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RESTATED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS WHITEHAWK
RANCH HOMEOWNERS ASSOCIATION

ADAMS STIRLING PLC
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Los Angeles, California 90064
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**RESTATED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**

**WHITEHAWK RANCH
HOMEOWNERS' ASSOCIATION**
a California nonprofit mutual-benefit corporation

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.

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WHITEHAWK RANCH HOMEOWNERS' ASSOCIATION

a California nonprofit mutual-benefit corporation

THIS RESTATED Declaration of Covenants, Conditions and Restrictions ("CC&Rs") is made by all persons who own Lots in that certain real property planned residential development known as Whitehawk Ranch, located in Plumas County, California. These CC&Rs shall apply to and bind all properties previously covered by the covenants, conditions and restrictions described below. Without reducing the number of properties covered by these CC&Rs, the CC&Rs shall apply to the following property:

Lots 1 through 20, inclusive, and all Common Areas designated as "O.S.E." (Open Space Easement), together with all those named streets as follows: South Meadow Drive and Boulder Drive, as shown on the Map entitled "Whitehawk Ranch Phase I", recorded May 1, 1990, in Book 6, Page 121 of Maps in the Office of the County Recorder of Plumas County, California ("Phase 1");

Lots 1 through 10, inclusive, Lots 39 through 62, inclusive, and all Common Areas designated as "O.S.E." (Open Space Easement), together with all those named streets as follows: Miner's Passage, Quail View Circle, and McKenzie Trail, as shown on the Map entitled "Whitehawk Ranch Phase II, Unit 1", recorded December 11, 1992, in Book 7, Pages 76-77 of Maps in the Office of the County Recorder of Plumas County, California ("Phase 2");

Lots 1 through 14, inclusive, and all Common Areas designated as "O.S.E." (Open Space Easement), together with those named streets as follows: McKenzie Trail and Deer Creek Crossing, as shown on the Map entitled "Whitehawk Ranch Phase IV, Unit 1," recorded April 6, 1994 in Book 7, Pages 104-105 of Maps in the Office of the County Recorder of Plumas County, California ("Phase 4 Unit 1");

Lots 15 through 26, inclusive, and all Common Areas designated as "O.S.E." (Open Space Easement), together with all those named streets as follows: McKenzie Trail and Deer Creek Crossing, as shown on the Map entitled "Whitehawk Ranch Phase IV, Unit 2," recorded June 16, 1994 in Book 7, Pages 109-110 of Maps in the Office of the

County Recorder of Plumas County, California
("Phase 4 Unit 2");

Lots 27 through 40, inclusive, and all Common Areas designated as "O.S.E." (Open Space Easement), together with those named streets as follows: McKenzie Trail and Deer Creek Crossing, as shown on the Map entitled "Whitehawk Ranch Phase IV, Unit 3," recorded June 16, 1994 in Book 7, Pages 111-112 of Maps in the Office of the County Recorder of Plumas County, California ("Phase 4 Unit 3");

Lots 1 through 16, inclusive, and all Common Areas designated as "O.S.E." (Open Space Easement), together with those named streets as follows: One Horse Way and Bridle Path, as shown on the Map entitled "Whitehawk Ranch Phase V, Unit 1," recorded October 5, 1994 in Book 7, Pages 116-117 of Maps in the Office of the County Recorder of Plumas County, California ("Phase 5 Unit 1");

Lots 16 through 32, inclusive, and all Common Areas designated as "O.S.E." (Open Space Easement), together with that named street as follows: Bridle Path, as shown on the Map entitled "Whitehawk Ranch Phase V, Unit 2," recorded October 5, 1994 in Book 7, Pages 118-119 of Maps in the Office of the County Recorder of Plumas County, California ("Phase 5 Unit 2");

Lots 1 through 22, inclusive, together with that certain named street as follows: Black Bear Trail, as shown on the Map entitled "Whitehawk Ranch Phase VI," recorded December 19, 1995 in Book 7, Pages 148-150 of Maps in the Office of the County Recorder of Plumas County, California ("Phase 6");

Lots 1 through 21, inclusive, and that named street as follows: Fox Tail Lane, as shown on the Map entitled "Whitehawk Ranch Phase VII," recorded September 10, 1997 in Book 8, Pages 60-61 of Maps in the Office of the County Recorder of Plumas County, California ("Phase 7");

Parcel 1, described as the "Phase VIII Property", as shown on the Map recorded April 2, 2001 in Book

11, Page 93 of Parcel Maps in the Office of the County Recorder of Plumas County, California ("Phase 8");

Parcel 1, described as the "Ranch Parcel," as shown on the Parcel Map recorded November 16, 1992 in Book 10, Page 65 of Parcel Maps in the Office of the County Recorder of Plumas County, California and that portion of property lying northeasterly of Parcel 1, described as that portion of said Section 6, described as beginning at the most Northerly corner of Parcel 1 as shown in Book 10 of Parcel Maps at page 65, Plumas County records, from which the North 1/4 of said Section 6 bears S88°53'35"W, a distance of 390.00 feet; thence from said point of beginning along the boundary of said Parcel 1, S53°36'04"E, a distance of 520.00 feet; thence N16°15'09"E, a distance of 144.33 feet; thence N65°53'29"W, a distance of 159.96 feet; thence N60°33'28"W, a distance of 130.37 feet; thence N45°22'16"W, a distance of 62.04 feet to a point on the North line of said Section 6; thence along said line, S88°53'35"W, a distance of 155.28 feet to the point of beginning, containing 1.04 acres more or less. ("Ranch Parcel");

Lots 1 through 11, inclusive, and that named street as follows: Saddle Ridge Road, as shown on the Map entitled "Whitehawk Ranch Phase IX, Unit 1," recorded June 17, 1998 in Book 8, Pages 90-91 of Maps in the Office of the County Recorder of Plumas County, California ("Phase 9");

That portion of the NE ¼ of Section 5, T21N. R13E. M.D.M. and being a portion of Revised Parcel 2 as shown on the Map filed in the Office of the Recorder of said Plumas County in Book 11 of Record of Surveys at page 145, and more particularly described as Beginning at the Southwest corner of said Revised Parcel 2; thence from said point of beginning N01°17'02"W, 401.77 feet; thence N88°42'58"E, 196.91 feet, thence N16°50'49"E, 750.12 feet; to a point on the centerline of Sulphur Creek and being on the Northerly boundary of said Revised Parcel 2; thence along said boundary the following 17 courses; S79°41'30"E, 116.41 feet, S60°59'02"E, 70.92 feet;

S75°15'04"E, 134.84 feet; S52°17'18"E, 152.69 feet; S40°56'12"E, 89.46 feet; S26°43'36"E, 42.27 feet; S51°12'52"E, 60.42 feet; S74°18'53"E, 76.30 feet; S44°12'20"E, 78.45 feet; N45°35'56"E, 132.90 feet; N62°53'38"E, 77.17 feet; N88°04'20"E, 108.07 feet; N66°09'21"E, 101.40 Feet; N89°48'24"E, 36.13 feet; S83°09'21"E, 21.07 feet; S72°44'19"E, 43.57 feet; and N89°02'29"E, 27.84 feet to the Northeasterly corner of said Parcel; thence along the Easterly boundary of said Parcel, S21°24'00"E, 72.04 feet to the beginning of a 165.00 foot radius curve to the right; thence along the arc of said curve, through a central angle of 9°38'45", an arc distance of 27.78 feet; thence S11°45'15"E, 34.41 feet to the beginning of a 1535.00 foot radius curve to the left; thence along the arc of said curve, through a central angle of 7°40'13", an arc distance of 205.49 feet; thence S19°25'28"E, 206.26 feet; thence S31°26'47"W, 145.15 feet; thence S50°09'04"E, 107.92 feet; thence S41°58'37"E, 64.14 feet; thence S11°54'41"E, 88.00 feet to the Southeast corner of said Parcel 2; thence along the South line of said Parcel 2, S88°58'17"W, 1810.24 feet to the point of beginning and containing 31.92 acres more or less. The basis of bearings for this description is the same as shown on the map filed in Book 11 Parcel Maps at page 61. ("Phase X" or "Phase 10")

That portion of the Remainder Parcel that lies Northerly and Easterly of California State Highway 89, as described on the document recorded December 22, 2004 as Instrument No. 2004-13713 of Official Records in the Office of the County Recorder of Plumas County, California ("Phase 12");

Lot 12 on that certain Subdivision Map filed December 8, 1999 in the Office of the County Recorder of Plumas County, California in Book 8 of Maps, at Page 139 ("Phase IX, Unit 2" or "Phase 9, Unit 2");

Parcel 1, as shown on the Map recorded April 2, 2001 in Book 11, Page 93 of Parcel Maps in the Office of the County Recorder of Plumas County, California ("Phase 9, Unit 3");

That portion of the NE $\frac{1}{4}$ of Section 5, T21N, R13E., M.D.M., and being a portion of the "Remainder Parcel", as described in Document No. 2002-0013061 of Official Records in the Office of the County Recorder of Plumas County, California, and being further described in the subsequent deeds recording concurrently to Thomas Vannoy, identified as the Phase XI Properties ("Phase 11");

That portion of Section 6, T21N, R13E., M.D.M., "Parcel G", more particularly described as beginning at the East $\frac{1}{4}$ corner of said Section 6 as shown on the map filed in Book 6 of Records of Survey at Page 63, Plumas County Records; thence along the East line of said Section 6, South $01^{\circ}25'30''$ East 1360.34 feet to the Southeast corner of the North $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of said Section 6; thence along the South line of the North $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of said Section 6, South $89^{\circ}18'39''$ West 347.56 feet; thence leaving said South line North $39^{\circ}13'07''$ West 1403.77 feet to a point on a line which is 30.00 feet Southerly of and parallel with the Southerly boundary line of Whitehawk Ranch Phase 1 as filed in Book 6 of Maps at Page 120, Plumas County Records; thence along said parallel line the following 6 courses: North $44^{\circ}03'20''$ East 485.78 feet; North $40^{\circ}27'44''$ East 94.86 feet; North $23^{\circ}14'28''$ East 531.00 feet; North $44^{\circ}53'10''$ East 542.14 feet; North $88^{\circ}06'37''$ East 148.79 feet; Tangent curve concave to the North: Radius = 215.00 feet; Central Angle = $6^{\circ}15'50''$, Arc Length = 23.51 feet to a point on the East line of said Section 6, as shown on said map filed in Book 6 of Records of Survey at Page 63; thence along said East line, South $02^{\circ}06'32''$ East 1024.42 feet to the point of beginning ("Parcel G");

That portion of Section 6, Township 21 North, Range 13 East, M.D.M., "Parcel H", more particularly described as beginning at a point on the South line of the North $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of said Section 6 from which the Southeast corner of the North $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of said Section 6 bears North $89^{\circ}18'39''$ East 347.56 feet; thence along said South line South $89^{\circ}18'39''$ West 2310.13 feet to a point on the East line of the Southwest $\frac{1}{4}$ of said Section 6; thence along the following 6 courses:

North 02°56'34" West 637.71 feet; North 63°21'35" East 640.98 feet; South 86°31'15" East 504.36 feet; North 66°01'26" East 315.59 feet; North 44°03'20" East 130.00 feet; South 39°13'07" East 1403.77 feet to the point of beginning ("Parcel H");

That portion of Section 6, T21N, R13E., M.D.M., and more particularly described in Exhibit "A" to the "Declaration of Annexation Whitehawk Ranch" for "Portion of Phase III – Part of X Equestrian Center Specifically identified as the Historic Guest Ranch Parcel (HGRP)" recorded on November 6, 2015 as Document No. 2015-0007286 in the Office of the Recorder of Plumas County ("Historic Guest Ranch Parcel" or "HGRP").

By this instrument, the Members of the Association hereby revoke the previous Declaration of Whitehawk Ranch (Planned Development) recorded on September 11, 1991 as Document No. 7024, in Book 554, pages 576 et seq., of the Official Records of Plumas County, as well as all subsequent amendments thereto and supplemental covenants contained within those declarations of annexation, notices of addition, and similar documents described above, and substitute in their place these CC&Rs, which shall:

1. *Benefit Members.* Be for the benefit of Members of the Association;
2. *Benefit the Development.* Be for the benefit, enhancement and protection of the desirability, value and attractiveness of the Development and each Lot therein;
3. *Bind Successors in Interest.* Inure to the benefit of and be binding upon each successor in interest of the Association, each Member, Tenant, Resident, and occupant of any portion of the Development, as well as their respective heirs, personal representatives, grantees, Tenants, licensees, successors and assigns; and
4. *Run with the Land.* Run with the land and be binding upon all parties having or acquiring any right, title or interest in the Development or any portion of the Development, whether as sole owners, joint owners, Tenants, Residents, occupants or otherwise.

