IV(b), Walls and Fences;
(d) Lawn and bed areas with shrubs drawn and spaced to scale and labeled;
(e) Tree locations labeled;
(f) Shade structures with details in plan and elevation with materials and colors noted;
(g) Pool/Spas, see Section VII(d), Pools/Spas;
(h) Plant legend including size, spacing, common and botanical names and quantity.

2. Irrigation Plans (1/8" = 1'-0"): See Section VI(e), Irrigation System Requirements.

(a) Detailed Drainage Plan

3. Design Details

(a) Elevation(s) of structure(s) detailing height, width, materials, and color.
If the Committee or the applicant desire a meeting between the homesite owner and/or his/her agent and the Committee, it shall be held the week following the committee's written comments.

When revisions of the items required to be modified are minor, they shall be noted as Conditions of Approval on approved letter. The Conditions must be addressed prior to construction unless otherwise noted. One (1) set of all documents will be returned to the homesite owner marked “Approved as Submitted” or “Approved as Noted.” Plans in need of extensive modifications will be denied and will have to be resubmitted.

The Final Design Review process is also structured for ten (10) working days from submittal date of Thursday at 12:00 p.m. to completion of review.

Written notification will be sent after the ten (10) day review. Please note any submittal received after 12:00 p.m. on Thursday will be considered as being received on the subsequent Thursday for review the following week.

The Architectural Design Committee will retain the final drawings for a maximum period of one hundred eighty (180) days subsequent to approval. If work has not started or a continuance not received by the owner or owner’s agent within the above time period, the approval will then automatically expire.

II(d) Construction Requirements

The Architectural Design Committee will offer its comments on the Final Design Submittal within ten (10) working days after the submittal deadline. With Final Design Approval, the plans will be ready to submit to the City of Pleasanton for a building permit application.

Along with the Final Design Approval from the Committee, other items required prior to initiation of construction will include:

1. A realistic construction schedule should be provided on the Standard Ruby Hill Construction Schedule form. This should be submitted before obtaining a building permit from the City of Pleasanton. Schedule forms are available at the Ruby Hill Information Center.

2. The acquisition of a building permit from the City of Pleasanton.

3. A refundable construction deposit must be submitted by the homesite owner prior to initiating construction. The Committee will determine the amount of the deposit and may increase or decrease the deposit. The construction deposit is currently $3,500. These funds will be utilized to repair any damage caused by construction personnel or equipment to adjacent property or amenities, or used to clean the construction site if necessary. Checks shall be made payable to “Ruby Hill/Construction Deposit.”

4. Provide a general certificate of liability insurance policy for the Construction period listing Ruby Hill Development as additionally insured. Limits are $1M per occurrence and $2M aggregate.

5. Signage on homesites will be limited to approved Ruby Hill signs only.

6. Since the City of Pleasanton is the supplier of potable water to Ruby Hill, certain provisions for metering the water are planned. The City of Pleasanton Water Department should be contacted at the following number: (925) 484-8038.

7. Contractors are reminded of the requirement to keep sites clean. No stockpiling of dirt or debris is allowed. Weekly clean-up is required. The street right-of-way is also to be maintained. If sites are not maintained or any damage to adjoining property or Ruby Hill property occurs through the construction process, you will be notified by phone of the violations by the Homeowners Association. Owners will have three days to respond before the work is performed by the Homeowners Association, the cost of which will be deducted from the construction deposit. If the deposit is not sufficient to cover the cost of clean-up, the additional balance will be collected from the homesite owner.

8. It should be noted that any deviation from the approved architectural and landscape plans must be reviewed and approved by the Committee. This applies to any change whether prior to or during construction, or after completion. The Committee will monitor
all construction to confirm that homes are built according to approved plans.

II(e) Remodeling and Additions

Remodeling and additions to existing improvements are required to meet the same criteria as new construction. All criteria concerning aesthetics, color, site location, architecture, landscaping, grading and excavation, roof, height limit, solar collectors, satellite television, setbacks, lighting etc., will be of significant concern to the Architectural Design Committee. An approval from the Committee is required for this work just as it is for new construction. In addition, approval is required from the City of Pleasanton. Homeowners should check with the City of Pleasanton Planning Department to determine if administrative design review will be required.

Prior to starting any work on any changes to the existing home or homesite, the Homeowner should contact the Architectural Design Committee to determine which plans will be required for the review process. All fees and deposits will be applicable, but may be reduced or waived, if the Committee feels the degree of review needed does not warrant the full fee.

II(f) Fees and Deposits

The owner will be charged a $1,500.00 processing fee for the design submittal, which is collected with the Preliminary Design Review Submittal. The Architectural Design Committee shall have the right to increase this amount as stated in the Covenants, Conditions, and Restrictions, Article XI, Section 11.4.2. This fee has been established to partially cover the expense of reviewing plans and related data and to compensate any consulting architects, landscape architects, inspectors or attorneys retained by the Committee. The Committee may charge an owner a reduced fee or bulk fee if he is processing plans for more than one home or is processing plans for remodeling, additions or landscaping, that, in the opinion of the Committee, do not warrant the full processing fee.

The owner or the contractor shall place a cash deposit with the Architectural Design Committee prior to construction. The construction deposit, as established by the Committee, is $3,500.

This deposit will be fully refunded upon completion of all improvements, including landscaping, clean-up and acceptance by the Committee, provided there is no damage by the owner and/or his/her contractor(s) to the public or private improvements, common areas, or other lots within the community. Re-submittal may require an additional processing fee. Fees and deposits noted above are subject to change by the Architectural Design Committee.

The Application for Plan Approval, processing fee, damage deposit, and all other materials necessary for the Committee to approve a residence must be sent to:

Ruby Hill
Architectural Design Committee
2001 Ruby Hill Boulevard
Pleasanton, California 94566
(925) 417-2250
(800) 887-RUBY
(925) 417-8586 (Fax)
III. Procedural Flow Chart and Submittal Requirement Summary

The flow chart below represents the steps necessary to build a residence in Ruby Hill. It is important to mention that any deviation from these procedures could cause unnecessary delays or additional costs if approvals are not obtained prior to construction.

- **Pre-Design Conference** (See Section II(a))
  - Meet with Committee to present Design Concepts
  - Conformance to Pleasanton Building and Municipal Codes

- **Preliminary Design Review Submittal** (See Section II(b))
  - Four (4) sets of Plans showing:
    - Site Plan
    - Grading Plan
    - Floor Plan
    - Elevation
    - Roof Plan
    - Elevation Renderings
    - Schematic Landscape Plan
  - Three (3) copies of the Application for Approval form
  - Materials and Specifications
  - Colors and Material Board
  - Envelope containing a set of color chips and a manufacturer cut sheet
  - Sample of Materials
  - Preliminary Colors and Materials Selection
  - Three (3) Copies of the Application for Plan Approval form
  - Processing fee - $1,500

- **Final Design Review Submittal** (See Section II(c))
  - Four (4) sets of Plans showing:
    - Site Plan;
    - Grading Plan;
    - Floor Plans;
    - Elevations;
    - Roof Plan;
    - Building Sections;
    - Architectural Details.
    - Site Soils Report

- **City of Pleasanton Plan Check** (per City of Pleasanton requirements - Ruby Hill Final Design Submittal approval letter from the Architectural Design Committee must be submitted with plan check package for a building permit).

- **Construction Requirements** (See Section II(d))
  - Construction Schedule – *Standard Ruby Hill Schedule form*
  - City of Pleasanton Building Permit
  - Damage Deposit – $3,500
  - General Certificate of Liability Policy for Construction
  - Completion of Landscape and Irrigation Improvements
  - Copy of the City of Pleasanton Certificate of Occupancy

- **Remodeling and Additions** (See Section II(e))
  - (Same process as Final Design Review Approval, including review fee of $1,000)
IV. Site Planning

The siting of a house is a critical and important design decision. The site plan concept developed for each homeowner should reflect functional needs and also be sensitive to the property’s unique characteristics and inherent design opportunities.

The larger homesites and open vistas of the community and golf course will mean that most residences will be seen from many different angles and views. It is therefore important that the three-dimensional character of each home be carefully studied.

The Architectural Design Committee shall consider each site independently, and give extensive consideration to the individual impact of each plan upon adjacent homesites, common areas, and the appearance from the golf course. Care must be taken to locate the landscaping and each structure, whenever possible, so as not to infringe upon view corridors, adjacent structures, homesites, and natural amenities of the land.

