DECLARATIONS OF COVENANTS, CONDITIONS AND RESTRICTIONS TRACT NO. 3064, CITY OF LIVERMORE, COUNTY OF ALAMEDA, STATE OF CALIFORNIA

This Declaration made this 28th day of July, 1970 by CHRISTOPHER LAND COMPANY, a California corporation, as Owner, and TRANSAMERICA TITLE INSURANCE COMPANY, a California corporation, as Trustee, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner in fee simple of that certain real property situated in the County of Alameda, State of California, described as follows:

Tract 3064 filed in the Office of the County Recorder of the County of Alameda, State of California, on the 7th day of May, 1970 in Book 63 of Maps, at page 93 and following.

WHEREAS, it is the desire and intention of the Grantor to subdivide said real property described herein and to impose on said real property mutually beneficial restrictions under a general plan or scheme of improvement for the benefit of all of said lots, the structures thereon and the future owners thereof.

NOW, THEREFORE, Declarant hereby declares that all of the said property described above is held and shall be held, developed, subdivided, resubdivided, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved subject to the restrictions, conditions, and covenants herein set forth, all of which are declared and agreed to be in furtherance of a plan for the subdivision, improvement and sale of said lands and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of said property and every part thereof. All of the restrictions, conditions, covenants and charges hereof shall run with the land and subject to the exceptions hereinafter set forth shall be binding on all parties having or acquiring any right, title or interest in the said property or any part thereof.

FIRST: PURPOSE The real property above described is subjected to the restrictions, conditions and covenants hereby declared to insure the best use and the most appropriate development and improvement of each lot; to protect the owners of lots against such improper use of surrounding lots as will depreciate the value of their property; to guard against the erection thereon of poorly designed or proportioned structures, and structures built of improper or unsuitable materials; to obtain harmonious color schemes, to insure the highest and best development of said property; to prevent haphazard and inharmonious improvements of lots; to secure and maintain proper setbacks from streets, and adequate free spaces between structures; and in general to provide adequately for a high type and quality of improvement of said property, and thereby to enhance the values of investments made by purchasers of lots.

RECORDED AT REQUEST OF TRANSAMERICA TITLE INS. CO. At 4 p.m. July 30, 1970 Jack G. Blue Recorder, Alameda County, California

Recorder's Document No. 70-81455

SECOND: DEFINITIONS

- (A) <u>Said Property</u>: The words "said property" wherever used in this Declaration shall mean and refer to Tract 3064 recorded the 7th day of May, 1970, in Book 63 of Maps, at Page 93-95 of Official Records of the County Recorder, County of Alameda, State of California, together with the additional properties as shown on the General Plan of Development, attached hereto, marked Exhibit "A" and hereby referred to and incorporated herein as if set forth at length, which will be annexed thereto as hereinafter provided.¹
- (B) <u>Said Map</u>: The words "said map" wherever used in this Declaration shall mean and refer to the map of Tract 3064 recorded the 7th day of May, 1970, in Book 63 of Maps, at Page 93 of Official Records of the County Recorder, County of Alameda, State of California.
- (C) Lot: The word "lot" wherever used in this Declaration shall mean and refer to one of the numbered and subdivided parcels in Tract 3064. If any such parcel is further subdivided or resubdivided with the approval of the Board, each of the parcels resulting from such subdivision or resubdivision shall be considered as a lot as that term is used herein and these restrictions shall apply to such lot so created.
- (D) "Association" shall mean the Rhonewood Park Homes Association, or its successor.
- (E) "Cabana Club Area" shall mean Lots 67, 68, 69 and 70 as shown on the Subdivision Map of Tract 3064.
- (F) "Member" shall mean the holder or, collectively, the holders of a membership in the association.
- (G) "Owner" or "Owners" shall mean the holder or holders of record fee title to a residence lot; provided, however, that said term shall mean the resident contract purchaser or purchasers of any residential home building being purchased under a bona fide, duly recorded contract of purchase, and not the fee owner thereof.
- (H) "Recreation Area" shall mean Lots 67, 68, 69 and 70 as shown on the Map of Tract 3064, said lots being devoted exclusively to recreational uses for the benefit of the residence lots and the owners.
- (I) "Residence" shall mean and include all improvements and appurtenances upon a residence lot.
- (J) "Board" shall mean the Architectural Control Board.