NOW THEREFORE, all Lots in the Development, as well as any conveyance, transfer, sale, assignment, rental, lease or sublease of a Lot, shall be deemed to incorporate the provisions of these CC&Rs. Each successor in interest is subject to all of the covenants, conditions and restrictions contained in these CC&Rs.

ARTICLE 1: DEFINITIONS

1.1 “Annual Meeting” means the annual meeting of the Members of the Association.

1.2 “Architectural Standards” means those rules and guidelines which govern the making of physical changes, alterations, repairs or improvements to Lots, Common Areas and Exclusive Use Common Areas.

1.3 “Articles” means the Association’s Articles of Incorporation.

1.4 “Assessment” means any Regular Assessment, Special Assessment, Reimbursement Special Assessment, or any other assessment levied, imposed, or assessed against a Member’s Lot in accordance with the provisions of the Governing Documents or applicable law.

1.5 “Association” means the Whitehawk Ranch Homeowners’ Association, a California nonprofit mutual-benefit corporation. The term “Association” shall include, when the context requires, its Officers, Directors, employees and agents.

1.6 “Board” and “Board of Directors” means the Board of Directors of the Association.

1.7 “Budget” means a pro forma, projected or estimated operating budget of the Association’s income and expenses for a twelve (12) month period.

1.8 “Bylaws” means the duly adopted Bylaws of the Association, including any amendments.

1.9 “CC&Rs” means this Restated Declaration of Covenants, Conditions and Restrictions and any amendments to these CC&Rs.

1.10 “Capital Improvement” means any (i) substantial discretionary addition to the Common Areas, (ii) voluntary significant upgrade to Common Area materials, or (iii) discretionary significant alterations to the appearance of the development.

1.11 “Committee” means any committee appointed by the Board to assist in the management and administration of the affairs of the Association.

1.12 “Common Area” means the entire Development, except the Separate Interests owned by Members. The Common Area includes, without limitation, all parcels designated as “O.S.E.” (Open Space Easement), together with all those named and unnamed streets described in the Recitals on Pages 1-4 of these CC&Rs. The Common Area shall not include the Lots or those common areas owned by the Hawk Ridge Owners Association or the Whitehawk Ranch Townhome Owners Association as described in the Hawk Ridge Owners Association’s CC&Rs and the Whitehawk Ranch Townhome Association’s CC&Rs. Title to the Common Area shall be held by the Association for the use, enjoyment and benefit of the Members.

1.13 “Common Expenses” means the costs, expenses and charges in connection with maintaining, managing, insuring, operating, repairing, improving or replacing the Common Areas or managing the affairs of the Association. Common Expenses include, but are not limited to, those amounts reasonably necessary for Reserves.

1.14 “County” means the County of Plumas.

1.15 “Development” means that certain residential development subject to these CC&Rs known as “Whitehawk Ranch,” including the properties described in the Recitals section of these CC&Rs.

1.16 “Director” means any member of the Board of Directors.

1.17 “Eligible First Mortgagee” means a first Mortgagee who has requested notice by sending a written request to the Association, stating both its name and address and the Residence number or address of the Residence it has the Mortgage on.

1.18 “Exclusive Use Common Areas” means those portions of the Common Area which serve a single Lot, whether located inside or outside the boundaries of the Lot.

1.19 “Governing Documents” means these CC&Rs and any other documents which govern the operation of the Association, including, but not limited to, the Articles of Incorporation, Bylaws, Architectural Standards, Parcel Maps, Rules and Regulations, and Election Rules, as may be amended from time to time.

1.20 “Hawk Ridge Owners Association” means the Hawk Ridge Owners Association, a California nonprofit mutual benefit corporation which consists of Lots 1 through 22 and Lot A, as shown on the subdivision map entitled “Whitehawk Ranch Phase IX, Unit No. 3A” filed in the records of Plumas County, California, on July 26, 2002, in Book 9 of Maps at pages 64 through 69. Lots 1 through 22 and Lot A as shown on the subdivision map are referred to as the “Hawk Ridge Phase 1 Property.” Prior to the recordation of such subdivision map, the Hawk Ridge Phase 1 Property was part of a larger parcel annexed into and made subject to the Whitehawk Ranch Homeowners’ Association’s CC&Rs by recordation of the Declaration of Annexation Whitehawk Ranch Phase IX – Unit 3 recorded on September 28, 2001, as Document No. 2001-08309 in the records of Plumas County, California and the correction to the Declaration of Annexation Whitehawk Ranch Phase IX – Unit 3 recorded on January 15, 2015 as Document No. 2015-0000220 in the Official Records of Plumas County, California. Members of Hawk Ridge Owners Association are Members of the Whitehawk Ranch Homeowners’ Association and are subject to this Declaration and all amendments.

1.21 “Hawk Ridge Owners Association’s CC&Rs” means the Hawk Ridge at Whitehawk Ranch Declaration of Restrictions recorded on April 23, 2003 in the Official Records of Plumas County as Document No. 2003-0004318 and any amendments thereto.

1.22 “Historic Guest Ranch Parcel” or “HGRP” means the property as described in the “Declaration of Annexation Whitehawk Ranch Portion of Phase III – Part of X Equestrian Center Specifically identified as the Historic Guest Ranch Parcel (HGRP)” recorded on November 6, 2015 as Document No. 2005-0007286 in the Office of the County Recorder of the County of Plumas, State of California.

1.23 “Improvements” means all buildings and other structures located within the Development, including, but not limited to, streets, sidewalks, and utilities.

1.24 “Lender” means the holder of a first mortgage or deed of trust given by a Member (or his predecessor in interest), the lien of which mortgage or deed of trust is superior to all other monetary encumbrances, except real property taxes and assessments.

1.25 “Lot” means any real property such as lots, sublots, parcels or other real property in the Development, which are “separate interests” as defined by Civil Code § 4010.

1.26 “Manager” means any Person or company employed or retained by the Association to oversee the operation, maintenance and management of the Association.

1.27 “Member” means the Owner, whether one or more Persons, of the publicly-recorded fee title to any Lot within the Development, but excluding any Person or Persons having such an interest in the Lot merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from the record fee ownership of a Lot and shall not be transferred, encumbered, pledged, alienated, or otherwise separated in any way, except in connection with the record sale of a fee interest of the Lot to which it is appurtenant. Where the CC&Rs impose restrictions on Member, the restriction shall also apply to Member’s Tenants, and Member’s and Tenant’s family, guests and invitees.

1.28 “Membership Approval” and “Approval of the Membership” means approval by the affirmative vote of a majority of those Members present and voting at a duly held meeting at which a Quorum is present as defined in the Bylaws, unless provided otherwise in the Bylaws or these CC&Rs.

1.29 “Mortgage” means a deed of trust.

1.30 “Mortgagee” shall refer to a beneficiary (or its assignee) under a deed of trust and the term “First Mortgagee” shall refer to a beneficiary (or its assignee) under a deed of trust with priority over all other Mortgagees and deeds of trust.

1.31 “Officer” means the president, vice-president, secretary, treasurer, and any other officer of the Association, as defined in the Bylaws.

1.32 “Operating Accounts” means any account into which the Association’s Assessments are deposited and out of which the Association’s operational expenses are paid.

1.33 “Owner” means the owner, whether one or more Persons, of the publicly-recorded fee title to any Lot within the Development, but excluding any Person or Persons having such an interest in the Lot merely as security for the performance of an obligation.

1.34 “Parcel G,” “Parcel H,” “Parcels G & H,” or “Parcels G & H Properties” means the property as described in the “Declaration of Annexation Whitehawk Ranch Parcels G & H” recorded as Document No. 2007-0004045 on May 16, 2007 in the Office of the County Recorder of the County of Plumas, State of California.

1.35 “Percentage Interest” means that undivided percentage ownership of the Common Area assigned to each Lot.

1.36 “Person” means a natural person, corporation, partnership, trust, association, or other entity, as recognized by law.

1.37 “Phase” means and corresponds to the phase number designation given to the real property when annexed into the Association by the original developer as described in the Recitals section of these CC&Rs.

1.38 “Phase IX, Unit 2”, “Phase IX, Unit 2 Property,” “Phase 9, Unit 2” or “Phase 9, Unit 2 Property” means the property as described in the “Declaration of Annexation of Whitehawk Ranch Phase IX, Unit 2” recorded on December 9, 1999 in Book 795, Pages 144 through 147 of the Official Records of Plumas County, California.

1.39 “Phase 9, Unit 3B” means the forty (40) lots as shown on the subdivision map titled “Whitehawk Ranch Phase IX, Unit No. 3B” recorded on June 12, 2008 in Book 10 of Maps, at Pages 83 through 87 in the Official Records of Plumas County, California. Prior to the recordation of such subdivision map, the Phase 9, Unit 3B property was part of a larger parcel annexed into and made subject to the Whitehawk Ranch Homeowners’ Association’s CC&Rs by recordation of the Declaration of Annexation Whitehawk Ranch Phase IX – Unit 3 recorded on September 28, 2001, as Document No. 2001-08309 in the records of Plumas County, California. The Phase 9, Unit 3B property is not included within Hawk Ridge Owners Association.

1.40 “Phase 10,” Phase X,” or “Phase X Property” means the property as described in the “Declaration of Annexation Whitehawk Ranch Phase X” recorded as Document No. 2002-00564 on January 16, 2002 in the Office of the County Recorder of the County of Plumas, State of California.

1.41 “Phase 11,” “Phase XI” or “Phase XI Property” means the property as described in the “Declaration of Annexation Whitehawk Ranch Phase XI Properties” recorded as Document No. 2005-0008367 on August 15, 2005 in the Office of the County Recorder of the County of Plumas, State of California.

1.42 “Quorum” means more than 50% of the Voting Power of the Association, unless provided otherwise in these CC&Rs or Bylaws.

1.43 “Ranch Parcel” means Parcel 1 as described in the “Declaration of Annexation Whitehawk Ranch Parcel” recorded as Document No. 08310 on October 20, 1999 in the Office of the County Recorder of the County of Plumas, State of California in Book 790, at Pages 276 through 282.

1.44 “Regular Assessments” means Assessments other than Special Assessments and Reimbursement Assessments, levied or imposed against Members in order to perform the Association’s obligations under the Governing Documents or the law.

1.45 “Reimbursement Special Assessments” or “Reimbursement Assessments” means those Special Assessments levied against Members for expenses incurred by the Association arising out of: (i) actions or omissions of Members, Tenants or their respective family, guests, invitees, or pets; (ii) materials or services provided to Members, Tenants or their respective family, guests, invitees, or pets; or (iii) conditions originating on a Lot.

1.46 “Reserves” or “Reserve Accounts” means those monies set aside in a separate account for anticipated long-term maintenance, repair, replacement and restoration of major Common Area components of the Development of Improvements upon the Common Areas, and any other obligations of the Association that are authorized by either the Governing Documents or law.

1.47 “Residence” means a building used for residential purposes.

1.48 “Resident” means any Person in actual possession of all or any portion of a Lot.

1.49 “Rules and Regulations” or “Rules” means the rules and regulations adopted by the Board for the general health, welfare, comfort, and safety of Members and Tenants and their respective family, guests, or invitees and to interpret and implement the Governing Documents and for the orderly conduct of the business of the Association.

1.50 “Separate Interest” means a separately owned lot, parcel, area, or space.

1.51 “Special Assessments” means Assessments levied from time to time against Members if at any time during the fiscal year the Regular Assessments are inadequate to perform the Association’s obligations under the Governing Documents or the law, including, but not limited to, Common Area capital improvements, Common Area maintenance and repairs, unexpected expenses, and emergency repairs.

1.52 “State” means the State of California.

1.53 “Tenants” and “Lessees” means those Persons who have the temporary use and occupancy of Lots owned by others, whether such use is paid for in money or other value.

1.54 “Utility Lines” means sewer lines, storm drains, water pipes, electricity lines, gas lines, telephone lines or cables, television cables, satellite dish cables, heating and air conditioning conduits, heating and air conditioning ducts, heating and air conditioning flues, fiber optic cables, data lines, and other similar lines, pipes, cables, ducts, flues, and conduit pipes.

1.55 “Voting Power” means the total number of Lots entitled to vote, excluding those Lots for which voting rights have been properly suspended.