Special consideration should be given to the topographical features of the homesite. It is important to the community that homes are located on the property in a manner that does not adversely affect views from the adjacent homes, golf course or open areas. Proper treatment must be given to the site’s natural amenities including existing vegetation, environmentally sensitive areas and stream channels. Driveway access and the height of structures will be studied closely by the Architectural Design Committee.

IV(a) Setbacks

The Architectural Design Committee has provided setback requirements for homesites, based on their size, to ensure that the community will be pleasing in appearance from views not only from the street but also from the golf course. Each architect should carefully consider the natural characteristics of the site and work within the review process to achieve the long-term aesthetic goals of the community.
Setbacks are determined by the size of the homesite. Listed below are the minimum setbacks that would be required without a variance:

**Homesite up to 30,000 square feet**

Setbacks:
- Front: 45 feet
- Side: 15 feet minimum
- Side on Corner: 35 feet total
- Rear: 30 feet

**Homesite over 30,000 square feet**

Setbacks:
- Front: 45 feet
- Side: 20 feet minimum
- Side on Corner: 40 feet total
- Rear: 30 feet

Homes along West Ruby Hill Drive, from the Vineyard Avenue entrance to Clubhouse Drive, must maintain a minimum 60' setback from West Ruby Hill Drive and a minimum of 45' from any adjoining road. Homesites 1 through 5, along East Ruby Hill Drive in Tract 6452, must maintain a minimum 50' front yard setback from East Ruby Hill Drive.

Front yard and side yards with street frontage setbacks should be measured from the back of curb. Side and rear yard setback should be measured from the property line. Front yard and side yard setbacks on streets should be increased by the sidewalk width on lots with sidewalk frontage.

All setback requirements may be modified due to unique site characteristics that dictate such change to preserve the aesthetic integrity of the particular site or the community as a whole with the permission of the Architectural Design Committee. Some setback variances may also require City of Pleasanton approval. The Architectural Design Committee will notify applicants if variance requests will also require City approval.

Outdoor elements of the house which are attached to it and under the roof, such as patio covers, are considered to be part of the house and will not be allowed to encroach into setback areas, except as variances in the

![Diagram of setback requirements](image)
case of unique Site characteristics, which the Committee may consider on a case-by-case basis.

Setbacks for accessory structures, which include pool houses, detached garages, guest houses, play structures, storage sheds, and the like are subject to the same setback criteria as the main residence. See Section IV(a), Setbacks.

Shade structures, which include arbors, trellises and gazebos, must be set back a minimum of ten feet (10') from side and/or rear yard property line(s), with the exception of the golf course property line(s). Shade structures are not allowed to encroach into the golf course easement or within five feet (5') of the golf course easement. Therefore, the minimum setback is twenty-five feet (25') from the golf course property line(s). See Section IV(c), Golf Course Easement. There can be no encroachment into the front yard. The front yard is defined as the area between the front elevation of the home and the back of the curb.

Patios, walks, seat walls and raised planters may encroach into setback areas but must be kept a minimum of three feet (3') from the property line, except within golf course easement where no encroachment is permitted. See Section IV(c), Golf Course Easement.

Pools and spas may encroach into the setback areas but must be kept a minimum of ten feet (10') from the side and/or rear yard property line(s) with the exception of the golf course property line(s). The measurement should be taken from the property line(s) to the water line. Pools and spas are not allowed to encroach into the golf course easement or within five feet (5') of the golf course easement. Therefore, the minimum setback is twenty-five feet (25') from the golf course property line. See Section IV(c), Golf Course Easement. There can be no encroachment into the front yard. The front yard is defined as the area between the front elevation of the home and the curb.

Pool decks and equipment may encroach into the setback areas but must be kept a minimum of three feet (3') from the side and/or rear property lines with the exception of the golf course property line. The pool decks and equipment are not allowed to encroach into the golf course easement or within five feet (5') of the golf course easement. Therefore, the minimum setback is twenty-five feet (25') from the golf course property line. See Section IV(c), Golf Course Easement.

Wooden decks are required to be set back a minimum of three feet (3') from the side and/or rear property line(s) with the exception of the golf course property line(s). Wooden decks are not allowed to encroach into the golf course easement. See Section IV(c), Golf Course Easement. There can be no encroachment into the front yard. The front yard is defined as the area between the front elevation of the home and the back of the curb.

Built-in barbecues and garbage enclosures are required to be set back a minimum of five feet (5') from the side and/or rear property line(s) with the exception of the golf course property line(s). Built-in barbecues and garbage enclosures are not allowed to encroach into the golf course easement or within five feet (5') of the golf course easement. Therefore, the minimum setback is twenty-five feet (25') from the golf course property line. See Section IV(c), Golf Course Easement. There can be no encroachment into the front yard. The front yard is defined as the area between the front elevation of the home and the back of the curb.

Retaining walls are required to be set back a minimum of three feet (3') from the property line. See Section IV(h), Retaining Walls, for additional requirements.

Sport courts can not encroach into the front yard. Sport courts are required to be set back ten feet (10') from the side property line(s) and twenty feet (20') from any rear property line(s), with the exception of the golf course property line(s). Sport courts are required to be set back fifty feet (50') from the golf course property line(s). See Section VII(e), Sport Courts, for additional requirements.

IV(b) Easements

Some lots at Ruby Hill contain easements which need to be considered in the site planning process. These should be identified and carefully considered when locating your home, driveway, sidewalks, patios, pool, landscaping and any other elements proposed on your homesite.

Landscaping and the building of driveways or fencing within sewer, water, and storm easements may be permissible, but any cost associated with the removal of such features to access underground pipes and improvements, is the responsibility of the homesite owner. No permanent structures may be constructed within easements.
IV(c) Golf Course Easement

All lots that abut the golf course contain a twenty foot (20') wide easement from the common property line, which regulates the uses in that area. The purpose of this easement is to ensure a proper transition between rear yard landscaping and the golf course. No encroachment of fencing, hardscape elements (concrete mow strips, patios, walks, seat walls, raised planters, water features, pools, spas, pool decks, pool equipment, built-in barbecues, retaining walls, etc.) or accessory structures (pool houses, detached garages, guest houses, storage sheds, play structures, etc.) are permitted to be located within the Golf Course Easement. Only landscaping improvements (i.e. trees, shrubs, lawn, groundcover) will be allowed within the Golf Course Easement. See Section VI, Landscape Plan, for specific requirements.

IV(d) Garage Access/Orientation

Primary garages facing the street will not be permitted on Custom Homes in Ruby Hill. For a three (3) car garage, one (1) car may face the street, for a four (4) car garage two (2) cars may face the street if the garage doors are a minimum of 75'-0" from back of curb, 80'-0" if sidewalk is present. This is a very important factor to consider in the site planning process and development of your architectural plans. The Architectural Design Committee requires adequate screening of garages using either landscaping, walls or a combination of both. Site plans should provide a minimum back up distance from the garage to edge of driveway of twenty-eight feet (28'); however, thirty feet (30') is recommended plus a minimum of three feet (3') between the edge of the pavement and the property line. See Section V(g) Garages, for architectural requirements.
IV(e) Driveways/Parking

Decorative driveways are encouraged. Concrete or pavers should be used in construction of all driveways and parking areas. Asphalt cannot be used on any driveway or parking areas. The maximum width permitted for driveways at Ruby Hill is twelve feet (12') unless a variance is granted by the Committee. Since no on-street parking is allowed in the Custom Home Areas of Ruby Hill, driveway layouts should include a provision for a minimum of two guest parking spaces. These should be designed so that access to the garage can still occur when guest parking is occupied. On-street parking is permitted only for special events that are approved by the Homeowners Association.

IV(f) Grading

The design and development concepts of the Community call for the maintenance of the existing grades in as much of the original condition as possible. Of particular importance are the homesites which have been developed to reflect the natural contours of the surrounding property. Many of these homesites surround the golf course and will require creative architectural design considerations.

The Committee is particularly conscious of site utilization and desires not to disrupt the natural terrain in most cases. The Architectural Design Committee is keenly aware that, whenever possible, structures should be designed around the specific homesite. Homes located on sloping lots should be sited to take advantage of the hillsides by stepping down the slope. It is important to remember that the beauty of our development is the land and its natural features and that the architecture should complement and enhance rather than compete with or detract from this beauty.