THIRD: PROPERTY RIGHTS

- (A) <u>Owners' Easements of Enjoyment</u>. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:
 - (1) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
 - (2) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 30 days for any infraction of its published rules and regulations after hearing by the Board of Directors of the Association;

¹ Paragraph amended August 19, 1970. Recorder's No. 70-89245.

- (3) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer has been recorded.
- (B) <u>Delegation of Use</u>. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

FOURTH: MEMBERSHIP AND VOTING RIGHTS

- (A) Every owner of a lot, which is subject to assessment, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot, which is subject to assessment.
- (B) The Association shall have two classes of voting membership:

<u>Class A</u>. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

<u>Class B</u>. Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (1) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (2) two years from the date of the issuance of the most recent Public Report for a phase of the overall development, or
- (3) on December 31, 1973.

FIFTH: COVENANT FOR MAINTENANCE ASSESSMENTS

(A) <u>Creation of the Lien and Personal Obligation of Assessments</u>. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

- (B) <u>Purpose of Assessments</u>. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area, and of the homes situated upon the Properties.
- (C) <u>Maximum Annual Assessment</u>. Until January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment shall be \$247.00 per lot.²
 - (1) From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased each year not more than three percent $(3\%)^3$ above the maximum assessment for the previous year without an affirmative vote of fifty-one percent (51%) of all members of each class.
 - (2) From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased above three percent (3%) by the affirmative vote of fifty-one percent (51%) of all members of each class.
 - (3) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.
- (D) Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year, only for the purpose of defraying in whole or in part the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, <u>provided that</u> any such assessment shall have the assent of fifty-one percent (51%) of all members of each class.
- (E) Notice and Quorum for Any Action Authorized Under Paragraphs C and D. Written notice of any meeting called for the purpose of taking any action authorized under Paragraphs C and D shall be sent to all members not less than thirty (30) days or more than sixty (60) days in advance of the meeting. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, fifty-one percent (51%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the proceeding meeting. "If the proposed action is favored by a majority of the votes cast at such meeting but such vote is less than the requisite 51% of each class of members, members who were not present in person or by proxy may give their assent in writing, provided the same is obtained by the appropriate officers of the association not later than 30 days from the date of such meeting."
- (F) <u>Uniform Rate of Assessment</u>. Both annual and special assessments must be fixed at a uniform rate for all Lots, and may be collected on a monthly basis.

² Paragraph amended August 19, 1970. Recorder's No. 70-89245

³ Declaration superseded by Civil Code 1366 (b).

- (G) <u>Date of Commencement of Annual Assessments: Due Dates</u>. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.
- (H) Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 6 percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.
- (I) <u>Subordination of the Lien to Mortgages</u>. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

<u>SIXTH:</u> LAND USE AND BUILDING TYPE. No lot shall be used except for residential purposes. No building shall be erected, altered, placed, or permitted to remain on any lot other than one detached single-family dwelling not to exceed two stories in height and a private garage for not more than three cars.

SEVENTH: DWELLING SIZE AND QUALITY. No dwelling shall be permitted on any lot of which the ground floor area of the main structure, exclusive of one-story open porches and garages shall be less than 1,000 square feet for a one-story dwelling, nor less than 1,200 square feet for a dwelling of more than one story.