1.56 “Whitehawk Ranch Townhome Owners Association” means the Whitehawk Ranch Townhome Owners Association, a California non-profit mutual-benefit corporation which consists of 72 residential lots and common area lots located on certain real property in Plumas County, California, more particularly described on the following maps: the map entitled “Whitehawk Ranch Phase IV” filed in the records of Plumas County, California, on April 6, 1994, in Book 7 of Maps at pages 104 and 105 (“Phase 4 Unit 1”); the map entitled “Whitehawk Ranch Phase IV, Unit 2,” recorded June 16, 1994 in Book 7, Pages 109-110 of Maps in the office of the County Recorder of Plumas County, California (“Phase 4 Unit 2”); the map entitled “Whitehawk Ranch Phase IV, Unit 3,” recorded June 16, 1994 in Book 7, Pages 111-112 of Maps in the Office of the County Recorder of Plumas County, California (“Phase 4 Unit 3”); the map entitled “Whitehawk Ranch Phase V, Unit 1,” recorded October 5, 1994 in Book 7, Pages 116-117 of Maps in the Office of the County Recorder of Plumas County, California (“Phase 5, Unit 1”); and the map entitled “Whitehawk Ranch Phase V, Unit 2,” recorded October 5, 1994 in Book 7, Pages 118-119 of Maps in the Office of the County Recorder of Plumas County, California (“Phase 5, Unit 2”). Members of Whitehawk Ranch Townhome Owners Association are Members of the Whitehawk Ranch Homeowners’ Association and are subject to this Declaration and all amendments.

1.57 “Whitehawk Ranch Townhome Owners Association’s CC&Rs” means the Whitehawk Ranch Townhomes Declaration of Restrictions recorded on June 17, 1994 in the Official Records of Plumas County as Document No. 4656 in Book 632, Page 178, et seq. and any amendments thereto.

1.58 “Whitehawk Ranch Golf Club” means the golf course property and improvements thereon which are located appurtenant to the Development and are separately owned and managed by others and are not owned and/or managed by the Association.

1.59 Definitions of Other Terms. Unless the context clearly requires otherwise, all other terms are defined in the Davis-Stirling Act.

ARTICLE 2: MEMBERSHIP RIGHTS AND PRIVILEGES

2.1 Prohibition against Severance. Members shall not have the right to sever their Lots from their membership rights or from their interest in the Common Areas.

2.2 Membership. Each Person shall automatically become a Member of the Association upon obtaining a publicly-recorded fee title ownership interest in a Lot and

shall remain a Member until he or she ceases to have such recorded fee ownership interest in a Lot.

- a. *Membership Appurtenant to Lots.* Membership in the Association is for the benefit of and appurtenant to the Lot to which it relates and shall not be separated from the ownership of the Lot.
- b. *No Membership for Security Interests.* Membership does not include Persons who hold an interest in a Lot merely as security for the performance of an obligation.
- c. *No Membership for Tenants.* Tenants have the same rights to use the Common Areas as Members, but shall not be Members nor have the right to vote.
- d. *No Separate Transfer of Membership.* No Member may transfer, pledge, or alienate in any way his/her membership in the Association, except upon the recorded transfer of the fee interest in the Lot to which it is appurtenant and then only to the transferee of such fee interest.
- e. *Trust.* If the record fee title to a Lot is held in the name of a trustee on behalf of a trust, the trustees of the trust shall be authorized to exercise the rights and privileges of Association membership on behalf of the trust.
- f. *Corporation.* If the record fee title to a Lot is held by a corporation, the president of the corporation, as designated in the corporation's minutes, shall be authorized to exercise the rights and privileges of Association membership on behalf of the corporation.
- g. *Partnership.* If the record fee title to a Lot is held by a partnership, the managing partner, as designated in the partnership agreement, shall be authorized to exercise the rights and privileges of Association membership on behalf of the partnership. If no managing partner has been designated in the partnership agreement, then the partnership shall deliver to the Association a written designation of the name of the partner who is authorized to exercise the rights and privileges of Association membership on behalf of the partnership.
- h. *Other Entities.* If the record fee title to a Lot is held by a legal entity not described above, the majority owner of the entity shall be considered the Owner of the Lot for purposes of membership in the Association and may exercise the rights and privileges of a Member. If there is no majority owner, an owner of the legal entity shall deliver to the Association a written designation of the name of the owner who is authorized to exercise the rights and privileges of Association membership on behalf of the entity.

2.3 Proof of Ownership. Proof of membership shall be in the form of a recorded deed showing fee ownership of a Lot.

2.4 Voting Rights. In all matters submitted for a membership vote, Members shall be entitled to one (1) vote per Lot (regardless of the number of Members having an interest in the Lot), except for those Members whose voting rights have been properly suspended pursuant to the Governing Documents and applicable law.

2.5 Voting Rights and Subdivision of Phases. As long as a Phase remains as a single parcel, the Phase shall be considered a single Lot for voting purposes. If a Phase is divided or subdivided into two or more lots as provided for in these CC&Rs, voting rights shall terminate for that Phase on the date the map is recorded dividing or subdividing the parcel into two or more lots. If a Phase is subdivided pursuant to these CC&Rs, voting rights shall commence for each remainder parcel or other lot or parcel (other than a subdivided residential lot or common area lot) on the date the map is recorded in the County records. If a Phase is subdivided pursuant to these CC&Rs into residential lots as identified as a phase in a final subdivision public report issued by the California Bureau of Real Estate or its successor, voting rights shall commence on the first day of the month following the first conveyance of a subdivided residential lot in that phase. If multiple maps are recorded subdividing a Phase, voting rights for each remainder parcel that is further subdivided shall be in accordance with the same procedure as the initial subdivision of the Phase into two or more lots.

2.6 Inspection of Records. Members shall have the right to inspect records of the Association as provided for in the Bylaws and by law.

2.7 Ingress, Egress and Support. Members shall enjoy a nonexclusive easement appurtenant to and for the benefit of their Lots for ingress, egress, and support over, across and through the Common Area and every portion of any Lot required for the structural support of the Lot.

2.8 Easement for Use and Enjoyment. Members have a nonexclusive easement of use and enjoyment of the Common Areas, subject to the rights of the Association to establish reasonable Rules regulating the use of the Common Areas and any other rights described in the Governing Documents.

2.9 Encroachment Easement. Members agree that minor encroachments of the Common Area on Lots or of Lots on the Common Area shall be permitted and that valid easements for the encroachments shall exist.

2.10 Common Area Recreational Facilities. In the event any Phase contains Common Area facilities which become the property of the Association in accordance with Article 4 of these CC&Rs, every Member of the Association shall have a right to use the facilities situated on the Common Area, subject to 1) the right of the Association to charge reasonable fees for the use of any Common Area facility by non-members, 2) the right of the Association to charge reasonable fees for the exclusive use of parking spaces or recreational vehicle parking spaces located on the Common Area and 3) the right of

the Association to deny use of the Common Area after hearing for infringement of rules or nonpayment of Assessments.

ARTICLE 3: MEMBERSHIP OBLIGATIONS

3.1 Applicability of Article 3. The sections of this Article 3, which are titled “Duty to Maintain, Repair and Replace” and “Obligation to Carry Insurance”, respectively, shall not apply to that property annexed into and made part of Hawk Ridge Owners Association and Whitehawk Ranch Townhome Owners Association, except the requirement for a Member to obtain the Architectural Committee’s express written approval prior to the destruction or removal of a tree from the Member’s Lot shall apply. Membership duties for maintenance, repair and replacement of the properties annexed into and made part of Hawk Ridge Owners Association and Whitehawk Ranch Townhome Owners Association shall be those as set forth in the Hawk Ridge Owners Association’s CC&Rs and the Whitehawk Ranch Townhome Owners Association’s CC&Rs.

3.2 Obligation to Follow Governing Documents. Members, Tenants and Residents shall be obligated to follow the Association’s Governing Documents and to ensure that their respective family, guests, and invitees abide by the Governing Documents.

3.3 Supervision of Minors. Members shall be liable for the conduct, behavior, and proper supervision of minors residing at or visiting their Lots and/or using the Association’s Common Areas.

3.4 Security. Neither the Association nor any Officer, Director, Committee member, employee or agent of the Association shall in any way be considered insurers or guarantors of any level of security within the Development. Members shall be responsible for their own security and shall take appropriate measures to ensure their own security as well as that of their family, guests, invitees, and Tenants. Members may not rely on any security measures provided by the Association. Neither the Association, nor any Officer, Director, Committee member, employee or agent of the Association shall be liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

3.5 Purchase Subject to Violations. Buyers shall take ownership of Lots subject to any violations of the CC&Rs, Architectural Standards, or Rules which may exist concerning the Lot, whether or not such violations were disclosed by the seller of the Lot and whether or not the Association knew of the violations at the time of sale. Such buyers shall be liable for correcting such violations upon demand by the Association. Assessments, fines, and other charges not secured by a lien on the Lot prior to transfer of title are exempt from this provision.

3.6 Notice of Transfer of Ownership. No later than five (5) days after the assignment, sale, quitclaim or other transfer of their Lots, Members shall notify the Association of the name and address of the transferee and the nature of the transfer.

3.7 Duty to Maintain, Repair and Replace. Except for those duties specifically assigned to the Association by these CC&Rs, the Members shall, at their sole expense, maintain and repair their Lots, maintain, repair and replace Improvements to their Lots, and maintain, repair and replace any Exclusive Use Common Areas servicing their Lots. Members' obligations include, without limitation, the following:

- a. *Lots.* All elements of their Lots unless otherwise provided for in these CC&Rs.
- b. *Slopes.* Their slopes, terraces, drainage contours, drainage devices, and landscaping.
- c. *Improvements.* All improvements or alterations to the Lot or appurtenant areas by any current or prior Owner of the Lot, or by any party other than the Association, as part of any improvement or alteration to the Lot including, but not limited to the Residence, garage, shed, storage area, balcony, patio, deck and any other building, structure or improvement of any kind located on the Lot.
- d. *Utility Lines.* The Utility Lines that exclusively services the Lot. Each Member shall have limited easements across adjacent Lots and Common Areas for the limited purpose of installing, repairing or maintaining Utility Lines which cannot reasonably be serviced from their Lot. Access to Lots and Common Areas shall be limited to a reasonable work area and be for a reasonable time. Except in emergencies, reasonable notice and consent, which may not be unreasonably withheld, to perform such work must be obtained from the affected Lot Owner and/or the affected Association, as applicable. Immediately after the work is completed, Members shall restore Lots and the Common Areas to the same or better condition which the Lots and Common Areas were in prior to the commencement of such work. Such restoration work on the Lots and the Common Areas shall be done at the sole expense of the Member performing the installation, repair, or maintenance work and shall be completed in timely fashion.
- e. *Debris and Rubbish.* Members shall keep their Lots free and clear of all debris and rubbish (including rubbish dumped by others).
- f. *Trash.* Members shall not keep trash on or in any portion of the Lot or the Development except as provided for in the Rules and Regulations.
- g. *Paint.* Members shall prevent their Lots from becoming unsightly by reason of deterioration of paint or other materials and, in general, shall do all other things necessary or desirable to keep his or her property neat, clean, attractive and in good order.
- h. *Lot Landscaping.* Members may install, maintain and replace the landscaping on their Lot and be responsible for watering such

landscaping as approved by the Architectural Committee. Members shall incorporate defensible space areas in their landscape plans.

- i. *Fences.* Unless otherwise agreed to by the affected Members, Members who have fences separating their Lots which are not maintained by the Association shall equally have the right to the use and enjoyment of the fence as well as being equally liable for maintaining the fences. Members shall maintain, repair and replace all fencing located on their Lots. Notwithstanding the foregoing, if fences are damaged due to the negligence or willful misconduct of a Member, Member's Tenant, or their respective family, guests, invitees or pets, such Member shall bear the full expense of the repair. On the Ranch Parcel, Parcels G & H, the Phase X Property, the Phase XI Property and the Historic Guest Ranch Parcel, in an emergency, where fence repairs are immediately needed to contain animals, the Board shall make a reasonable attempt to notify the Member. However, the Board shall have the right to perform necessary emergency fence repairs at the Member's expense with or without notice to the Member.
- j. *Drainage Structures.* Members shall keep all drainage courses, ditches and swales on their Lots free and clear of all obstructions, and shall maintain all such drainage ditches, swales and culverts in good order.
 - i. *No Alteration or Obstruction.* Members shall not alter or obstruct a natural drainage course, or materially add to the natural water volume of a drainage course without making adequate provisions with respect to neighboring Lots and Common Areas. Any such alterations, obstructions or additions to water volume must have the prior written approval of the Architectural Committee.
 - ii. *Association.* All drainage infrastructure improvements by the Association for the major collection of storm runoff and any natural drainage courses within Common Areas shall be maintained by the Association.
- k. *Fire Prevention Measures.* Members shall implement and maintain fire prevention measures including, but not limited to, the following:
 - i. *Structures.* All Lots containing a structure shall be maintained in a manner to comply with current and future requirements regarding "defensible space" fire protection standards as defined by the California Department of Forestry and Fire Protection. Natural vegetation shall be maintained in accordance with Federal, State and local laws, ordinances and regulations. Including, but not limited to, California Public Resources Code Section 4291, and any amendments thereto.

ii. *Vegetation.* All vegetation on Lots, whether the Lot is developed or undeveloped, shall be maintained to be deemed “in fire safe condition” in accordance with Federal, State and local laws, ordinances and regulations, including, but not limited to, California Public Resources Code Section 4291, and any amendments thereto.

iii. *Property Adjacent to Structures.* The Owner of property adjacent to a Lot containing a structure shall allow for removal of vegetation from such Owner’s property to provide “defensible space” fire protection standards as defined by the California Department of Forestry Fire Protection for such structure. The Owner of the Lot containing the structure shall be responsible for the cost of removing such vegetation from the adjacent Owner’s property.

iv. *Non-Compliance.* Members shall be liable for expenses incurred by the Association to bring a Lot or property into compliance with this section. Such expenses shall become a Reimbursement Special Assessment against such Members.