Grading approval must be obtained from the Committee before earth is moved. Building page grades may be altered only with the approval of the Committee. Grading shall be limited to the Building envelope. “Benching” of lots will not be permitted. Across-section drawing at property line of the lot on both sides shall be submitted to show grade change, drainage flow and hardscape. If alterations to pad grade elevation are determined to impact adjacent lots and causes improvements such as retaining walls, drainage modifications, etc., builder or owner of subject property shall bear the cost of those improvements or modifications caused by grade elevations. Individual lot grading for home foundations must be balanced on site and not exceed 500 cubic yards of earth moved. The intent of this requirement is to prevent padding of the naturally contoured lots. No import or export will be allowed with the exception of topsoil for landscaping and disposal of pool excavation materials. Grading that is required for pools, patios, etc. should incorporate the same design philosophy as that used in siting a residence. Absolutely no grading whatsoever shall be permitted without first obtaining design review approval.

All grading reviews shall be subject to the jurisdiction of the Committee and shall be considered individually for each lot. Recommendations or demands will be based upon individual homesite locations, terrain, soil conditions, drainage, cuts and fills, and whatever other conditions the Committee feels impact upon the site grading design. Changes from existing grades and drainage patterns and subsequent liability is the responsibility of the owner and his/her professional design team.
IV(g) Drainage

Drainage considerations for individual sites play an important part of the overall ecological balance of the site. Water runoff for each individual homesite must be handled by adequately sloping all areas so that runoff can be directed to the natural drainage areas or to storm drainage facilities. Homesites will not be allowed to drain onto the golf course without permission of the Golf Club, or onto adjoining homesites. All roof drains must be kept in a closed drainage system with out-falls provided through curb drains or catch basins.

Site drainage should be detailed on the Landscape Plan and the architectural site plan (or the grading and drainage plan that is required by the City of Pleasanton to obtain a building permit). All sheet flow should be directed into drainage swales, area drains, or street curb and gutter. Although the Architectural Design Committee will review drainage plans, the homesite owner is fully responsible for water runoff and drainage control of his/her homesite. A soils engineering firm should be consulted and its recommendations followed concerning the use of swales and underground drainage. The finished ground surface of each lot shall be maintained to slope away from all structures at a minimum five percent (5%) grade for at least five (5) feet or to a drainage swale located at least two and one-half (2-1/2') feet from all structures. Landscaping may not be installed in any manner which interferes with the storm drainage improvements or which traps or ponds water adjacent to a Residence.

Site and drainage plans will be closely studied to ensure that proper area drain Systems and/or diversion routes are designed to prevent runoff into sensitive areas or other homesites. Approval of site and drainage plans does not relieve the owner, engineer or contractor of liability for any damage to their property or adjacent properties.
Walls and fences should be considered as an extension of the architecture of the residence. They should serve to make a transition between the mass of the architecture and the natural forms of the site. All walls and fences should be designed to be compatible with the total surrounding environment and should not block natural views. Fences, walls and hedges should be considered as design elements to enclose and define courtyards, to extend and relate the building forms to the landscape, as well as to assure security and privacy elements. Homeowners will be encouraged to screen boundaries, with natural trees or shrubs whenever possible.

All fences must conform to the Ruby Hill Master Fencing Plan. This plan designates the location and design of minimum fencing requirements for individual homesites. This plan may restrict or prohibit certain fence or wall treatments desired by homeowners. The purpose of the plan is to create continuity within the community as viewed from the golf course, roads, open space areas and natural areas. This Master Fencing Plan should be reviewed prior to starting any design work.

All walls and fences must be approved by the Committee prior to their installation. Walls that face the street should be constructed of material that match or complement the architectural style of the residence. Acceptable materials include stucco, stone, brick, or wrought iron with masonry columns. This requirement also applies where side fences face the street on corner lots.

All front yard fences should utilize the standard Ruby Hill wrought iron fence and return to the residence at least ten feet (10') behind the front corner of the elevation. Consequently, there should be no fences located within the front yard setback area. This also applies to courtyard treatments and privacy walls for security. Low screen walls (48") maximum height above existing grade may encroach into the front yard setback a minimum 10'-0". Side yard fences should utilize Ruby Hill Wrought Iron Fence as shown in the Master Fencing plan unless located on a corner lot. In this case the same criteria used on front yard fences should be applied. Upgraded side yard fencing will be considered on a case by case basis by the Committee. Chain link fences will not be permitted on residential homesites. Maximum height for fences is six feet (6'), measured from existing grade. The Committee has the authority to grant variances for fence height if, in its sole opinion, the circumstances warrant an increase or decrease. Additional approval from City of Pleasanton is required for all fences and fences over six feet (6'), measured from finished grade.

Fencing visible from the street or golf course must be landscaped. Long stretches of bare fences or walls will not be allowed. Purchasers of homesites with rear yard slope areas should carefully review the Master Fencing Plan and pay special attention to the restrictions on their homesite.

Homes located adjacent to the golf course will be subject to additional fencing requirements. It is the goal of the Committee to blend the golf course landscape with rear yards of adjacent homesites. For this reason, no fencing will be allowed on the property line abutting the golf course. Fences will be allowed only if located outside the twenty foot (20') golf course easement which has been established on each golf course homesite. See Section IV(c), Golf Course Easement. Please note that all fencing facing the golf course must conform to the design specified in the Ruby Hill Master Fencing Plan, unless otherwise approved by the Committee.
IV(i) Retaining Walls

An effort should be made in the grading design to minimize the use of retaining walls. However, the Committee understands that situations will arise that require their use. If retaining walls are required, they should be constructed of materials that complement or match those used on the residence and be screened or softened by the use of landscaping.

Any retaining walls that are greater than four feet (4') in height (as measured from the bottom of the footing to the top of the wall) should be designed or reviewed by a structural engineer. Check with the City of Pleasanton, Building Department for any additional requirements (i.e. permit). Retaining walls greater than five feet (5'), in height (as measured from finished grade to top of wall) will not be allowed without a variance from the Committee.

IV(j) Accessory Structures

Any proposed accessory structures should be located on the site plan. This includes pool houses, detached garages, guest house, play structures, storage sheds or any other architectural structure proposed for a homesite in addition to the main entrance. All Ruby Hill design requirements which are applied to the main residence should also be applied to any proposed accessory structures. The maximum height is fifteen feet (15') as measured from finished grade. Any accessory structure over ten feet (10') in height will require Administrative Design Review from the City of Pleasanton. The homeowner is responsible for the review process through the City of Pleasanton if the accessory structure is over ten feet (10') high, as measured from finished grade.

The design of accessory structures must be compatible with the architecture of the home including material and color selections. See Section V, Architecture, for specific architectural requirements and Section IV(a), Setbacks, for building setbacks. Building setbacks will apply to all accessory structures.

Arbors, trellises, gazebos and related shade structures that are open on all sides are considered separately from accessory structures. See Section VII(j), Trellis, Arbors and Gazebos (Shade Structures), for specific design and height requirements and Section IV(a), Setbacks, for setback requirements.
V. Architecture

It is not the intent of these guidelines to dictate specific architectural styles that must be used within the community, but rather to give property owners, their architects or designers a set of guidelines that will make the entire community a more attractive place to live. These guidelines are created to encourage a community of individual outstanding architectural statements that, when viewed together, produce a pleasant living environment.

Architectural designs should be customized for each homesite to maximize the natural features that exist.

The Ruby Hill property in Pleasanton has played a prominent role in the history of the Livermore Valley's Wine Region. Our commitment to viticulture is evidenced by the surrounding Ruby Hill vineyards, and the restoration of the Ruby Hill and Fenestra Wineries.

It is only appropriate that the architectural theme of the Ruby Hill Clubhouse, the Ruby Hill Park, entrances, street features, and residential homes, reflect this continued commitment. Traditional styles that are prevalent in the warm weather wine regions of Europe are preferred. Examples of these architectural styles would be English Country, French Country, Mediterranean and Italian Villa. Architectural styles prevalent in the San Francisco Bay Area, such as Craftsman/Bay Area Traditional, Prairie and Monterey/Spanish Eclectic, will also be encouraged. Contemporary interpretations of approved styles are acceptable when they are consistent with traditional features such as massing, proportions, roof lines and materials.

V(a) Architectural Examples

Refer to Appendix A.
V(b) Design Philosophy

Terms such as "sound design" and "good taste" are difficult to describe and even more difficult to legislate. Good architectural design should incorporate architectural elements that have withstood the test of time, and each architect should strive to design a home that has integrity, simplicity, and a sense of proportion.