EIGHTH: ARCHITECTURAL APPLICATION AND REVIEW PROCEDURES⁴. Approval of exterior modifications is required to insure that the changes are in harmony with regard to external design and location in relation to surrounding structures. Exterior modifications include, but are not limited to buildings, additions thereto, fences, walls, other structures, alterations, painting, or any other exterior modifications. The procedures to apply for approval to make exterior modifications to the Member's separate interest are as follows:

 The member shall submit an architectural application to the Board of Directors on a form obtained by the Member from the Association. The Board of Directors will submit the application to the Architectural Committee, if any, within 15 days of its receipt. The Architectural Committee will tender its recommendation to the Board of Directors within 30 days of the committee's receipt of the application. The Board of Directors, at its next regularly scheduled meeting, will issue its decision on the application. The Board of Directors will advise the Member applicant, in writing, of its decision on the application

⁴ Section amended as per Eighth Amendment to CCR as required by California Civil Code Section 1378, May 18, 2005. Recorder's No. 2005205241.

within 10 days of reaching its decision. If there is no Architectural Committee or if the Board of Directors elects to act upon the application itself, it shall so act at the next regularly scheduled meeting after receipt of the application unless the meeting is to occur in less than 30 days of receipt of the application, and in that event the Board of Directors shall act upon the application at the following regularly scheduled meeting.

- 2. In the event the Board of Directors determines that it needs additional information before approving or denying the application, the Board shall notify the Member applicant as soon as practical after making said determination. Upon obtaining the required additional information, the Member applicant shall tender the information on an addendum application to the Board of Directors. Upon receipt of the addendum, the application process recommences and is subject to the timetable set forth in paragraph one, above.
- 3. Any decision on the application will be made in good faith and will not be unreasonable, arbitrary, or capricious. If a proposed changed is disapproved, the written decision shall include both an explanation of why the proposed change is disapproved and a description of the procedure the reconsideration of the decision by the Board of Directors. If a proposed change is disapproved, the applicant is entitled to reconsideration by the Board of Directors of the association that made the decision, at an open meeting of the Board. This paragraph does not require reconsideration of a decision that is made by the Board of Directors at an open meeting of the Board.
- 4. The application shall include, but is not limited to, the following information, to the extent it is pertinent:
 - a. A complete description of the proposed change;
 - b. Any color modification shall include a color swatch and the brand of paint to be used;
 - c. Any structural change shall include competent drawings that are easily understood with to-scale measurements;
- 5. In the event the Board of Directors fails to approve or deny a complete application within 90 days of its submission, the application shall be deemed approved. However, no application for structural changes to any structure shall be deemed approved if not denied within said 90 days.
- 6. In the event the application is disapproved in whole or part, the applicant may apply, in writing, to the Board of Directors for reconsideration. Any reconsideration shall be heard by the Board that denied the application, in whole or part, at an open meeting of the Board. Said meeting shall take place at the next regularly scheduled meeting if said request for reconsideration is received by the Board within 20 days of said meeting. Otherwise said hearing shall occur at the following regularly scheduled meeting. However, if the original denial, in whole or part, was rendered at an open meeting of the Board of Directors, the Board is not required to reconsider its decision.

NINTH: BUILDING LOCATION.

- (A) No building shall be located on any lot nearer to the front lot line than 20 feet. A garage, which is entered directly from the street, shall not be nearer than 20 feet to the front street line.
- (B) No building shall be located nearer than 7 feet to an interior lot line. Both side yards must total 17 feet. No dwelling shall be located on lot nearer than 15 feet to the rear lot line.
- (C) For the purposes of this covenant, eaves, steps and open porches shall not be considered as a part of a building; provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot.

TENTH: LOT AREA AND WIDTH. No dwelling shall be erected or placed on any lot having a width of less than 40 feet at the minimum building setback line nor shall any dwelling be erected or placed on any lot having an area of less than 6,000 square feet. The maximum lot coverage by dwelling and garage is 40%.

ELEVENTH: EASEMENTS. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the Map of Tract 3064 filed in the office of the County Recorder of the County of Alameda, State of California, on the 7th day of May, 1970, in Book 63 of Maps, at page 93 and following.

TWELFTH: SIGHT DISTANCE AT INTERSECTION. No fence, wall, hedge, or shrub planting which obstructs sight lines at elevations between two and six feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points 25 feet from the intersection of the street property lines extended.