3.8 Ranch Parcel – Maintenance of Meadow Areas. Grassy meadow areas within the Ranch Parcel shall be maintained by their Owners in such a way to preserve the existing vegetation in a healthy condition during the growing season and their Owners shall not allow them to be over-grazed or allow excessive ground disruption from livestock. Owners of the Ranch Parcel shall not over-irrigate meadow areas to the extent it results in saturated soils or excess runoff. Owners of the Ranch parcel shall maintain areas zoned for agriculture (meadow areas) beneficially for livestock grazing or hay production in a manner consistent with the best grazing and farm practices so as to avoid both under and over utilization of the pasture and meadow vegetation. The obligation of the Ranch Parcel Owners set forth in this section shall be limited to the appropriate quantities of water from the Perennial Water Course (as that term is defined in Article 17 of these CC&Rs) and West Stream and/or adjoining watersheds. In the event of a drought, or for any reason, should such water not be available, the Ranch Parcel Owners shall have no obligation as set forth in this section.

3.9 Parcels G & H and HGRP – Maintenance of Meadow Areas. Grassy meadow areas within Parcels G & H and the HGRP shall be maintained by their Owners in such a way as to preserve the existing vegetation in a healthy condition during the growing season and their Owners shall not cause or allow them to be over-grazed or allow excessive ground disruption from livestock Owners of Parcels G & H and the HGRP shall not over-irrigate meadow areas to the extent it results in saturated soils and excess runoff.

3.10 Liability for Damage. Members shall be liable for any and all damage to the Common Areas, Exclusive Use Common Areas, Lots and any personal property when the cause of such damage originates from that Member’s Lot or Exclusive Use Common Area, or which was caused by the acts or omissions of such Member, Member’s Tenant,

or their respective family, guests, invitees, or pets. The Association shall repair, restore or replace damaged Common Areas as it deems appropriate and may impose a Reimbursement Special Assessment against the liable Member and that Member's Lot for all costs, expenses and attorney fees incurred by the Association in connection with the damage. The Reimbursement Special Assessment may become a lien against the liable Member's Separate Interest enforceable by the sale of the Member's Lot under Civil Code sections 2924, 2924(b), and 2924(c).

3.11 Reimbursement to Association. In the event the Association undertakes to provide materials or services that benefit a particular Member, such Member shall reimburse the Association for the costs incurred by the Association, which shall become a Reimbursement Special Assessment against the Member.

3.12 Liability for Mitigation. Members shall be liable for expenses incurred by the Association mitigating or repairing damage to Residences, Common Areas and Improvements due to damage: (i) originating from Members' Lots, including, but not limited to, flood, fire, insect, or rodent infestation; or (ii) from the negligence or willful misconduct of such Members, Members' Tenants or their respective family, guests, invitees, or pets. Such expenses shall become Special Assessments against such Members.

3.13 Guests. Each Member shall be accountable to the remaining Members and the Association for the conduct and behavior of Persons residing with or visiting the Member or Member's Tenant in the Development.

ARTICLE 4: DUTIES OF THE ASSOCIATION

4.1 Board of Directors. The maintenance of the Common Areas, management of the Association, enforcement of the Governing Documents, and all other acts of the Association shall be through its Board of Directors, unless provided otherwise in the Governing Documents.

- a. *Membership Meetings*. The Association shall have at least one (1) meeting of its Members each year, as provided for in the Bylaws. Annual and Special Meetings of the membership shall be held at the dates, times, and locations provided for in the Bylaws.
- b. *Director Qualifications and Meetings*. The qualifications of who may be elected to the Board shall be as provided for in the Bylaws. Meetings of the Board shall be held as provided for in the Bylaws. Meetings of the membership shall be conducted in accordance with a recognized system of parliamentary procedure selected by the Board.

4.2 Powers of a Nonprofit Corporation. The Association shall have all of the powers of a nonprofit corporation organized under the laws of the State of California, operating for the benefit of its Members.

4.3 Maintain Common Areas. The Association shall maintain the Common Areas and Association-owned assets, except as otherwise provided in these CC&Rs.

- a. *Common Area Slopes.* The Association shall stabilize and maintain all Common Area slopes and drainage contours throughout the Development.
- b. *Common Area Streets.* All streets owned by the Association.
- c. *Vacant or Unimproved Lots.* The Association shall have the right at all times to enter upon any vacant or unimproved Lot in the Development to eliminate fire risk conditions should the property owner not comply with established fire safety standards. Neither the Association nor those acting at its direction shall be deemed guilty of any manner of trespass.
- d. *Buildings and Equipment.* All portions of the buildings and equipment owned by the Association.
- e. *Fences.* Any fences located in the Common Area.
- f. *Bridges.* The two (2) bridges over Sulphur Creek.

4.4 Common Area Not Maintained by Association. The Association shall not maintain, repair or replace the common area which is part of the Hawk Ridge Owners Association and Whitehawk Ranch Townhome Owners Association per the provisions of the Hawk Ridge Owners Association's CC&Rs and the Whitehawk Ranch Townhome Owners Association's CC&Rs.

4.5 Incur and Pay Expenses. The Association shall have the power to incur and pay the operational expenses of the Association, which shall include but not be limited to, legal and accounting services; utilities; insurance; management services; vendor services, such as security, landscaping, garbage collection, pest control, street sweeping, cleaning, painting, and other such services; maintenance, repair, reconstruction, and replacement of all or any portion of the Common Areas or the personal property acquired by the Association; supplies and materials; and such other services for the use, enjoyment and protection of the Development and its Residents as the Board may determine from time to time are reasonable, proper, or desirable.

4.6 Rules and Regulations. The Board may adopt, amend, and repeal Rules and Regulations regarding any matter set forth in the Governing Documents, including, but not limited to: (i) the use, occupancy, and maintenance of the Development; (ii) the general health, welfare, comfort, and safety of Residents in the Development; and (iii) the interpretation and implementation of the Governing Documents.

4.7 Foreclose, Hold Title and Make Conveyances. The Association shall have the authority to lien and foreclose upon any Lot for non-payment of Assessments, to take

title to the Lot, to assume or otherwise pay off encumbrances, and to acquire, hold title to, lease and convey, with or without consideration, real and personal property and interests.

4.8 Fee Limitation. The Association may not impose fees that exceed the amount necessary to defray the costs for which the fee is levied.

4.9 Commercial Concessions. The Board may negotiate contracts and grant commercial concessions over portions of the Common Area, subject to Membership Approval.

4.10 Utility and Cable Easements. The Association is granted easements to enter onto Lots as is necessary or prudent to: (i) install, repair, and maintain Common Area utility lines; and (ii) install, operate, and maintain transmission lines and other facilities for a community television system, high-speed internet lines, community security systems, or other similar systems; provided that any damage to a Member's Lot shall be repaired at the Association's expense and in a timely fashion to original building construction standards.

4.11 Granting Utility Easements. The Board may grant and convey easements and rights of way for utilities such as wires, conduits, piping, plumbing, water lines, telephone lines, power lines, cable, storm drains, sewer lines, gas lines, and the like. The Board may, with Membership approval, grant and convey easements, rights of way, parcels or strips of land in, on, over or under any Private Street or Common Area for the purpose of constructing, erecting, operating or maintaining roads, streets, walkways, parkways and park areas.

4.12 Limitation on Granting Easements. Granting any Member an easement for exclusive use of any portion of the Common Areas requires Approval of the Membership, as required by the Davis-Stirling Act.

4.13 Borrow Money. The Association may borrow and repay monies, as needed in connection with the discharge of its duties, and pledge or assign Special Assessment rights, as security for the repayment of such borrowed money. However, any loan in excess of five percent (5%) of the annual Assessments shall require Membership Approval.

4.14 No Power to Encumber Real Property. The real property assets of the Association may not be encumbered as a security for debt.

4.15 Represent Association in Litigation. On behalf of the Association, the Board may institute, defend, settle, or intervene in litigation, arbitration, mediation, administrative proceedings, or any other legal proceeding in any capacity necessary to represent the interests of the Association.

4.16 Receive Property. The Board may receive property on behalf of the Association including acceptance of common area upon the subdivision of each Phase. If each Phase is further subdivided, fee title to any common area property may be transferred to the Association and the common area property shall become the Common

Area of the Association. The Association shall accept fee title to the common area so conveyed, provided that 1) prior to the commencement of any work to design or install any common area Improvements, the Architectural Committee has received and approved in writing the proposed design, location, type, quality, size, elevation, materials and colors of all common area Improvements, including, but not limited to, the roadbed, street sub base, pavement, curbs gutters and bridge, 2) the Architectural Committee has determined in its sole discretion the common area Improvements have been completed in good and workmanlike manner and in substantial compliance with the approved plans, and 3) the common area Improvements have been designed, installed and constructed, including any roadway improvements, in compliance with all applicable County and State laws and ordinances. The Association may require payment from a Phase Owner for its costs to obtain review of plans by outside consultants retain in connection with the Architectural Committee's review, approval and acceptance of the common area Improvements. Upon the division or subdivision of each Phase, this section does not restrict the creation of a sub-association and conveyance of the fee title for the common area to such sub-association. If fee title for the common area is conveyed to a sub-association, it shall not be Common Area of the Association.

4.17 Limitations on Sale of Property. The Board may not sell during any fiscal year property owned by the Association having an aggregate market value in excess of five percent (5%) of the Association's budgeted gross expenses for that year, without Membership Approval, provided however that this limitation shall not apply to the sale or other disposition of property acquired by the Association in foreclosure proceedings.

4.18 Limitations on Capital Improvements. The Board may not make capital improvements to the Common Areas in any one fiscal year in excess of five percent (5%) of the Association's budgeted gross expenses for that year, without Membership Approval.

4.19 Vendor Contract Limitations. Except for the contracts listed below, no contract for services shall be entered into which binds the Association for a period in excess of two (2) years, without Membership Approval.

- a. *Public Utility Contract.* A contract with a public utility company, if the rates charged for the materials or services are regulated by the Public Utilities Commission. However, the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate.
- b. *Fire and Burglary.* Contracts for terms up to three (3) years to lease or service burglar and/or fire alarm equipment or provide protective services.
- c. *Insurance.* Contracts for prepaid casualty and/or liability insurance, if the policies do not exceed three (3) years duration, provided that the policy/policies permit for short rate cancellation by the insured.

4.20 Delegation to Manager. The Board may delegate any of its duties, powers, or functions to any qualified Person or management company to act as Manager, except (i) attending Board meetings and voting on motions; (ii) electing officers; (iii) filling vacancies on the Board; (iv) appointment executive committees; and (v) approving settlement agreements. Notwithstanding any delegation of duties, however, the Manager shall act at the direction and supervision of the Board.

4.21 Transfer to Public Agency. The Association may, upon Membership Approval, 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 Association.

4.22 Real Property Exchange. Upon Membership Approval, the Association may transfer any part of the Common Area to other Persons or entities in exchange for real property of equal or greater value.

4.23 Personal Property of Association. The Association may acquire and hold tangible and intangible personal property and may dispose of the same by sale or otherwise.

4.24 Nonprofit Character of Association. Notwithstanding anything contained in these CC&Rs to the contrary, the Association may not engage in any activity which may jeopardize the nonprofit character of the Association.