It is desirable for the homes of the Ruby Hill community to exhibit the individuality of their owners as well as the characteristics of the selected architectural style. But it is also important that they observe basic design principles inherent in good architecture:

- Is the residence located on the site with a minimum disruption to the natural topography and landscape?

- Will the various building materials allow a pleasing and harmonious exterior appearance for the residence?

- Are the colors appropriate and used with restraint?

- Is there a consistent scale used throughout the design of the residence?

- Is each element designed in proportion to the others?

- Are the specific features of the architectural style well developed and carefully detailed?

- Have these features been researched to achieve a degree of authenticity?

- Have the characteristics of the selected architectural style been expressed on all sides?

The following elements are to be encouraged: intelligent selection of details related to a well designed floor plan; sensitive interpretation of styles within constraints of budget and site; consistency of site planning, landscaping and architecture; and logical use of materials. Openings should be properly placed and spaced, and have well executed details that are consistent with the architectural style.

The design of each residence must be compatible with the architecture of the surrounding homes whether they are existing, under construction or approved by the Committee. This applies to all elements of the design process including architecture, grading, fencing and landscaping.

The following elements are to be avoided: Harsh contrasts of color and/or materials; illogical or inappropriate combinations of scale; (due to designing a home from the inside out), poorly executed details and extreme interpretations of the components of each style.
V(c) Design Features

1. The main roof pitches should be consistent with the architectural style of the home. As an example, more traditional architectural styles such as French Country should have a minimum of 8 vertical to 12 horizontal pitched roof, either gabled, hipped or a combination of the two. Flat roofs will not be allowed regardless of the architectural style. Roof forms should be well organized and demonstrate the same character on all sides of the residence. Shed roof forms are discouraged. Eaves and rakes should be articulated by multiple fascia boards, cove and crown molds or gutters. Gutters and downspouts shall be used at all eave lines unless deemed inappropriate. All roof structures such as attic vents, plumbing vents, gutters, etc., should be painted to match the roof colors and be positioned behind the roof crown.

2. Windows and doors should reflect restraint in the number of types, styles and sizes. Consistency of detailing on all elevations must be maintained. All openings should be articulated through the use of shutters, flat or arched lintels, projecting sills or surrounds. All window and door trim must be either wood, precast, or an approved “cool stone” finish (i.e., no stucco over foam trim). Windows should be located on all elevations and be properly spaced and proportioned. Shutters, if incorporated, should be sized to the opening and be located on all elevations. Shutters should traditional in design and in keep with the architectural style.

3. The main entrance should have a sense of prominence that is reflected on the design. It should include either a pair of doors with or without sidelights or a single door with sidelights. The main entrance should contain more detail than other openings but be consistent in styling.

4. Quoins, when utilized in the design, should be expressed on all elevations when used.

5. A raised deck and its supports should incorporate materials which relate to the residence such as brick, stucco or stone. If wood posts are used, they should be a minimum of 6" by 8" with base and capital detailing.

6. In most instances, bay windows should be carried down to grade or express visual support of a cantilevered condition. When bay windows are stacked in a 2-story condition, the blank panel between all facets should be articulated.

7. Masonry or stone facing used as a veneer material on the front of a residence should return around a corner to a logical point of termination such as an inside corner. Ending the veneer at an outside corner which would expose the edge of the material is not acceptable. It would be preferable to carry the material completely around the residence.

8. All roof penetrations for vents should be on the rear side of the roof ridge and as low as possible. All roof vents should be painted to match the roof color. Skylights are strongly discouraged, and will only be approved on a case-by-case basis. If proposed, skylights should be flat so as not to protrude from the roof surface and not be visible from the street, golf course or open space.

9. Chimneys should be properly located and in correct proportion to the mass of the home. Chimneys should be designed with appropriate breaks for character. Flue pipes are required to be encased with a chimney enclosure of masonry or stucco and be supported by a foundation at grade.

10. Dormers should be designed in keeping with the architectural style. Dormers must be correctly located on the roof and not be too large or out of proportion.

V(d) Acceptable Materials

1. Exterior walls may incorporate any of the following: brick, stucco, stone, or wood. Bricks should be earth-tone in color. Brick textures should not have contrived surfaces.

2. Acceptable roofing materials are: slate, concrete clay tile (flat or barrel), architectural grade composition, wood, or standing seam copper. Any substitute roofing material must be approved by the Architectural Design Committee. All roof materials must be rated Class B fire retardant or better.
3. Windows and doors should be made of wood, vinyl, vinyl-clad wood or select aluminum. Alternate window materials will be considered on a case by case basis. Glazing shall be clear or gray tinted only.

4. Non-masonry siding should be constructed from natural woods such as redwood and cedar.

5. All color and material selections will be reviewed during the review of the Preliminary and Final Design Submittals. Warm earth tone colors including creams, rusts, buffs, rose beige, ocher, and terra cotta are preferred. Trim colors should complement the body colors. Visible elements such as gutters, trellises, and downspouts should match the color of the architectural element they are attached to, or be of a complementary color. Stark white, bright pastels or bright intense colors in large expanses will not be allowed. Color selections may be denied if they contrast with adjacent homes or match too closely other homes in the immediate area. Colors selected should be appropriate to the proposed architectural style.

V(e) Prohibited Materials

1. Aluminum, masonite or composition board siding. Non-masonry siding should be constructed from natural woods such as redwood and cedar.

2. Reflective glass windows;

3. Artificial/synthetic stonework or masonry;

4. No sliding windows shall face the street.

V(f) Height Restrictions

1. The maximum height of any home shall be thirty-five feet (35') unless the size of the homesite is 30,000 square feet or more, in which case the maximum height may increase to forty feet (40'). More stringent restrictions may be imposed on given lots, where it is deemed necessary by the Architecture Design Committee, to protect the aesthetic integrity of the community.

   a. Lots with a cross slope than five percent (5%). The height of any home shall be measured vertically from the average elevation of the finished grade on the ground covered by the structure to the top most part of the roof.

   b. Lots with a cross slope more than five percent (5%). The height limit is an imaginary line measured vertically that follows the slope of the existing grade. The height of any home shall be measured vertically from the top of the roof down to the existing grade.

V(g) Garages

Garage openings must be designed so they do not face the street. The Architectural Design Committee requires adequate screening of garages using either landscaping, walls or a combination of both. No glazing is permitted in garage doors.

At least a three-car garage is required for all Custom Homes. A four-car garage is recommended when the residence contains four bedrooms or more. See Section 1V(d), Garage Access/Orientation, for sitting requirements.
VI. Landscape Plan

A strong emphasis is placed on landscaping in the architectural review process. Quality landscaping is important to both the appearance of each individual home and the overall community. The landscape design for the homes at Ruby Hill should attempt to blend the picturesque natural features of the site with the rolling turf of the golf course in such a way that the aesthetic qualities of both are emphasized. The site offers a foothill/woodland environment with many large, mature oaks and native sycamores which have become the theme trees for the development.

To ensure that the overall beauty of the community is preserved and enhanced, the Architectural Design Committee has the authority to approve or disapprove landscape plans for individual residences.

Furthermore, for lots that border the golf course, the Ruby Hill Golf Club also has the authority to approve landscape plans. It is for these reasons Ruby Hill requires that a landscaping plan be submitted for both the preliminary and the final review process.

Ruby Hill has been designed utilizing the natural elements of the property. Various hardwoods are present within the community and adjacent open space which set the theme for Ruby Hill. It is the intent of the Architectural Design Committee to maintain this landscape integrity.

The determining factor of good landscape design should always be the architecture and location of the residence. The Architectural Design Committee will take into account the various relationships between the home, the site, and adjacent homes, views, prevailing breeze, golf course and other amenities in making decisions regarding specific landscape plans.
Fundamental to the design criteria is the need for gardens and lawns to harmonize with the native terrain and natural beauty of the community and also appropriately blend with any adjacent landscapes whether common area, golf course or private homesite. Owners will be encouraged by the Committee to use landscape material indigenous to the existing area.

In planning the landscape design, consideration should be given to water conservation. The design should incorporate techniques which limit the landscape's water demands such as use of drought tolerant plants and limited turf areas.

Landscape plans should be fully detailed and accurately drawn to an appropriate scale (1/8" = 1'-0") on a full-sized Site plan. The plans should show contours and elevations clearly, drainage provisions, and all pertinent site and architectural information including an outline of the building with doors, windows, stoops, decks and other features accurately located and drawn. See Section VII, Hardscape, for requirements.