THIRTEENTH: SPECIFIC RESTRICTIONS

- (A) <u>Subdivision</u>: No lot as presently plotted shall be further subdivided or subdivided without the written consent and approval of the Board.
- (B) <u>Removal of Buildings</u>: No building or structure shall be moved from or upon said property or lots without written approval of the Board.
- (C) <u>Occupancy Before Completion</u>: No building or construction shall be occupied until the same is completed and complies with the terms and provisions of this Declaration.
- (D) <u>Maintenance and Repair</u>: All dwellings, structures, buildings, outbuildings, walls and fences placed or maintained on said property, or any portion thereof, shall at all times be maintained in good condition and repair and shall be well and properly painted.
- (E) <u>Completion of Construction</u>: All exterior construction and paint and stain finishing shall be completed within a reasonable time from the commencement of construction. All construction or development for which plans and specifications are required hereunder to be submitted to the Board for approval shall be completed within one year from the date of approval for said approval to remain in force and effect, unless the Board shall grant a greater period of time to complete said construction or shall grant an extension of said one-year period.
- (F) <u>No Temporary Buildings</u>: No tent, shack, trailer, house trailer, basement, garage or other outbuilding shall at any time be used on any lot as a residence temporarily or permanently, and no dwelling of a temporary character shall be permitted.

- (G) <u>Exterior Service Yards</u>. Exterior service yards shall either be located so as not to be open to public view or, in the alternative, shall be enclosed with a fence, landscaping or other appropriate screening device approved in writing by the Board.
- (H) Ground Maintenance:
 - (1) Basic lawn and/or minimum acceptable front yard landscaping must be installed within one year of original occupancy.⁵ Grass, hedges, shrubs, vines and mass planting of any type on each lot shall be kept trimmed and shall at regular intervals be mowed, trimmed and cut so as to maintain the same in a neat and attractive manner. Trees, shrubs, vines and plants, which die, shall be promptly removed.
 - (2) No weeds, vegetation, rubbish, debris, garbage, objects, waste materials, or materials of any kind whatsoever shall be placed or permitted to accumulate upon any portion of a lot which would render it unsanitary, unsightly, offensive or detrimental to any property in the vicinity thereof or to the occupants of any such property in such vicinity.
 - (3) No building material of any kind or character shall be placed or stored upon any lot so as to be open to view by the public or neighbors, unless such material will be used and is used within three months for the construction of buildings or structures upon the lot upon which the material is stored.
- (I) <u>Oil and Mining Operations</u>: No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot. Provided, however, the foregoing shall not be construed to prohibit slant drilling operation or such other operations which in no way use or in any way affect the surface rights of said land, and which do not enter said land at a point less than 500 feet below said surface.
- (J) <u>Livestock and Poultry</u>: No animals, livestock or poultry of any kind shall be raised, bred or kept on lot, except that dogs, cats or other household pets may be kept provided that they are not kept, bred, or maintained for any commercial purposes.
- (K) <u>Garbage and Refuse Disposal</u>: No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in a sanitary container. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.
- (L) <u>Water Supply</u>: No individual water supply system shall be permitted on any lot unless such system is located, constructed and equipped in accordance with the requirements, standards, and recommendations of the City of Livermore. Approval of such system as installed shall be obtained from such authority.
- (M) <u>Sewage Disposal</u>: No individual sewage disposal system shall be permitted on any lot unless such is designed, located and constructed in accordance with the requirements, standards and recommendations of the City of Livermore. Approval of such system as installed shall be obtained from such authority.
- (N) <u>Laundry</u>: No clothes, sheets, blankets or other articles shall be hung out to dry on any part of the said property except in a service yard enclosed by a lattice, fence, wall or other screening device approved by the Board.

⁵ Sentence added as per Fifth Amendment to CCR, January 10, 1979. Recorder's No. 79-005806.