4.25 Discharge of Liens. If necessary, the Association shall have the power to discharge by payment any lien against the Common Area and assess the cost thereof to the Member or Members responsible for the existence of the lien. Prior to any Board decision to discharge a lien, the Member or Members responsible for the existence of the lien shall be given written notice and an opportunity for a hearing before the Board to present any defenses which may exist.

4.26 Obsolescence. In the event the Board determines that any Common Area amenity is obsolete and the cost to remove the amenity is more than 5% of the Budget, the Board may call for a vote of the Members to determine whether the amenity should be demolished. Approval requirements for removal of the amenity shall be two-thirds (2/3) of a Quorum of the Membership.

ARTICLE 5: ARCHITECTURAL CONTROL

5.1 No Improvements or Alterations without Approval. No Improvement, excavation, landscaping, hardscaping, driveway construction, fence, wall, swimming pool, painting, screen, awning, alteration or other work which alters the exterior appearance of any Lot or its Improvements shall be commenced until plans and specifications have been submitted to and approved in writing by the Architectural Committee. If Improvements, additions, alterations, or modifications are different from those approved by the Architectural Committee, such improvements, additions, alterations, or modifications shall be deemed disapproved and the Member shall promptly

correct the nonconforming items to comply with the Architectural Standards, the Architectural Committee's approvals, and County and/or city requirements.

- a. *Fences.* Fences are optional. Boundary fence material must be approved in writing by the Architectural Committee. No fence or wall shall be erected, placed or altered on any Lot nearer to any street than the minimum building set back line.
- b. *Trees.* No living tree greater than six inches in diameter shall be removed from a Lot without the prior written consent of the Architectural Committee unless otherwise provided for in the Architectural Guidelines.
- c. *Landscaping.* No landscaping on a Lot shall be undertaken until plans and specifications showing the nature, kind, shape and location of the materials shall have been submitted to and approved in writing by the Architectural Committee.
- d. *Roofs.* No flat, composition roofs shall be permitted on any Lot. All roofs must be fire-retardant.
- e. *Useful Life.* All Residences must be constructed on site, permanently affixed to the land and must have, in the estimation of the Architectural Committee, a useful life of at least thirty (30) years.
- f. *Residence.* A Residence or dwelling erected on a Lot shall have not less than a total livable floor area (exclusive of open porches, terraces, garages, basements, guest houses or other outbuildings) of the following:
 - i. Phase 6 – not less than 1,800 square feet;
 - ii. Phase 7 – not less than 1,700 square feet;
 - iii. Phase 8 – not less than 2,000 square feet;
 - iv. Phase 9 (Phase IX, Unit 1) – not less than 1,700 square feet;
 - v. Phase 9, Unit 2 – not less than 2,000 square feet;
 - vi. Phase 9, Unit 3B – not less than 1,700 square feet;
 - vii. Phase 12 – not less than 2,000 square feet; and
 - viii. All other property within the Development – not less than 2,000 square feet

These square footage size restrictions do not apply to the Ranch Parcel, the Phase X Property, the Phase XI Property, Parcels G & H, the Historic Guest Ranch Parcel and to a Residence or dwelling already existing on a Lot at the time these CC&Rs are recorded. The square footage size restrictions for the Ranch Parcel, Phase X, Phase XI, Parcels G & H and the Historic Guest Ranch Parcel shall be those as provided for in this Article under the sections entitled "The Ranch Parcel," "The Phase X Property," "The Phase XI Property," "The Parcels G & H Properties," and "The Historic Guest Ranch Parcel ('HGRP').".

- g. *Paint.* No permission or approval shall be required to repaint a Residence, building or structure in accordance with the original color scheme previously approved by the Architectural Committee for such Residence, building or structure.
- h. *Driveways.* The design, materials, type, length, width and location of the driveways, driveway cuts and connections into the Development's roads shall be subject to the prior written approval of the Architectural Committee.

5.2 Quality of Construction and Improvements. Future improvements to the Development will be consistent with initial improvements in terms of quality of construction.

5.3 No Exterior Installations. Installations of any kind, including but not limited to, electric lines, telephone lines, television antennas, satellites, machines, or air conditioning units, on the exterior of the Residences or buildings of the Development or that protrude through the walls or the roof of the Residences or buildings, are prohibited except as authorized by the Architectural Committee.

5.4 Alteration of Front Yard Landscaping. Unless there has been prior written approval by the Architectural Committee, no Member shall substantially alter existing landscape features.

5.5 New Construction. All new construction and improvements including construction and improvements to be built on a Lot or a Phase whether subdivided or not, are subject to the restrictions in this Article 5 including being subject to Architectural Committee review and approval and the Architectural Standards as they may be adopted, amended and repealed by the Board. New construction and improvements include, but are not limited to, excavations, grading, installation of utilities, construction of a Residence, structure or other building, landscaping, fences, walls, garages, sheds, barns, streets, Common Area Improvements, recreational facilities, driveways, hardscape, swimming pools, spas and all other Improvements.

5.6 The Ranch Parcel. The development plan of Whitehawk Ranch contemplated the Ranch Parcel would continue as an active agricultural and ranching

parcel. Plumas County has also recognized the significance of the Ranch Parcel as a part of the historic south Mohawk Valley planning area and has zoned the property as “Agricultural Preserve Zone” under the Plumas County Zoning Ordinance. The permitted agricultural uses have been declared by the County to be in the public interest and specifically preserved and protected under the County’s Zoning Ordinance and Right to Farm Ordinance. The following additional restrictions and conditions shall apply to the Ranch Parcel (if there are any conflicts between this section and the other provisions of Article 5 of these CC&RS, this section shall control):

- a. *Use of the Ranch Parcel.* No portion of the Ranch Parcel shall be occupied and used except for the site of a single family Residence and guesthouse or caretakers unit and one barn or outbuilding by the Owners, their contract purchases, lessees, Tenants, or social guests in conformance with the applicable County zoning standards and in compliance with the Development Agreement with Mohawk Valley Ranch, Inc. a California corporation and the County of Plumas, a political subdivision of the State of California recorded July 28, 1999 in Book 782 of Official Records, Pages 326 through 357, Plumas County Records. This subsection is intended to exclude every form of boarding or lodging house, sanitarium and hospital, and the like, but is not intended to exclude a “guesthouse” for the entertainment of social guests, nor servant’s quarters for servants or other employees employed upon the premises of the Ranch Parcel. No trade or business or commercial activity except rental of the Ranch Parcel shall be carried on or conducted upon the Ranch Parcel.
- b. *Building Restrictions.* The main Residence on the Ranch Parcel shall have a total livable floor area (exclusive of open porches, terraces, garages, basements, guesthouses or other outbuildings) of not less than 2,000 square feet and the total livable floor area (exclusive of open porches, terraces, garages, and basements), for any guesthouse shall not exceed 4,000 square feet.
- c. *Building Envelope.* “Building Envelope” shall mean that portion as identified as “Boundary of Residential Building Area,” as shown upon that certain Parcel Map filed in Book 10 of Parcel Maps, at Page 65. A Building Envelope has been established wherein all building improvements of the primary Residence, guesthouse, and barn must be located. Building improvements shall be subject to the prior written consent of the Committee.
- d. *Tree and Vegetation Protection.* The natural tree growth and ground cover on the Ranch Parcel shall be preserved as much as possible. All tree and vegetation removal shall be subject to review and the prior written consent of the Architectural Committee unless otherwise provided for in the Architectural Guidelines.

- e. *Landscaping.* Within the Building Envelope all disturbed ground must be revegetated. Such vegetation shall be in accordance with landscaping plans approved and/or required by the Architectural Committee. The unimproved area within the Building Envelope shall be a transition area and shall maintain natural vegetation as much as possible. Landscaping in transition areas and within the Building envelope shall be consistent with the natural vegetation and forest characteristics of the Development.
- f. *Trees.* The planting of trees on the Ranch Parcel for beautification purposes or to enhance the privacy and views of the Ranch Parcel shall be permitted subject to the prior written approval of the Design Review Committee, which approval shall not be unreasonably withheld.
- g. *Excavation.* Excavation for a pond or any change to the natural topography or terrain on the Ranch Parcel shall be permitted subject to the prior written consent of the Architectural Committee with regard to engineering plans, location, size and design, safety aspects, or other matters of quantifiable nature and subject to compliance with all applicable Federal, State and local laws and ordinances.
- h. *Driveways.* Driveway cuts and connections onto the Development roads require Architectural Committee approval and will be limited to one, unless otherwise approved by the Committee. Driveway surface may be gravel, asphalt or chip seal. The density, type, length, width and location of the driveways shall be subject to the prior written consent and approval of the Architectural Committee.
- i. *Non-Development Areas.* Portions of the Ranch Parcel are subject to non-development buffers for wet meadow areas, springs, seeps, streams, perennial and ephemeral water courses, and a Seasonal Irrigation Ditch. Non-Development areas shall be that portion of the Ranch Parcel outside of the "Building Envelope" and shall remain undeveloped and no structures, or other fixtures or improvements of any nature shall be permitted outside the "Building envelope" except for the construction of unpaved roads, fencing, or utility improvements or other permitted improvements as may be approved by the Architectural Committee.
- j. *Fences.* In order to maintain the natural, open space character of the Development, lot fencing shall be prohibited within the Building Envelope, except for certain animal related fencing, safety and sports related fencing, fencing for specific aesthetic purposes, i.e. screening of above ground propane gas tanks. Interior cross fencing on the large meadow and pasture areas shall be allowed subject to the written approval of the Architectural Committee. There shall be no fences

installed outside the Building Envelope, including, but not limited to boundary fencing, without the prior written consent of the Architectural Committee.

- k. *Household Pet Structures.* Yards, pens and outbuildings used in connection with the keeping of household pets shall be located within the Building Envelope, shall be adequately screened from any street, and designed in accordance with the requirements of the Architectural Committee. Household pet means usual domesticated dogs, cats, fish, and birds.

5.7 The Phase 9, Unit 2 Property. The following additional restrictions and conditions shall apply to the Phase 9, Unit 2 Property (if there are any conflicts between this section and other provisions of Article 5 of these CC&Rs, this section shall control): No portion of the property shall be occupied and used except for the site of a single-family Residence, guesthouse and one outbuilding by the Owners, their contract purchasers, Lessees, Tenants, or social guests in conformance with the applicable County zoning standards. This Subsection is intended to exclude every form of boarding or lodging house, sanitarium and hospital, and the like, but is not intended to exclude a “guest house” for the entertainment of social guests, nor servants’ quarters for servants or other employees employed upon the premises of the Phase 9, Unit 2 Property. No trade or business or commercial activity except rental of the property shall be carried on or conducted upon any portion of the Phase 9, Unit 2 Property, except this Subsection shall not prohibit home occupations so long as they are merely incidental to the use of the property as a Residence, are conducted in such a manner as to not adversely affect other Owners’ use and enjoyment of the Development, and have received prior written approval from the Board.

5.8 The Phase X Property. The following additional restrictions and conditions shall apply to the Phase X Property (if there are any conflicts between this section and other provisions of Article 5 of these CC&Rs, this section shall control):

- a. *Use of the Phase X Property.* No portion of any subdivided Lot shall be occupied and used except for the site of a single-family Residence and guesthouse or caretaker’s unit and one barn or outbuilding by the Owners, their Tenants or guests in conformance with the applicable County zoning standards and in compliance with the requirements of Plumas County that are within the terms and conditions set forth in the Planned Unit Development Permit and The Development Agreement, or any amendments thereto. This subsection is intended to exclude every form of boarding or lodging house, sanitarium and hospital and the like but is not intended to exclude a “guesthouse” for the entertainment of social guests nor servants’ quarters for servants or other employees employed upon the premises of the Property. No trade or business or commercial activity except rental of the Property shall be carried on or conducted upon the Phase X Property or any re-subdivision.