In these guidelines, the Committee has recommended various plant types to be used in the landscape plans (see plant list). These plant materials have been selected because of their traditional influence in California and their desirable characteristics for the entire community.

Upon selection of plant materials, please provide complete plant nomenclature for positive identification of these proposed materials. The sizes, in standard nursery "range of size" description, should be given as well as the quantities of plants for each type proposed to be used in each planting group.

The reason for including such a thorough plant list is to ensure the landscape design submitted is compatible with the Ruby Mill concept of creating a subdued natural rural landscape which appears mature and well established.

VI(a) Theme Plants

The landscape palette should be dominated by oaks and sycamores that will tie into the native character of the region. Compatible natives and other varieties of trees, shrubs and ground covers should be selected to complement the character of the oak woodland and riparian settings where sycamores tend to be dominant within the drought-tolerant plant varieties. Plants designated by an (*) indicate California native species. Plants designated by an (R) should be used primarily in riparian situations (creek beds, arroyos).

The following list of plants has been selected to complement and best represent the Ruby Hill style of design. These plants are found throughout the community along the streets, open space areas, swim and tennis area, clubhouse and entry. It is desirable that individual property owners continue with this type of planting to add to the ambiance of the Ruby Hill community. There are many other plants not listed that may be used within the community, but are not necessarily considered theme plants.
Architectural Design Guidelines

Trees

Botanical Name

- Acer macrophyllum
- Alnus cordata
- Betula jacquemontii
- Betula nigra
- Cercis occidentalis
- Lagerstroemia indica
- Liriodendron tulipifera
- Crataegus phaenopyrum
- Fagus sylvatica "Raywoodii"
- Magnolia soulangiana
- Olea europea
- Pistacia chenensis
- Plantanus A. "Columbia"
- Platanus racemosa
- Salix babylonica
- Pyrus calleryana "Aristocrat"
- Quercus agrifolia
- Quercus kelloggii
- Quercus lobata
- Quercus suber
- Umbellularia californica
- Zelkova serrata

Common Name

- Bigleaf Maple
- Italian Alder
- "Jacquemontii" Birch
- River Birch
- Western Redbud
- Crape Myrtle
- Tulip Tree
- Washington Thorn
- "Raywood" Ash
- Saucer Magnolia
- European Olive
- Pistache
- London Plan Tree
- California Sycamore
- Weeping Willow
- Catalina Cherry
- Evergreen Pear
- Aristocrat Pear
- Coast Live Oak
- Holly Oak
- California Black Oak
- Valley Oak
- Cork Oak
- California Bay
- Sawleaf Zelkova

Shrubs

Botanical Name

- Buxus Species
- Arctostaphylos "Emerald Carpet"
- Arctostaphylos "Hookeri"
- Arctostaphylos "Howard" McMinn
- Ceanothus "Concha"
- Ceanothus "Park Star"
- Ceanothus "Emily Brown"
- Ceanothus "Sierra Blue"
- Ceanothus "Ray Hartman"
- Chamaecyparis "Pink Lady/Stanford Red"
- Cistus laudanifer
- Cistus purpureus
- Diestes bicolor
- Escallonia Species
- Fremontodendron Cal.
- San Gabriel
- Galvezia speciosa
- Garrya elliptica
- Heteromeles arbutifolia
- Leptospermum S. "Gaity Girl"
- Leptospermum S. "Helene"
- Mahonia aquifolium
- Manonia pinnata
- Pittosporum tobira
- Rhus emerson "Rosco"
- Rosa floribunda "Red"
- Rosmarinus "Tuscan Blue"
- Romneya coulteri
- Viburnum tinus
- Viburnum tinus "Dwarf"

Common Name

- Boxwood
- Manzanita
- Monterey Manzanita
- Manzanita
- Wild Lilac
- Wild Lilac
- Wild Lilac
- Wild Lilac
- Dwarf Flowering Quince
- Crimson-Spot Rockrose
- Orchid Rockrose
- Fortnight Lily
- Escallonia
- Southern Flannel Bush
- Island Bush Snapdragon
- Siltkassel
- Toyon
- New Zealand Tea Tree
- New Zealand Tea Tree
- Oregon Grape
- California Holly Grape
- Indian Hawthorn
- Floribunda Rose
- Rosemary
- Matilija Poppy
- Laurustinus
- Dwarf Laurustinus

Groundcovers and Vines

Botanical Name

- Arctostaphylos E. "Danville"
- Arctostaphylos "Pt. Reyes"
- Baccharis pilularis
- "Pigeon Pt."
- Cerastium tomentosum
- Cistus skaebigii
- Cistus saalfizifius
- Convolvulus mauritanicus
- Coprosma pumila "Verde Vista"
- Cotoneaster Species
- Ficus pumila
- Gazania Species
- Hardenbergia violacea
- Hypericum calycinum
- Lonicera jap. "Hall's"
- Parthenocissus tricuspida
- "Veitchi"
- Ribes viburnifolium
- Vinca minor
- Wisteria floribunda

Common Name

- Danville Manzanita
- Point Reyes Manzanita
- Dwarf Coyote Brush
- Snow-in Summer
- Rockrose
- Sageleaf Rockrose
- GroundMorning Glory
- Verde Vista Coprosma
- Cotoneaster
- Creepint Fig
- Gazania
- Happy Wanderer
- St. Jon's Wort
- Hall's Honeysuckle
- Dwarf Boston Ivy
- Evergreen Currant
- Vinca
- Wisteria

V(b) Prohibited

The following trees and plants should be avoided since they are not in keeping with the major planting themes established for Ruby Hill. Other trees and plants may be prohibited upon review of the landscaping plans.

Trees

Botanical Name

- Acacia Species
- Calocedrus decurrens
- Cupressus glabra
- Eucalyptus Species
- Palrnac Species
- Picea Species
- Pinus Species

Common Name

- Acacia
- Incense Cedar
- Smooth Arizona
- Cypress
- Eucalyptus
- Palms
- Spruce
- Pines

Shrubs and Groundcover

Botanical Name

- Cortaderia Selloana
- Juniper Species

Common Name

- Pampas Grass
- Juniper

VI(c) Planting Requirements

To achieve the overall theme, some minimum landscape requirements have been established by the Committee. These requirements are intended to ensure that a consistent thread is woven through the community that ties the individual homesites, golf
course, common area landscape and surrounding open space together.

1. Minimum Street Tree Requirements (Street Tree Zone)

Street trees shall be planted at an average ratio of one (1) tree per thirty (30') lineal feet of street frontage rounded to the nearest ten (10') feet. Corner lots are required to apply this formula to both front and side yard street frontages.

The street trees should be located within the first fifteen feet (15') (Street Tree Zone) of the front or side (corner lots) yard behind the curb lines. For homesites with sidewalks the Street Tree Zone will be increased by the width of the sidewalk. For example, a homesite owner with a 5' wide sidewalk along the Street would be allowed to plant the street trees up to 20' from the curb. To achieve a natural look, the street trees should be placed in irregular groupings to replicate how they would grow in the surrounding landscape. Planting of street trees in a straight line along street frontages should be avoided.

The Coast Live Oak (Quercus agrifolia) and London Plane Tree (Plantanus acerfolia 'Columbia') have been selected as the street trees for Ruby Hill. A minimum of 50% of the required street trees should be the Coast Live Oak with the remainder being London Plane Trees. This will ensure that the Oak Theme is carried through the streetscape. It is recommended that these trees be blended with accent trees in and out of the Street Tree Zone and transition into the individual landscape of each homesite. Street trees should be a minimum size of “24 inch box”.

2. Minimum Yard Tree Requirements

One (1) tree from the theme plants list, or approved alternate, should be planted on the homesite per one thousand (1,000) square feet of lot. Lots with footage less than 500 square feet (i.e. 20,499 s.f.) will require 20 trees. Lots with footage more than 500 s.f. (i.e. 20,500 s.f.) will require 21 trees. These trees should be a minimum size of “24-inch box”. Trees required in the Street Tree and Golf Course Zones are credited toward total tree requirements.

3. Golf Frontage Planting Requirements

To ensure that individual homesite landscaping ties into the golf course landscaping, the Committee requires that one tree be planted, within the golf course easement, per thirty (30) linear feet of golf course frontage. The trees should consist mainly of Coast Live Oaks and London Plane Trees. However, other trees from the approved plant theme list will be acceptable as long as they appropriately tie into the existing golf course landscape. These trees should be a minimum of “twenty-four inch (24") box.”