- (O) <u>Aerials</u>: No radio or television or other aerial antenna, tower or transmitting or receiving aerial, antenna, or maintained upon any lot or upon any building or structure, except those devices which may be erected, installed, placed or maintained and used under eaves or entirely within the enclosed portion of dwelling or garage; and in no event shall such devices protrude above the highest point of the dwelling situated upon such lot.
- (P) <u>Exterior Light Fixtures</u>: No exterior lighting fixture shall be installed on any lot without adequate and proper shielding of fixture. No lighting fixture shall be installed which may become an annoyance or a nuisance to the neighborhood.
- (Q) <u>Boat and Trailer Storage</u>: No trailer, camper, house trailer, motor home, or boat shall be parked, left, or stored upon any lot for more than 36 hours unless the same is parked, left, or stored in a garage or behind the fence. No trailer, camper, house trailer, motor home, or boat parked behind the fence, may stand more than 4 feet above a standard 6-foot fence.⁶
- (R) <u>Utilities</u>: Wires and conduits for the transmission of electricity, telephone and other purposes, public sewer, land drain pipes, water and gas mains, or pipes shall be placed beneath the surface of the ground.
- (S) <u>Excavations</u>: No excavation for stone, gravel, sand, dirt or earth shall be made on any portion of said property, except for the construction of dwellings, walls, fences, foundations, structures, landscaping, swimming pools and other appurtenances, plans and specifications for which excavations have been approved by the Board; provided, however, Declarant reserves the right to excavate, fill and grade on said property or on any portion thereof, or to do such other work of improvement thereon as may be necessary to the construction and completion of public improvement.
- (T) <u>Nuisances</u>: No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.
- (U) <u>No Partition</u>: There shall be no partition of the recreation area, nor shall grantor or any person acquiring any interest in the subdivided property or any part thereof seek any judicial partition thereof; provided, however, that if any residence lot shall be owned by two or more co-tenants as tenants in common, or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition as between such co-tenants.
- (V) <u>Commercial Vehicles</u>: No commercial vehicles shall be kept or stored upon or in front of any residential lot, <u>excluding automobiles</u>, <u>pick-up trucks</u>, <u>or vans one ton or under (load</u> <u>weight)</u>.⁷
- (W) <u>Disabled Vehicles</u>: No disabled and/or dismantled vehicles shall be stored in public view for a period of more than 48 hours.⁸
- (X) <u>Parking</u>: No vehicle shall be parked within public view on unpaved portion of lot.⁹

⁷ Underlined portion added as per First Amendment to CGR, January 10, 1979. Recorder's No. 79-005804.

⁶ Paragraph added as per Sixth Amendment to CCR, September 19, 2001. Recorder's No. 2001355902.

⁸ Paragraph added as per Third Amendment to CCR, January 10, 1979. Recorder's No. 79-005802.

⁹ Paragraph added as per Fourth Amendment to CCR, January 10, 1979. Recorder's No. 79-005805.

FOURTEENTH: GENERAL PROVISIONS

- (A) <u>Enforcement</u>. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.
 - (1) <u>Internal Dispute Resolution Procedure¹⁰</u>

The two procedures to invoke dispute resolution between the Association and Owner are as follows:

Either party to a dispute may invoke the following procedures:

- 1. The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.
- 2. A Member of an Association may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.
- 3. The Association's Board of Directors shall designate a member of the board to meet and confer.
- 4. The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in an effort to resolve the dispute.
- 5. A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the Board designee on behalf of the Association.
- 6. An agreement reached under this section binds the parties and is judicially enforceable if both of the following conditions are satisfied:
 - a. The agreement is not in conflict with law or the governing documents of the Association.
 - b. The agreement is either consistent with the authority granted by the Board of Directors to its designee or the agreement is ratified by the Board of Directors.

If the first procedures fails or the member is unwilling to participate, the second procedure is as follows:

The invoking party, be it the Association or the Owner, if the controversy involves declaratory relief or injunctive relief in conjunction with a claim for monetary damages, other than association assessments, not in excess of five thousand dollars (\$5,000), related to the enforcement of the governing documents, shall serve upon the other party, in the manner as prescribed for service in a small claims action as provided in Section 116.340 of the Code of Civil Procedures, a Request for Resolution.

- 1. The Request for Resolution shall include:
 - a. A brief description of the dispute between the parties,
 - b. A request for alternative dispute resolution, and
 - c. A notice that the party receiving the Request for Resolution is required to respond thereto within 30 days of receipt or it will be deemed rejected.