- b. *Building Restrictions.* The main Residence on the Phase X Property or any subdivided Lot within the Phase X Property shall have a total livable floor area (exclusive of open porches, terraces, garages, basements, guesthouses or other outbuildings) of not less than 2,000 square feet; and the total livable floor area (exclusive of open porches, terraces, garages or basements) for any guesthouse shall not exceed 2,500 square feet.
- c. *Building Envelope and Setbacks.* The various building envelopes are those portions of each Lot within which all building improvements for the main Residence, guesthouse and barn where permitted, must be located. To assist Lot Owners in the planning and design of improvements, plot plans showing buildable areas, building setbacks, and the location of the building envelopes have been prepared for each Lot. Any variance granted from these original plot plans are subject to the prior written consent and approval of the Architectural Committee.
- d. *Guesthouses and Barns.* A guesthouse is limited to a maximum of 2,500 square feet in area. Lots where horses are permitted are also allowed to have a barn. In the event a property Owner includes habitable living space within a permitted barn, that building then qualifies as a guesthouse, and construction of an additional guesthouse is prohibited. Provided, however, if habitable living space within a permitted barn is constructed on any Lot that is five (5) acres or more, then habitable living space is allowed and said Lot also qualifies to construct an additional guesthouse. Habitable living space within a permitted barn shall not exceed 600 square feet. The guesthouse and barn shall be compatible in design and construction with the main Residence and shall meet all applicable County requirements and are subject to the same Architectural Committee approvals as the main Residence.
- e. *Livestock Structures.* Any livestock related structures such as corrals, stalls, barns and shelters must be approved by the Architectural Committee.
- f. *Driveways.* Driveway cuts and connections onto the Development roads require Architectural Committee approval and will be limited to one unless otherwise approved by the Architectural Committee. Driveway surface may be gravel, asphalt or chip seal. The density, type length, width and location of the driveways shall be subject to the prior written consent and approval of the Architectural Committee.
- g. *Fencing.* Full perimeter pasture and cross fencing, arena and corral fencing, shall be permitted on any Lot where horses are permitted, and the design is subject to the prior written consent and approval of the Architectural Committee.

- i. **Types of Fencing:** Barbed wire fencing is prohibited. Electric fencing is permitted but no bright colored electric fence tape shall be allowed. Any wire mesh fencing shall be non-reflective. Multiple strand fencing such as traditional 4 strand twisted wire or high-tension wire fence is permitted. Fence posts and rails, if used, shall be constructed from wood or other similar natural looking materials.
- ii. **Maintenance of Fencing:** The natural character of the land shall be preserved. As such, all posts and rails, if used, shall be painted or stained in natural colors to blend in with their surroundings, and to avoid a weathered appearance. No metal posts or rails shall be allowed. Natural colored powdered gates shall be allowed. Site walls and solid fencing will only be permitted within the designated building envelopes, and shall be subject to the prior written consent and approval of the Architectural Committee.
- h. **Pasture Improvement.** Horse property Owners are encouraged to improve pasturage wherever possible while preserving the natural character of the land within the Development. Permitted improvements shall include thinning of natural vegetation, irrigating, seeding and tilling. Tree removal for the creation of pasture shall comply with the requirements set forth by the Architectural Committee.
- i. **Utilities.** All utilities, including, but not limited to electric, cable, water and sewer shall be constructed underground and in compliance with all applicable County and State laws, regulations and ordinances.

5.9 **The Phase XI Property.** The following additional restrictions and conditions shall apply to the Phase XI Property (if there are any conflicts between this section and the other provisions of Article 5 of these CC&RS, this section shall control):

- a. ***Use of the Phase XI Property.*** Allowable uses shall be in conformance with the applicable County zoning standards and in compliance with the requirements of Plumas County that are within the terms and conditions set forth in the Planned Unit Development Permit and The Development Agreement, or any amendments thereto. This subsection is intended to include a single-family Residence (“main Residence”) and guesthouse or caretaker’s unit and one barn or outbuilding by the Owner, including the rights to conduct business or commercial activity including nightly lodging. The main Residence shall have a total livable floor area (exclusive of open porches, terraces, garages, basements, guesthouses or other outbuildings) of not less than 2,000 square feet; and the total livable floor area (exclusive of open porches, terraces, garages or basements) for any guesthouse shall not exceed 2,500 square feet. Provided however, that the Phase XI Property has been granted a one- time allowable use for a double wide trailer

approximately 1,600 square feet, anticipated to be moved to the Phase XI Property and inhabited until such time as Owner must replace due to age, wear and tear, at which time no replacement trailer shall be permitted upon the Phase XI Property, unless a variance is granted by the Board.

- b. *Structure Design.* All structures shall be compatible in design and construction with the main Residence and shall meet all applicable County requirements and are subject to the same Architectural Committee approvals as the main Residence.
- c. *Livestock Related Structures.* Any livestock related structure such as corrals, stalls, barns and shelters must be approved by the Architectural Committee.
- d. *Tree and Vegetation Protection.* The natural tree growth and ground cover on the Phase XI Property shall be preserved as much as possible. All tree and vegetation removal shall be subject to review and the prior written approval of the Architectural Committee; provided, however, no Committee approval shall be required for the removal of certain trees as provided for in the Architectural Standards.
- e. *Landscaping.* Within the designated building envelopes, all disturbed ground must be revegetated. Such vegetation shall be in accordance with landscaping plans approved and/or required by the Architectural Committee. The unimproved area within the designated building envelopes shall be a transition area and shall maintain natural vegetation as much as possible. Landscaping in transition areas and within the designated building envelopes shall be consistent with the natural vegetation and forest characteristics of the Development.
- f. *Driveways.* Driveway cuts and connections onto the Development roads require Architectural Review approval and will be limited to one unless otherwise approved by the Architectural Committee. Driveway surface may be gravel, asphalt or chip seal. The density, type, length, width and location of the driveways shall be subject to the prior written consent and approval of the Architectural Committee.
- g. *Fencing.* Full perimeter pasture and cross fencing, arena, and corral fencing shall be permitted on any Lot where horses are permitted, and the design is subject to the prior written consent and approval of the Architectural Committee.
 - i. Types of Fencing: Barbed wire fencing is prohibited. Electric fencing is permitted but no bright colored electric fence tape shall be allowed. Any wire mesh fencing shall be non-reflective. Multiple strand fencing such as traditional 4 strand twisted wire or

high-tension wire fence is permitted. Fence posts and rails, if used, shall be constructed from wood or other similar natural looking materials.

- ii. **Maintenance of Fencing:** The natural character of the land shall be preserved. All posts and rails, if used, shall be painted or stained in natural colors to blend in with their surroundings, and to avoid a weathered appearance. No metal posts or rails shall be allowed. Natural colored powdered gates shall be allowed. Site walls and solid fencing will only be permitted within the designated building envelopes, and shall be subject to the prior written consent and approval of the Architectural Committee.
- h. *Pasture Improvement.* Owners of horse property are encouraged to improve pasturage wherever possible while preserving the natural character of the land within the Development. Permitted improvements shall include thinning of natural vegetation, irrigating, seeding and tilling. Tree removal for the creation of pasture shall comply with the requirements set forth in the Architectural Standards.
- i. *Utilities.* All utilities, including, but not limited to electric, cable, water and sewer shall be constructed underground and in compliance with all applicable County and State laws and ordinances.
- j. *Construction Trailer.* A construction trailer shall be permitted to be used for a period of one year from the date of delivery. The construction trailer may be utilized as a temporary Residence, upon the prior written approval of the Architectural Committee concurrent with the approval for the building of a Residence on the Phase XI Property.
- k. *Household Pet Structures.* Yards, pens and outbuildings used in connection with the keeping of household pets shall be located within the building envelope, shall be adequately screened from any street, and designed in accordance with the requirements of the Architectural Committee. Household pet means usual domesticated dogs, cats, fish, and birds.

5.10 The Parcels G & H Properties. The following additional restrictions and conditions shall apply to the Parcels G & H Properties (if there are any conflicts between this section and the other provisions of Article 5 of these CC&RS, this section shall control):

- a. *Use of the Parcels G & H Properties.* Parcels G & H shall each be occupied and used only for the site of a single family Residence, attached guesthouse, one barn and outbuildings by the Owners, their contract purchasers, lessees, Tenants, or social guests in compliance with the applicable Plumas County Zoning standards and in

conformance with the terms and conditions set forth in the Planned Unit Development Permit and The Development Agreement and/or any amendments thereto. This section is intended to exclude every form of boarding or lodging house, sanitarium and hospital, and the like, but is not intended to exclude an “attached guesthouse” for the entertainment of social guests, or employees employed upon the premises of the properties. No trade or business or commercial activity shall be carried on or conducted upon the properties except as allowed under the Plumas County Zoning Codes and in conformance with the terms and conditions set forth in the Planned Unit Development Permit and the Development Agreement, and/or any amendments thereto.

- b. *Building Restrictions.* Parcels G & H shall each have a main Residence, one barn and outbuildings. The main Residence shall have a total livable floor area (exclusive of open porches, terraces, garages, basements, attached guesthouses or other outbuildings) of not less than 2,000 square feet; and the total livable floor area (exclusive of open porches, terraces, garages or basements) shall not exceed 6,000 square feet.
- c. *Building Envelope.* For purposes of these CC&Rs, “Building Envelope” shall mean those portions of the properties identified as that area outside of the Deed Restricted Area as shown on the plats labeled Exhibit “A” “Deed Restriction Area” and attached to the “Declaration of Annexation Whitehawk Ranch Parcels G & H” recorded on May 16, 2007 as Document No. 2007-0004045 in the Official Records of Plumas County. A Building Envelope has been established wherein all building improvements for the primary Residence, attached guesthouse, barn and outbuildings must be located. Those portions of Parcels G & H outside of the Building Envelope shall remain undeveloped and no structures, or other fixtures or improvements of any nature shall be permitted outside the Building Envelope, except for the construction of roads, fencing, or utility improvements or other permitted improvements as may be approved by the Architectural Committee.
- d. *Structure Design.* All structures including livestock related structures such as corrals, stalls, barns and shelters shall be compatible in design and construction with the main Residence and shall meet all applicable County requirements and are subject to the same Architectural Committee approvals as the main Residence.
- e. *Tree and Vegetation Protection.* Natural tree growth and ground cover shall be preserved as much as possible. All tree and vegetation removal shall be subject to the requirements, terms and conditions of the assigned timber manager as amended in the Planned Development Permit. The adjacent Phase 1 property Owners rely on an existing tree

screen to shield buildings that will be located within the Building Envelope. Owners of Parcels G & H must preserve this tree screen by replacing and maintaining with new growth for each and every diseased or dying tree twelve (12) inches in diameter. Every reasonable effort shall be taken by the Owners of Parcels G & H to protect the view corridor of the Phase 1 property Owners.

- f. *Landscaping.* Within the Building Envelope, all disturbed ground must be revegetated, excepting those portions identified as corrals, round pens and/or any animal containment areas. Such vegetation shall be in accordance with landscaping plans approved and/or required by the Architectural Committee. The unimproved area within the Building Envelope shall be a transition area and shall maintain natural vegetation as much as possible. Landscaping in transition areas and within the Building Envelope shall be consistent with the natural vegetation and forest characteristics of the Development. Excavation for a pond or any change to the natural topography or terrain shall be permitted subject to the prior written consent of the Architectural Committee, subject to compliance with all applicable Federal, State and local laws and ordinances.
- g. *Driveways.* Driveway cuts and connections into the Development roads require Architectural Committee approval and will be limited to one unless otherwise approved by the Architectural Committee. Driveway surface may be gravel, asphalt, or chip seal. The density, type, length, width and location of the driveways shall be subject to the prior written consent and approval of the Architectural Committee.
- h. *Fencing.* Full perimeter pasture and cross fencing, arena and corral fencing shall be permitted on any parcels where horses are permitted, and the design is subject to the prior written consent and approval of the Architectural Committee.
 - i. Types of Fencing: Barbed wire fencing is prohibited. Electric fencing is permitted but no bright colored electric fence tape shall be allowed. Any wire mesh fencing shall be non-reflective. Multiple strand fencing such as traditional 4 strand twisted wire or high-tension wire fence is permitted. Fence posts and rails, if used, shall be constructed from wood or other similar natural looking materials.
 - ii. Maintenance of Fencing: The natural character of the land shall be preserved. As such, all posts and rails, if used, shall be painted or stained in natural colors to blend in with their surroundings, and to avoid a weathered appearance. No metal posts or rails shall be allowed. Natural colored powdered gates shall be allowed. Site walls and solid fencing will only be permitted within the

designated building envelopes, and shall be subject to the prior written consent and approval of the Architectural Committee.

- i. *Pasture Improvement.* Horse owners are encouraged to improve pasturage wherever possible while preserving the natural character of the land within the Development. Permitted improvements shall include thinning of natural vegetation, irrigating, seeding and tilling. Tree removal for the creation of pasture shall comply with the requirements set forth by the Architectural Committee and the assigned timber manager as set forth in the Planned Development Permit.
- j. *Utilities.* All utilities, including, but not limited to electric, cable, water and sewer shall be constructed underground and in compliance with all applicable County and State laws and ordinances.
- k. *Construction Trailer.* A construction trailer shall be permitted to be used for a period of one year from the date of delivery. The construction trailer may be utilized as a temporary Residence, upon the prior written approval of the Architectural Committee concurrent with the approval for the building of a Residence on Parcels G & H.
- l. *Household Pet Structures.* Yards, pens and outbuildings used in connection with the keeping of household pets shall be located within the Building Envelope, shall be adequately screened from any street, and designed in accordance with the requirements of the Architectural Committee. Household pet means usual domesticated dogs, cats, fish, and birds.