4. Minimum Shrub Requirements

Shrubs shall be a minimum of 5-gallon size. Shrubs viewed as a ground cover will be considered in 1-gallon containers. All specified sizes must comply with recognized standards for plant materials established by the American Nursery Association.

5. Slopes

Landscaping and irrigation for side yard slopes within lot lines should be installed and maintained by the homeowner. An erosion control ground cover, trees and shrubs should be installed so as to enhance and stabilize the slope area.

6. Up-slope Planting

On the up-slope of homesites which are greater than twenty feet (20') in height, the Committee requires special consideration. These slopes are highly visible in many cases and are critical in the overall appearance of the community. Therefore, the Committee requires that only Oak trees (Coast Live Oaks, Valley Oaks or approved alternate) shall be used. These should be planted in informal groupings in an effort to imitate the patterns established by the mature native oaks on the hills surrounding Ruby Hill. Special care should be taken in the placement of these trees to ensure that no more than 50 percent of the views of the uphill homesites (if any) are blocked as the trees mature.

7. Completion of Landscaping

Landscaping for all Estate Homes must be completed, in accordance with the approved landscape plan, prior to occupancy of the home. Variances will be permitted only in cases of severe hardship or inclement weather. Variances will be allowed only if approved guarantees are posted by homesite owner.

VI(d) Existing Tree Protection

In the development of Ruby Hill, much effort has been put into designing the land plan and site grading so that the healthy existing trees that occur
on site can be preserved. Some homesites contain these existing trees and every effort should be taken by your design team to preserve them. However, the Committee understands that this is not always possible. Therefore, prior to removal of any existing trees a written consent from the Committee must be received. The Committee will allow the removal of an existing tree if the applicant can demonstrate that (a) the tree has a trunk diameter less than 6" at three feet above ground; or (b) there are no reasonable design alternatives that would save the tree. Some homesites may contain existing trees which are classified as Heritage Trees by the City of Pleasanton. These trees are protected by a City Ordinance which requires a permit, in addition to Committee approval, if removal is required. Heritage Trees will be marked on the individual plot maps, distributed in the Sales and Information Center. The City of Pleasanton Planning Department should be consulted for permitting procedure if a Heritage Tree on your homesite requires removal. It is the homesite owners responsibility to obtain a permit from the City of Pleasanton if removal is required.

Care must be exercised during construction, and afterwards, not to change the soil environment within the “drip line” (area underneath branches where roots are concentrated to soak up rainwater) of existing trees. The native Oak trees (many over 100 years old) are particularly sensitive to development. The following activities shall not be allowed within the drip line of any existing oaks:

1. Trenching;
2. Grading, cutting, filling, or soil compaction;
3. Landscaping with plant material requiring summer irrigation, particularly lawn.
4. Paving with materials of limited permeability (asphalt, concrete, flagstone, brick, or other pavers in mortar).

The Committee shall require that a temporary fence be erected at the drip line of an existing tree during construction if it is located precariously close to any home construction or lot grading.

Care must also be taken when developing outside the drip line. Newly constructed barriers (e.g. concrete foundations, swimming pools, garden walls, etc.) often act as dams that trap water and cause root or crown rot, eventually killing the tree. Where instances like this are likely to occur, the landscape plan must provide for the necessary drainage mitigation to ensure continued health of the existing tree.
VI(e) Irrigation System Requirements

At Ruby Hill, irrigation is required to establish and maintain landscape plantings on each lot. Each yard should have a full coverage, automatic irrigation system(s) installed and maintained by the homeowner. The automatic irrigation system should be designed in accordance with all local and state laws, rules and regulations governing or relating to irrigation systems. The homeowner’s system should also be designed to meet all water conservation practices required by the City of Pleasanton.

The irrigation system should include and consider the following:

**Backflow Protection**

1. Irrigation connection to domestic (potable) water supply to the residence shall include a shut-off valve and backflow prevention device that is approved by the City of Pleasanton for use with single-family residential irrigation systems. The preferred method of backflow protection is with a Reduced Pressure Principle backflow preventer.

2. Backflow prevention assemblies shall be installed in accordance with local codes and screened from view as much as possible by landscape design features.

**Automatic Irrigation Controllers**

1. Automatic irrigation controllers shall be capable of at least two separate programs with at least three start times for each program. Controllers shall be programmed for regular operation to occur during the evening between the hours of 8:00 p.m. and 8:00 a.m. Controllers shall be programmed to provide the minimum amount of water for healthy plant growth, and to use multiple start times for dividing up run times to allow water to penetrate the soil effectively to prevent runoff. Programming shall be adjusted on a regular basis in response to seasonal conditions.

2. Controllers shall be designed to activate low voltage (24 VAC) solenoid remote control valves that are installed to service the irrigation system.

3. Automatic rain sensor should be installed for controller turnoff.

**Remote Control Valves**

1. Remote control valve zones shall be developed with consideration for similar plant water use requirements (i.e. lawn separated from shrub and groundcover zones), and similar irrigation equipment uses (i.e. spray sprinkler separated from rotary sprinkler zones; rotary zones and spray zones separated from drip zones).

**Pressure Regulation**

1. Water pressure shall be regulated if necessary to efficiently operate the equipment installed by using one or more of the following methods:

   a. Pressure regulating valve installed in irrigation main to regulate entire system pressure.

   b. Pressure regulating remote control valves for required control zones.

   c. Pressure compensating sprinklers or emitter outlets.

**Irrigation Methods**

1. The landscape design shall, as much as possible, create “hydrozones” (zones of plant material that have similar water requirements) which will be irrigated by a method of water application that is appropriate for healthy root establishment and plant growth.

2. Spray and rotary sprinklers may be used in turf, groundcover, and combination groundcover/shrub hydrozones where uniform distribution of water over an entire hydrozone is appropriate.

   a. Spray and rotary sprinklers shall use low volume nozzles where possible and shall have matched precipitation rates within each control valve zone.

   b. Spray and rotary sprinkler nozzle radius, trajectory, and arc shall be appropriate to avoid over spray onto hardscape, structures, adjacent properties, and adjacent hydrozones with different requirements. They should be spaced to provide head to head coverage.

   c. Spray and rotary sprinkler zones shall be controlled to apply water at an appropriate
rate for infiltration into the soil and plant root zone and to avoid runoff or ponding.

3. Bubbler and drip emitters may be used in groundcovers, shrubs, combination groundcovers/shrubs, and tree hydrozones where “point-of-emission” water application to planting within the hydrozone is appropriate.

   a. Bubbler and drip emitter zones shall be controlled to apply water at an appropriate rate for infiltration into the soil and plant root zone, and to avoid runoff or ponding.

4. Check valves shall be utilized in sprinkler bodies and/or lateral piping where necessary to prevent low outlet drainage after each control zone completes its programmed operation cycle.

5. Detailed Drainage Plan

System Maintenance

1. All irrigation systems shall be monitored on a regular basis; not less than once every two weeks during peak season operation, and not less than once per month during off season operation.

2. Maintenance monitoring shall include a valve-by-valve system observation sequence, with necessary adjustments or repairs noted and corrected. Seasonable programming adjustments shall be made at each monitoring session as well.

Residents should be aware that the City of Pleasanton, Zone 7 Water Agency, the State of California, or other public agencies may also set restrictions on watering times, amounts, and equipment, etc.
VII. Hardscape

Hardscape refers to all components of a homesite other than the home itself, planted landscape areas and shade structures. See Section VII(j), Trellis, Arbors, Gazebos (Shade Structures). All hardscape elements (i.e. patios, walks, mow bands, etc.) should be carefully planned in conjunction with the site plan and landscape plan to work functionally and aesthetically with the home architecture and landscape design.

This section of the Guidelines addresses specific requirements that should be considered in the design of all the proposed hardscape elements. All hardscape elements shall be included as part of your landscape plan design review package. The Committee will carefully review all hardscape elements to ensure that they conform to the Guideline requirements.

VII(a) Driveways

See Section IV(e), Driveways/Parking, for requirements.

VII(b) Walks/Patios

All walks and patios should blend with the architecture of the home. In that context, use of materials such as stone and brick are encouraged. Other materials that would be acceptable include exposed aggregate, stamped and/or colored concrete, or interlocking pavers. A combination of these materials is also acceptable if used with constraint. Large areas of untextured and/or uncolored concrete and decomposed granite will not be acceptable.

VII(c) Decks

Any proposed wood deck should have its structural support members concealed, preferably with masonry materials and/or dimensional wood siding (lattice screening alone is not acceptable). To avoid unsightly views from below, all wood decks shall be no higher than three (3) feet above finish grade. See Section IV(a), Setbacks, for setback requirements.