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¹⁰ Section added as per Seventh Amendment to CCR as required by California Civil Code 1363.850, May 18, 2005. Recorder's No. 2005205240.

- 2. If alternative dispute resolution is accepted by the party upon whom the Request for Resolution is served, the alternative dispute resolution shall be completed within 90 days of receipt of the acceptance by the party initiating the request for Resolution, unless extended by written stipulation signed by both parties. The costs of the alternative dispute resolution shall be borne by the parties.
- 3. The Association shall provide a fair, reasonable, and expeditious dispute resolution procedures that shall satisfy all of the following requirements:
 - a. The procedure may be invoked by either party to the dispute.
 - b. If the procedure is invoked by a member, the Association shall participate in, and is bound by any resolution of the dispute pursuant to, the procedure.
 - c. If the procedure is invoked by the association, the member may elect not to participate in the procedure. If the member participates but the dispute is resolved other than by agreement of the member, the member shall have a right of appeal to the association's board of directors.
 - d. An agreement reached pursuant to the procedure, that is not in conflict with the law or the governing documents, binds the parties and is judicially enforceable.
 - e. A Member of the Association shall not be charged a fee to participate in the process.
- 4. Members of the Association shall annually be provided a summary of the provisions for dispute resolution, which specifically references Section 1369.520 of the Civil Code. The summary shall include the following language: "Failure by any member of the association to comply with the pre-filing requirements of Section 1369.520 of the Civil Code may result in the loss of your rights to sue the association or another member of the association regarding enforcement of the governing documents." The summary shall be provided either at the time the pro forma budget required by Section 1365 of the Civil Code is distributed or in the manner specified in Section 5016 of the Corporations Code. The summary shall include a description of the association's internal dispute resolution process, as required by 1363.850.
- (B) <u>Severability</u>. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions, which shall remain in full force and effect.
- (C) <u>Amendment</u>. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten years. This Declaration may be amended at any time by an instrument signed by not less than seventy-five percent (75%) of each class of lot owners and recorded in the office of the County Recorder of the County of Alameda, State of California.
- (D) <u>Annexation</u>. Additional residential property and Common Area may be annexed to the Properties by the Declarant without the consent of each class of members, within four (4) years of the date of this instrument, provided that the Federal Housing Administration and the Veterans' Administration determine that the annexation is in accord with the general plan heretofore approved by them. "Additional residential property and common area may be annexed to the property with the consent of 2/3 of each class of members."

(E) <u>FHA/VA Approval</u>. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans' Administration, annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

<u>FIFTEENTH:</u> INTERPRETATION. The provisions of the Declaration shall be liberally construed to effectuate its purposes of creating a plan for the development of the property. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.

SIXTEENTH: MARGINAL NOTES AND HEADINGS OF CLAUSES

The marginal notes and headings as to the contents of particular clauses are inserted only as a matter of convenience and for reference, and in no way are, or are they intended to be, a part of this Declaration, or in any way define, limit or describe the scope or intent of the particular section or clause to which they refer.

IN WITNESS WHEREOF, the undersigned has executed this Declaration of covenants, conditions and restrictions the day and year above written.

CHRISTOPHER LAND COMPANY (Owner)

Signed by President

TRANSAMERICA TITLE INSURANCE COMPANY (Trustee)

Signed by Assistant Secretary

ADDITIONAL INFORMATION REGARDING CCR DOCUMENT

- The preceding document represents the amended version of the CCR. For a copy of the original document and individual amendments, contact the RPHA Business Manager or the Alameda County Recorder's Office.
- California Civil Code 1366 (b) states, "Notwithstanding more restrictive limitations placed on the board by the governing documents, the board of directors may not impose a regular assessment that is more than 20 percent greater than the regular assessment for the association's preceding fiscal year or impose special assessments which in the aggregate exceed 5 percent of the budgeted gross expenses of the association for that fiscal year without the approval of owners, constituting a quorum, casting a majority of the votes at a meeting or election of the association. ...For the purposes of this section, quorum means more than 50 percent of the owners of an association. This section does not limit assessment increases necessary for emergency situations..."