5.11 The Historic Guest Ranch Parcel ("HGRP"). The following additional restrictions and conditions shall apply to the HGRP (if there are any conflicts between this section and the other provisions of Article 5 of these CC&RS, this section shall control):

- a. *Use of the HGRP.* No portion of the property shall be occupied and used except for the site of a single family Residence, attached or detached guest house, one barn by the Owners, their contract purchasers, lessees, Tenants, or social guests in compliance with the applicable Plumas County Zoning standards and in conformance with the terms and conditions set forth in the Planned Unit Development Permit and The Development Agreement and/or any amendments thereto. This section is intended to exclude every form of boarding or lodging house, sanitarium and hospital, and the like, but is not intended to exclude an "attached guesthouse" for the entertainment of social guests, or employees employed upon the premises of the property. No trade, business or commercial activity shall be carried on or conducted upon the property except as allowed under the Plumas

County Zoning Codes and in conformance with the terms and conditions set forth in the Planned Unit Development Permit and the Development Agreement, and/or any amendments thereto, provided, however, HGRP shall be restricted to family owned limited retail such as an art gallery, gift shop, tree farm and/or gardening plots for resale. This section shall not include small or large animal husbandry as defined in Title 9 of sections 9-2.209 and 9-2.210 of Plumas County code, or any amendments thereto.

- b. *Building Restrictions.* The main Residence of HGRP shall have a total livable floor area (exclusive of open porches, terraces, garages, basements, attached guesthouses or other outbuildings) of not less than 2,000 square feet, and shall not exceed 6,500 square feet; and the total livable floor area (exclusive of any open porches, terraces, garages or basements) for any guesthouse shall not exceed 2,500 square feet, provided, however, the existing cabin shall be considered the “guesthouse” until such time as it’s replaced by another structure designated as the “guesthouse.”
- c. *Structure Design.* All structures including livestock related structures such as corrals, stalls, barns and shelters shall be compatible in design and construction with the main Residence and shall meet all applicable County requirements and are subject to the same Architectural Committee approvals as the main Residence.
- d. *Tree and Vegetation Protection.* Natural tree growth and ground cover shall be preserved as much as possible. All tree and vegetation removal shall be subject to the requirements, terms and conditions of the assigned timber manager as amended in the Planned Development Permit.
- e. *Landscaping.* Landscaping shall be consistent with the natural vegetation and forest characteristics as approved by the Architectural Committee. Disturbed ground must be revegetated, excepting those portions identified as corrals, round pens and/or any animal containment areas. Such vegetation shall be in accordance with landscaping plans approved and/or required by the Architectural Committee. Excavation for a pond or any change to the natural topography or terrain shall be permitted subject to the prior written consent of the Architectural Committee, subject to compliance with all applicable Federal, State and local laws and ordinances.
- f. *Orchards and Gardens.* Orchards and gardens are permitted.
- g. *Driveways.* Driveway cuts and connections onto the Development roads require Architectural Committee approval and will be limited to one unless otherwise approved by the Architectural Committee.

Driveway surface may be gravel, asphalt, or chip seal. Security access gates on the driveway(s) is allowed. The density, type, length, width and location of the driveways shall be subject to the prior written consent and approval of the Architectural Committee.

h. *Fencing.*

i. Due to the unique quality and location of the HGRP, as well as its proximity to the Common Area maintenance and recreation facilities, full perimeter fencing of the property, including solid privacy fencing where deemed necessary will be allowed. Pasture and cross fencing shall be permitted on areas where horses or other livestock are pastured. Deer proof fencing is permitted for gardening areas. The natural character of the land shall be preserved. All posts and rails, if used, shall be painted or stained in natural colors to blend in with their surroundings. Fencing may not be installed without the prior written approval of the Architectural Committee.

ii. Barbed wire fencing is prohibited. Electric fencing is permitted but no bright colored electric fence tape shall be allowed. Any wire mesh fencing shall be non-reflective. Multiple strand fencing such as traditional 4 strand twisted wire or high-tension wire fence is permitted. Fence posts and rails, if used, shall be constructed from wood or other similar natural looking materials. No white fencing shall be allowed. Powder coated green fencing and gates may be used subject to Architectural Committee approvals.

i. *Pasture Improvement.* Owners are encouraged to improve pasturage wherever possible while preserving the natural character of the land within the Development. Permitted improvements shall include thinning natural vegetation, irrigating, seeding and tilling. Tree removal for the creation of pasture or for construction shall comply with the requirements set forth by the Architectural Committee and the assigned timber manager as set forth in the Planned Development Permit.

j. *Utilities.* All utilities, including, but not limited to electric, cable, water and sewer shall be constructed underground and in compliance with all applicable County and State laws and ordinances.

k. *Sewage Disposal.* Sewage disposal may be provided by the Whitehawk Ranch Mutual Water Company, and shall be subject to all Mutual Water Company Policies.

l. *Construction Trailer.* A construction trailer shall be permitted to be used on the HGRP for a period of one year from the date of delivery.

The construction trailer may be utilized as a temporary residence, upon the prior written approval of the Architectural Committee concurrent with the approval for the building of a Residence on the HGRP.

5.12 Applicants in Good Standing. Only Members in Good Standing may submit requests for approval of improvements, additions, alterations or modifications to their Lots or Exclusive Use Common Areas. "Good Standing" is defined to mean Members who are not delinquent by more than sixty (60) days in the payment of any Assessment, fee, or fine, and not found to be in violation of the Association's Governing Documents (following proper notice, hearing, and a finding by the Board).

5.13 Architectural Standards. The Board may adopt, amend, and repeal Architectural Standards. These Architectural Standards shall interpret and implement the provisions of these CC&Rs by setting forth the standards and procedures for the review and approval of new construction and improvements, modifications, guidelines for architectural design, placement of any modification, color schemes, exterior finishes and materials, and similar features which are recommended for use within the Development, provided that the Architectural Standards shall meet the minimum standards required by these CC&Rs. In the event of any conflict between the Architectural Standards and these CC&Rs, the CC&Rs shall prevail.

5.14 Architectural Committee. The Board shall appoint an Architectural Committee. If the Board does not appoint one, the Board shall automatically be deemed the Architectural Committee. The Architectural Committee shall have the authority to approve, reject, modify, give conditional approvals, and give limited approvals of improvements and alterations as provided for in the Association's Architectural Standards.

- a. *Architect.* The Board may retain the services of an architect and one or more consultants to assist the Architectural Committee in its duties. Compensation for consultants' services shall be fixed by the Board. The cost of such consultants and any related expenses may be charged to those Members submitting plans for alterations and/or improvements to their Lots. Any significant costs must be submitted to the Member for approval before incurred by the Association.
- b. *Conflicts of Interest.* No Director or Architectural Committee member may participate in the decision-making process of any architectural submittal made by that Director or Architectural Committee member or members of their family. Further, no Director or Architectural Committee member may participate in the decision-making process of any other architectural submittal if it results in a monetary benefit to the Director or Architectural Committee member or any company in which they or members of their family have a financial interest.

5.15 Rescinding Approval. The Architectural Committee and/or the Board shall have the authority to rescind approval of plans previously approved by the Association if they believe that there is good reason to rescind such approval.

5.16 Submission of Plans. Plans and specifications in accordance with the Association's Governing Documents, describing the proposed modification, shall be submitted to the Architectural Committee by personal delivery or certified mail. Unless a delay in approval by the Architectural Committee is the result of (i) the applicant's failure to properly submit an application in accordance with the Association's guidelines, or (ii) a reasonable request by the Architectural Committee for additional information, the application shall be deemed approved within 60 days of being submitted to the Committee unless the application has been disapproved by the Committee. Provided, however, that all applications that violate the Association's Governing Documents or Building and Safety Codes are automatically disapproved without action by the Committee unless variances are specifically approved in writing by the Committee. Approvals by the Architectural Committee may contain conditions or requests for modification of particular aspects of the Member's architectural submission.

5.17 Review Fees and Construction Agreement. The Board may establish a schedule of fees which may be charged against the submitting party to defray any costs incurred by the Association, including architectural and/or engineering consultant fees, legal fees, and expenses for reviewing plans. In addition, the Board may require Members to sign a construction agreement.

5.18 Variances. The Architectural Committee may grant reasonable architectural variances, subject to Board approval, if the Architectural Committee determines that the variance will not: (i) constitute a material deviation from the overall plan and scheme of development within the Development; (ii) result in a material detriment; or (iii) create a nuisance with respect to the Common Area or any other Member. The granting of a variance by the Board shall in no event be deemed a variance or waiver as to any other Lot, nor shall any variance affect the applicability or enforceability of any provision of this Article in respect to any other Lot.

5.19 Engineering and Code Requirements. Plans and specifications approved by the Architectural Committee are not approved for engineering design or building code specifications. Members shall be responsible for ensuring compliance with applicable fire and building codes, ordinances, and specifications.

5.20 Inspection. The Association shall have the right, but not the obligation, to periodically inspect any improvements of which plans were approved by the Architectural Committee. Members shall allow inspection and any improvements may be halted and the Member fined if inspection is not allowed. Such inspections do not relieve a Member from his/her duty to comply with the Association's Architectural Standards and all applicable building and fire codes.

5.21 Building Department and Association Approvals. Any construction, repair, modification, or alteration of any Improvement requiring the issuance of a

building permit shall be submitted by the Member to the appropriate governmental entity for review and approval. In the event of a conflict in the conditions of approval imposed by the governmental entity and the Architectural Committee, the more restrictive conditions shall control. Nothing herein shall limit the Architectural Committee from imposing conditions of approval which are more restrictive than conditions imposed by governmental agencies.

5.22 Mechanics' Liens. Members shall ensure that no lien is placed against any other Lot or against the Common Areas for labor or material furnished to their Lots. If a lien is placed against the Common Areas and other Member's Lots, and the responsible Member does not immediately cause the removal of the lien, the Association may, after written notice to the responsible Member, pay the amounts necessary to have the lien removed and levy a Reimbursement Special Assessment against the responsible Member.

5.23 Hold Harmless and Indemnify. Approval of plans by the Association signifies only a general conformance with its Architectural Standards and not with Building and Safety Code compliance, lot lines, easements, or construction best practices. The Association and its Architectural Committee, Members, Officers, Directors, employees, and agents shall not be liable for mistakes in judgment or negligence arising out of or in connection with the Association's approval or disapproval of plans.

5.24 Combining Lots. No Lots may be combined without prior written Board approval. Combining Lots shall have the following consequences: (i) the Percentage Interest in the Common Area allotted to the combined Lots shall be equal to the sum of the Percentage Interests in the Common Area of each of the combined Lots; (ii) the Assessments due and owing on the combined Lots shall be equal to the sum of the Assessments levied against each of the respective Lots so combined; and (iii) the Owner of the combined Lots shall continue to have the same number of votes assigned to the Lots before they were combined.