VII(d) Pools/Spas

The location of swimming pools, spas and water features should address relationships between indoor and outdoor features, setbacks, wind, sun, and site terrain.

The size and shape of swimming pools must be carefully considered to achieve a feeling of compatibility with the surrounding natural and man-made elements. Pools, spas, water features and associated equipment enclosures must be architecturally related to the house and other structures in their placement, mass and detail. Pools and pool decks must be screened from adjacent homesites, the street and the golf course. See Section IV(a), Setbacks, for setback requirements.

VII(e) Sport Courts

Sport courts such as tennis, basketball, racquetball, etc., must be located so they do not infringe upon view corridors. Courts must be naturally screened from adjacent homesites. Wind screens shall be kept to moderate heights (maximum 10 feet). Basketball back boards should not be located in front yard driveways that are visible from the street.

A plot plan showing the sport court location shall be provided to the Committee indicating any and all proposed grading and screening. Design fencing should blend naturally into the surrounding area and plant materials should be added where necessary to soften the visual impact. Screen enclosures should be either black or green in color. Surface colors should be restricted to colors such as soft reds and greens and not be highly reflective. Night lighting of sport courts is permitted if the light does not intrude onto adjacent property. Lights on sport courts must be turned off by 10:00 p.m.

Sport courts will be permitted only when they can be constructed so they do not constitute an intrusion upon the adjoining residence. See Section IV(a), Setbacks, for setback requirements.
VII(f) Exterior Lighting

As with all exterior design work, lighting should be used to enhance the overall design concept of the home in an aesthetically pleasing manner. Exterior pool and landscape lighting must not infringe upon adjacent neighbors. Therefore, glare shields may be required to eliminate bright spots and glare sources. Exterior lighting should utilize low voltage or similar type fixtures and should be as close to grade as possible. No bare light bulbs are permitted to be shown. All light conduit and fixtures must be as inconspicuous as possible. Exterior lighting must meet national and local codes and must be approved by the Architectural Design Committee prior to installation. No lights will be allowed on entry monuments or landscape walls if located within twenty-feet (25') of the back of the curb.

VII(g) Mailboxes

One of the items that the Architectural Design Committee will control is the selection and construction of all mailboxes for residences within Ruby Hill. Community standard mailboxes are recommended. However, if an estate homesite purchaser prefers, the Committee will allow mailboxes to be incorporated into an individual entry monument subject to the following criteria. The entry monument that surrounds the mailbox shall not exceed five feet (5'-0") in height and two feet six inches in width (2'6`). The materials used to construct the monument shall match or complement the materials utilized on the home elevation and/or hardscape. Mailbox doors shall be brass or approved alternate material that complements the selected architectural style. Mailbox location and design (if other than Ruby Hill standard) must be shown on the landscape and architectural plans. The Pleasanton Post Office should be consulted to determine acceptable mounting height for box.

Mailboxes must be installed by Homesite owner prior to final inspection by the Architectural Design Committee. Prior to installation, Homeowner should consult Underground Service Alert, phone number (800) 642-2444 to locate any existing utilities. This should be done to ensure that no utilities will be damaged during installation. Community standard mailboxes must be purchased from the Developer for $450. The check should be made payable to “Ruby Hill Development Joint Venture, L.P.” Please contact the Sales and Information Center to place your order (minimum of 4 weeks prior to installation).
VII(h) Fencing/Walls

See Section IV(h), Site Planning, for requirements.

VII(i) Solar Energy

Many of the techniques and hardware of solar energy are still in the development stage. The application of the principles of solar design should be carefully considered in the planning and construction of all residences in the community.

Solar collectors must be aesthetically integrated into the design forms when exposed to view, and they must be hidden from view whenever possible. Solar collector panels should be carefully designed to relate to the architectural mass to which they are attached. Panels should be racked at the same pitch as the roof and detailed to be as unobtrusive as possible. The Committee will discourage or reject any collector of any size, shape or color that is insensitively designed or located. Solar collectors should be the same color as the roof, or underlying architectural element. All solar equipment must be screened from adjacent views in some fashion acceptable by the Architectural Design Committee. Solar collectors will not be approved if they will be visible from the street, golf course, or adjacent homes.

VII(j) Trellis, Arbors and Gazebos, Shade Structures, and Play Structures

Proposed shade structures must be set back a minimum of ten feet (10') from the side and rear property line(s), (the measurement is from the property line to the outer most edge of the structure and not to the footing). No shade structures will be allowed in the front yard setback or the Golf Course Easement. See Section IV(a), Setbacks for setback requirements. Construction details, color and material shall reflect the architectural style of the home. The maximum height for shade structures is ten feet (10') (as measured from finished grade to upper most edge). Any shade structures over ten feet (10') in height will require a variance from the Architectural Review Committee and Administrative Design Review through the City of Pleasanton. The homeowner is responsible for the review process through the City of Pleasanton, if the shade structure is over ten feet (10') high.
VIII. General Rules for all Ruby Hill Contractors and Service Personnel

It is the responsibility of the homesite owner to present their builder, contractor, or subcontractor(s) with a copy of these rules and to make sure that they are obeyed and understood. The Architectural Design Committee and the Homeowners Association will enforce these rules and pursue any necessary remedies to the full extent of the law.

1. All contractor personnel are required to enter and leave through the designated construction gate. A construction pass or permission to enter is required for admittance.

2. The construction gate will be open during the following construction hours (Monday -Friday hours are 6:00 a.m. - 6:00 p.m. and Saturday hours are 8:00 a.m. - 6:00 p.m.) or as designated by the developer. If it is necessary to move special equipment or have deliveries on Sunday, or when the construction gate is closed, it will be opened by special request, with 24 hours notice.

3. Contractors are required to keep their job sites as neat and clean as possible. Trash and discarded materials shall be removed daily. All trash stockpiled for removal shall be located in the rear of the residence until removed. There will be no stockpiling or dumping on adjacent lots or on streets. Trash not removed will be removed by Ruby Hill and billed to the responsible contractor, subcontractor, or homeowner.
   a. Contractors must enter and exit only on the lot on which they are working. They cannot use adjacent lots for entering, exiting or parking.
   b. Streets in front of the site should be kept clean from mud, dirt and debris deposited by construction vehicles entering and exiting the job Site.

4. Contractors will use only the utilities provided on the immediate site on which they are working.

5. Any damage to streets and curbs, drainage inlets, street lights, street markers, mailboxes, walls, etc. will be repaired by Ruby Hill and such costs billed to the responsible contractor or taken from the construction deposit.

6. The established speed limit within the Community is 25 miles per hour, unless otherwise posted, for construction vehicles, including light trucks and autos. This must be obeyed.

7. There will be no washing of any truck on the streets. Any concrete delivery truck washed out must be on the construction site.

8. Operators of vehicles are required to see that they do not spill any damaging materials while within the Community. If spillage of a load occurs, operators are responsible for clean up. Clean up done by the Ruby Hill personnel will be billed to the responsible party. Please report any spills as soon as possible.

9. If any lines are cut (i.e. telephone, cable television, electrical, water, etc.) it is the contractor’s responsibility to report the accident to security personnel immediately.

10. Ruby Hill has a program of vehicle search that provides for the inspection and/or search of all vehicles arriving and leaving the property. This program does not require a forced search of any vehicle whose operator does not wish to comply. However, parties who do not agree to the search, or change their minds after agreement, may not be allowed within the subdivision in the future.

11. All personnel working in the Community are to keep all areas in which they work free of discarded materials such as lunch bags and odd materials. Objects should not be thrown out of cars and trucks. Stockpiling of any materials on adjacent lots is not allowed.

12. Loud radios or noise will not be allowed within the subdivision. This is distracting and discomforting to property owners and golfers alike. Normal radio levels are acceptable. Do not mount speakers on vehicles or outside of homes under construction. Remember that sound travels a long way on a windy day.

13. No short cuts across the golf course are allowed. Any contractor doing work on or adjacent to the course must have a full-time golf employee show them paths of ingress and egress.
14. No vehicles (trucks, vans, cars, etc.) may be left in the subdivision overnight. The parking of vehicles or erecting of storage sheds or construction offices will only be allowed in such locations designated by the Committee in writing. Driving of vehicles will only be allowed in designated access roads. Construction equipment may be left on the Site while needed, but must not be kept on the street.

15. Only bona fide workers are allowed on the property. Spouses may drive workers to the site and pick them up, but must not remain on the property unless they are actual employees of the subcontractor. No children will be permitted on the property unless they are bona fide workers.

16. Contractor personnel will not be permitted to bring pets on property.

17. The contractors' attention is called to the fact that certain areas on the site exist as natural habitat and are to remain as such. Therefore, the following restrictions apply to all construction operations performed in these existing natural environments:
   a. Designated trees, understory and wildflowers are to remain untouched and unharmed.
   b. No construction activities are to take place in these designated areas unless directed by the Architectural Design Committee.
   c. All earth removed from excavations must be placed where designated on the grading plan.
   d. The dumping of trash, changing of oil, lumber, concrete, mortar, etc., in these areas is strictly prohibited.
   e. The storage of all construction materials will be in designated areas only, unless the contractor receives written permission from the Committee.

18. Work which may cause disturbances due to noise will be prohibited on Sundays and Holidays.

19. Contractors are responsible for providing on-site parking for their work crews' vehicles. Driveways and parking areas shall be covered with 6" of crushed stone or gravel to permit workers' cars to be parked to afford easy ingress and egress for material deliveries and to improve the appearance of the development and its sites. Care should be taken to preserve and restore the finished grades of the road shoulders and drainage ditches as needed.

RUBY HILL WILL ENFORCE THESE REGULATIONS! FAILURE TO ABIDE BY THESE RULES MAY RESULT IN THE LOSS OF YOUR PRIVILEGE TO ENTER THE GATE, THEREBY MAKING IT IMPOSSIBLE FOR YOU TO WORK IN THE COMMUNITY.
APPENDIX A

Examples of Architectural Styles
ENGLISH COUNTRY

• Chimneys with ornate brick work are a typical detail. English bay windows with divided lights accent a brick or smooth plaster facade. Lower roof plates and cantilevered dormers are typical of the style.

• The primary wall materials are stucco, brick, and occasionally half-timber. Roofs are a flat clay or concrete tile with a slight color graduation preferred. Wall colors are off-whites.
- Dormers and end gables are used in varying combinations to provide variety for the prominent steeply-pitched roofs.

- Cascading roof with curved eave.

- Bay window with brick wainscot.
ENGLISH COUNTRY

- Precast surround and quoin work at entry door.
- Courtyards with detailed openings.
- Masonry trim with wood shutters at window.
- Walls and gateways as extensions of the architecture.
- Towers, dormers and gables break up large roof forms. Porches and verandas use heavy timber for beams. Casement windows with divided

- The composition of the massing elements is an important design feature. Roof pitches are generally very steep. Hip and gable roofs need to be carefully composed

- Stucco walls combine with a restrained use of brick and stone in this style. Roofs are primarily
FRENCH COUNTRY

- Recessed door at stucco turret.

- Shaped entrance gate with brick pillars.

- Stone or plaster quoins.

- Arched window shutters.
FRENCH COUNTRY

- Simple recessed windows.

- Gable with complementing porch.

- Divided light casements at dormer.

- Covered porch with cascading roof and wood detailing.

- Low walls with trellis as extensions of the architecture.
• Promenade off courtyard.

• Garage recessed behind colonnade.
MEDITERRANEAN

- Plans are usually U-shaped or L-shaped. Elevations are commonly single story with simple proportions and restrained detailing. Barrel tile roof with 4:12 pitch is typical.
- The typical wall material is a relatively smooth stucco in warm toned earth colors.
- Doors and windows are generally recessed in thickened walls. Arches are used in restraint. Windows are typically wood-framed, three-light casements. Major openings are accented with molded concrete or tile surrounds, wrought iron or occasionally with turned wood.
MEDITERRANEAN

- Column detail at arched window.
- Stucco rosette.
- Column at trellis.
- Arched courtyard entry.
CRAFTSMAN/BAY AREA TRADITIONAL

- Low-pitched gabled roofs with wide overhangs and exposed rafter tails are typical of this style.

- The most common wall cladding is wood clapboard with shingles ranking second. Stone and brick are used primarily as accents at the porch column bases, porch surrounds, and chimneys.

- Decorative false beams or braces are commonly added under gables. Porches are covered with gabled, shed or trellised roof and typically supported by tapered square columns, frequently extending to ground level. Windows
CRAFTSMAN/BAY AREA TRADITIONAL

- Shingle siding with varying roof forms.

- Exposed truss at gable end.

- Stone wall with wooden corbels.

- Battered stone wainscot wall.
• Covered porch entry.
• Typical window configuration.
• Trellis at entry.
• Divided light transom at dormer.
ITALIAN VILLA

- Low-pitched hipped roofs and symmetrical massing give a formal appearance to this type. The form is usually two-story and uses a simple square or rectangular plan.

- Stucco is the primary wall treatment. However, the first story is sometimes finished with stonework, leaving smooth wall finishes for the floors above.

- Entry areas are usually accentuated by small classical columns or pilasters. Arches are commonly used above doors, first story windows, or porches. Overhanging eaves are supported by decorative brackets.
ITALIAN VILLA

- Simple forms and detailing, horizontal band at upper floor.

- Entrance with simple and elegant details.

- Decorative eave, window surround detail horizontal band — simple form.
ITALIAN VILLA

- Chimney or vent stack detail.

- Small balconies with recessed doors.

- Precast balusters at private patio.

- Hardscaping as an extension of the architecture.
The form may be single or double story. The floor plan is informal. The roof is usually 4:12 pitch, using simple hip and gable forms, and may be barrel tile, clay tile, or concrete tile. Rafter tails may be exposed and/or corbelled.

Colors are muted earth tones with brighter hues used for trim work. Stucco and wood are used for wall materials with the rock or brick used for accents.

Windows are used to establish a strong indoor-outdoor relationship. Large balconies overlook outdoor courtyards or verandas.
MONTEREY/SPANISH ECLECTIC

- Wrought iron detailing.
- Recessed wood door with stucco detailing.
- Recessed arched porch and simple detailing.
MONTEREY/SPANISH ECLECTIC

- Inset tile at courtyard entry.
- Balcony over entry doors.
- Wooden shutters at divided light windows.
- Precast surround at window.
- Balcony overlooking courtyard.
PRAIRIE

- Low pitched roofs, 4:12, usually hipped with long overhanging eaves are typical of this style.

- Simple forms — strong one and two story massing.

- Detailing emphasizes horizontal lines.
- Windows are vertical and grouped together.

- A combination of stone, stucco and wood is not uncommon.
PRAIRIE

- Landscaping as an integral part of the house.

- Vertical features to articulate massing elements.
Please be advised that the Association does not send coupon books for assessments.

In accordance with the current budget, monthly dues are $215. Payments are due on the 1st of each month and considered late if not received by the 25th. Payments received after the 25th of the month will incur a late charge of $21.50.

Homeowners have 3 options to pay their assessments:
(1) sign up for ACH through Peachtree – funds will automatically be deducted from your bank account,
(2) set-up automatic bill pay through your financial institution,
(3) remit payments via check – your account number must be written on each check or your payment may not be posted correctly.

Please review your payment options listed below to find the best one that suits you:

**ACH** – (Automatic debit of your checking or savings account)
- To obtain an ACH form, please visit the Association’s website at [www.peachtreecas.com](http://www.peachtreecas.com).
- Click on the “Quick Forms” tab and select “Automatic Payments”
- Click on the link in the first paragraph to view and print the ACH Form.
- Complete the form and mail it back to Peachtree C.A.S., Inc., 30100 Mission Blvd., Hayward, CA 94544, along with a voided check.
- The form must be received by the 5th of the month for the debit to be effective the same month.
- You will receive a confirmation copy of the form with the effective date.
- Payments will deducted on the 15th of each month.

**NOTE:**
* If the dues increase, no action is necessary, the account will be debited the current dues amount.
* If any changes to your bank account occur, you must complete a new form and mail it back with a voided check.

**BILL PAY** - (Payment through your banking institution)
- You must set this up through your personal banking institution.
- Terms and conditions vary by bank.

**NOTE:**
* Payments using the Bill Pay feature through your banking institution are not electronic. Please allow 5-7 business days for payments to post to your account.

**PERSONAL CHECKS**
- Make payable to Ruby Hill Owners’ Association
- Mail to P.O. BOX 56835, Hayward, CA 94545
- To ensure prompt credit to your account, you MUST write your correct account number in the memo section of your check; failure to do so may result in misapplied or late payments.