5.25 Right to Subdivide or Divide Lots. No Member shall have the right to subdivide or divide any Lot or property; provided, however, that once two or more Lots have been combined, the Owner of such combined Lots may seek written approval of the Board of Directors to divide the Lots and thereby restore them to their original dimensions and footprint. This restriction against subdivision or division of a Lot does not apply to Phase 8; Phase 9, Unit 2; Phase 10; Phase 11; and Phase 12 which may be subdivided or divided as follows:

- a. *Phase 8*. As described in the "Declaration of Annexation Whitehawk Ranch Phase VIII" recorded as Document No. 2001-05919 on July 27, 2001 in the Official Records of Plumas County. This Phase VIII property may be divided or subdivided into no more than ninety-five (95) residential units (including single-family detached lots, townhomes or condominiums or any combination thereof).
- b. *Phase 9, Unit 2*. As described in the "Declaration of Annexation Whitehawk Ranch Phase 9, Unit 2" recorded on December 9, 1999 in

Book 795, Pages 144 through 147 of the Official Records of Plumas County, California. The Phase 9, Unit 2 Property may be subdivided up to a total of 3 lots. Future re-subdivision is subject to all County requirements and requirements that are within the terms and conditions set forth in the current Planned Unit Development Permit and the Development Agreement, or any amendments thereto, in connection with the approval of the Development. The following conditions shall apply:

- i. Any additional parcels created shall be limited to single-family residential purposes by the Owners.
 - ii. Easements for a loop road shall be limited to emergency ingress and egress only. The Owner of Phase 9, Unit 2 Property shall be prohibited from any easements that would disrupt the natural vegetation and forest characteristics of the ridge portion of Phase 9, Unit 2 Property that fronts the golf course.
 - iii. The Phase 9, Unit 2 Property is subject to the existence of certain easement rights over and across that portion of property fifteen (15) feet in width that lies within the boundaries of Highway 89 and adjacent to Phase 9, Unit 2 Property. Said easement is for future trails for equestrian and pedestrian traffic for the benefit of property Owners and guests of the Association.
 - iv. The Owner of the Phase 9, Unit 2 Property relieves Association of any claims for damages to said property by reason of the location, construction, landscaping or maintenance of Highway 89, and the fact that the Phase 9, Unit 2 Property has no rights of ingress and egress to the adjoining State Highway 89.
- c. *Phase 10.* As described in the “Declaration of Annexation Whitehawk Ranch Phase X” recorded as Document No. 2002-00564 on January 16, 2002 in the Official Records of Plumas County. This Phase 10 property may be subdivided into a maximum of seven (7) residential lots and one (1) common area lot.
- d. *Phase 11.* As described in the “Declaration of Annexation Whitehawk Ranch Phase XI Properties” recorded as Document No. 2005-0008367 on August 15, 2005 in the Official Records of Plumas County.
- e. *Phase 12.* As described in the “Declaration of Annexation Whitehawk Ranch Phase XII Property” recorded as Document No. 2005-0010568 on September 30, 2005 in the Official Records of Plumas County.
- f. *Conditions for Division or Subdivision of Phase 8, Phase 9, Unit 2, Phase 10, Phase 11 and Phase 12.* Phase 8, Phase 9, Unit 2, Phase 10,

Phase 11 and Phase 12 may be divided or subdivided provided the divider/subdivider complies with all of the following:

- i. All applicable laws, ordinances and conditions effecting the division or subdivision as required by Plumas County and as set forth in the Development's Planned Unit Development Permit and Development Agreement and any amendments or modifications thereto;
- ii. The laws and requirements of any other governmental entity having jurisdiction over the Development, including but not limited to California's Bureau of Real Estate or its successor; and
- iii. The divider/subdivider shall obtain the prior written approval of the Association and the approval of a majority of a Quorum of the Voting Power of the Association to divide or subdivide (i) Phase 8, (ii) Phase 9, Unit 2, (iii) Phase 10, (iv) Phase 11 and (v) Phase 12.

5.26 Square Footage and Setbacks. The minimum and maximum square footage of structures and their setback requirements from lot lines shall comply with the Association's Architectural Standards.

5.27 Drainage. No Member or Member's family, guests, invitees or Tenants shall change the established drainage patterns over a Lot without (i) making adequate provisions for proper drainage in accordance with applicable building codes, which shall not adversely affect the property of others, and (ii) written approval of the Architectural Committee.

5.28 Occupancy of Unfinished, Temporary or Mobile Structures Prohibited. No trailer, RV, bus, mobile home, tent, shack, garage, temporary building or structure of any kind shall be occupied or lived in at any time except as provided for in this Article for the Phase XI Property. Permanent residential dwellings shall not be occupied or lived in until they have been completed and the exterior is made to comply with the Association's Architectural Standards.

5.29 Removal of Temporary Buildings. Temporary buildings or structures used during construction or remodeling shall be removed immediately after the completion of construction.

5.30 Diligent Construction. The construction of any building or structure shall be prosecuted diligently and continuously from the time of commencement until fully completed, and all structures, once the foundations are erected, shall be completed in eighteen (18) months.

5.31 Landscaping Following Construction. Within twelve (12) months of the completion of any construction work during which the Association's landscaping requirements were waived, or within any shorter time frame required by the Architectural

Committee, Members shall landscape their Lots as may be required by the Association's Architectural Standards.

5.32 Waiver of Liability. Neither the Architectural Committee or its members nor the Association or its Officers, Directors, employees or agents shall be liable for any damage, loss or prejudice suffered or claimed on account of the Architectural Committee's review, approval, or disapproval of any plans, drawings or specifications, or the conformance of the construction with the approved plans.

ARTICLE 6: GENERAL RESTRICTIONS

6.1 Antennas. No antennas for transmitting or receiving radio signals or any other form of electromagnetic radiation may be installed, except as provided in the Association's Architectural Standards and applicable law.

6.2 Barbecues. There shall be no exterior fires whatsoever except for natural gas, propane or electric barbecues in UL-approved confined receptacles designed for such purposes as permitted in the Rules and Regulations. Notwithstanding the foregoing, single family homes are permitted to use the following: a) charcoal burning barbecues or wood smokers which can be extinguished by means of dampers and a sealed lid and b) outdoor wood burning fireplaces or fire pits constructed per the Association's Architectural Standards with compliant spark arresters and fire screens. A hose bib or fire extinguisher must be located next to any exterior fire allowed for in this section. The hours of operation, type of equipment and rules regarding operation of barbecues, wood burning fireplaces and fire pits may be specified in the Rules and Regulations. Residents shall take all reasonable precautions to minimize smoke from entering other Lots.

6.3 Burning. During the development of each Phase, there shall be no burning of any materials or vegetation of any nature except in strict compliance with all applicable County and State laws and ordinances, and under no circumstances shall there be any burning on any Lot from and after the date the building pad on the Lot is substantially completed.

6.4 Unmanned Aerial Vehicles. No Person may operate any unmanned aircraft in the airspace above any portion of the Development in such a way as to invade the privacy of Residents or their guests. Compliance with all current Federal Aviation Administration ("FAA") restrictions, registration and safety guidelines are required as applicable.

6.5 Flammable Materials. Under no circumstances may explosives, fireworks, or highly flammable or highly corrosive materials be stored or used by Members, Members' Tenants or their respective family, invitees, or guests in the Common Areas or Lots. Notwithstanding the above, Members may store a maximum of five (5) gallons of gasoline in a portable fuel container for use with power mowers, snow blowers and other similar equipment. The portable fuel container shall be one approved for use by local, State and Federal regulations, as applicable.

6.6 Health/Safety Hazards. Members shall not permit conditions which constitute a health, safety, or fire hazard to exist on their Lots.

6.7 Spas and Hot Tubs. No spa or hot tub may be installed in any Lot without the written approval of the Board. Such installations shall meet the requirements specified in the Architectural Standards.

6.8 Laundry. No clothesline or drying rack will be erected, maintained or used within sight of any Common Area or other Lot, except in an exclusive use backyard of a Member. The Association may adopt reasonable rules and restrictions regarding the use of clotheslines as drying racks as allowed by law. No item may be draped over fences, trees, or balcony or patio walls or railings.

6.9 Nuisance. No Member may cause or permit to be caused anything which constitutes a nuisance.

- a. *Unreasonableness*. To constitute a nuisance, the activity must be such that it causes an unreasonable disturbance or annoyance, be unreasonably injurious to health, be indecent, or be unreasonably detrimental to Persons or property.
- b. *Board Action*. Because a nuisance is largely subjective, the Association is not obligated to become involved in disputes where, in the opinion of the Board, the alleged nuisance causes mere inconvenience.

6.10 Occupancy Restriction. The maximum number of Persons who may reside in any Lot is two (2) Persons per bedroom plus one additional Person for the Lot. For purposes of this restriction, “reside” means the use, residency, or occupancy of any Lot by any Person for more than thirty (30) consecutive days or more than sixty (60) aggregate days, whether or not consecutive, in any one calendar year.

6.11 Obstruction of Common Areas. No Common Area shall be obstructed or used for other than its intended purpose, except as designated by the Board.

6.12 Quiet Enjoyment. No one may engage in any abusive or harassing behavior or any form of intimidation or aggression, whether verbal or physical, against other Members, Residents, guests, invitees, members of the Board, or the Association’s management, employees, agents, or vendors. Because the breach of quiet enjoyment is largely subjective, the Board may choose to act only against egregious breaches. In the event the Association chooses not to act on a complaint of breach of quiet enjoyment, or the complaining party believes the Association’s action is not sufficient, such party may take legal action to enforce this provision against other Residents, but specifically waives his/her right to take action against the Association and its officers, directors, employees, and agents in their handling of the party’s complaint.

6.13 Residential Use. No Member shall use or permit his/her Lot or any portion of it to be occupied or used for any purpose other than a private residential dwelling. Lots

shall not be used, either directly or indirectly, for any commercial, distribution, manufacturing, mercantile, or other non-residential purpose by any Member, Tenant, Resident or occupation of a Lot, or by any family member, guest, employee, agent or invitee of any Member, Tenant, Resident or occupant of a Lot. However, home offices and businesses are permitted provided they are inspected, licensed and approved by the County, as required. Additionally, home offices and businesses must involve no visible signs of commercial use apparent from outside the Lot, must involve no regular deliveries or pickups to or from the Lot, must be conducted solely within the Residence, must involve no customers, clients, or patients visiting the Lot or any part of the Development, and must not otherwise interfere with the residential nature and character of the Development or the quiet enjoyment of any Member, Tenant, Resident or occupant of any other Lot. This section shall not apply to the Ranch Parcel, the Phase XI Property, the Parcels G & H Properties and the Historic Guest Ranch Parcel.

6.14 The Ranch Parcel. No trade, business or commercial activity except rental of the Ranch Parcel shall be carried on or conducted upon the Ranch Parcel except as allowed under Articles 5 and 8 of these CC&RS.

6.15 The Phase XI Property. Owners of the Phase XI Property shall have the right to conduct business or commercial activity on the Phase XI Property including nightly lodging.

6.16 The Historic Guest Ranch Parcel ("HGRP"). No trade, business or commercial activity shall be carried on or conducted upon the HGRP as allowed under the Plumas County Zoning Codes and in conformance with the terms and conditions set forth in the Planned Unit Development Permit and the Development Agreement, and/or any amendments thereto, provided, however, HGRP shall be restricted to family owned limited retail such as an art gallery, gift shop, tree farm and/or gardening plots for resale.

6.17 Sale of Lot. Open houses, brokers' caravans and other matters relating to the sale of a Lot shall be provided for in the Rules and Regulations.

6.18 Satellite Dishes. Satellite dishes may only be installed as provided for in the Rules and Regulations, Architectural Standards, and applicable law.

6.19 Signs. No sign, poster, flag, banner, notice, nameplate, card, or advertisement of any kind may be displayed to the public view on or from any Lot or in or on any Common Area, except as allowed by law. Decorative landscape flags are permissible. Owners may display one sign on a Lot which is of reasonable dimensions and design, advertising that the property is for sale or lease, as allowed by law and subject to any restrictions in the Rules and Regulations.

6.20 Sports Fixtures. No basketball standards, hoops or backboards or other fixed sports apparatus shall be attached any Unit or Residence or erected on any Lot where such would be visible from any street or neighboring Lot.

6.21 Use of Independent Contractors. Members may use independent contractors to perform work in their Lot. Members shall be liable for any injury to

Persons or damage to the Common Areas, Lots and any personal property caused by the acts or omissions of such Member's contractor. The Association may in its discretion repair, restore or replace such damaged property and may impose a Reimbursement Special Assessment against the liable Member and that Member's Lot for all costs, expenses and attorney fees incurred by the Association in connection with the damage. The Reimbursement Special Assessment may become a lien against the liable Member's Separate Interest enforceable by the sale of the Member's Lot under Civil Code sections 2924, 2924(b), and 2924(c).

6.22 Construction Sites. No machinery, building materials or articles of similar nature shall be allowed to remain on any Lot exposed to general view from the street except during construction. No machinery or trash dumpsters shall be allowed to remain on the Common Area. All builders are to maintain their construction sites in a neat and orderly fashion, and shall clean up and remove all debris at the end of each day's construction. The Member and the Member's contractor shall be responsible for the maintenance of such neatness and removal of debris by subcontractors employed on the construction site and shall be responsible to clean the street, curb and gutter in front of their construction site when they have completed construction. Further, any damage to Common Area caused by the construction, including but not limited to damage to utility lines, the street, curb, or gutter, shall be repaired by the Member and the Member's contractor.

6.23 Hours for Construction or Contractor Provided Services. Construction shall be allowed Mondays through Fridays from 8 a.m. to 5 p.m. Construction hours on Saturday and Sunday, if permitted in the Rules and Regulations or Architectural Standards, shall be from 9 a.m. to 5 p.m. Extended construction hours may be approved by the Board.

6.24 Window Coverings. No window may be covered by paint, aluminum foil, newspapers, bed sheets, cardboard, blankets, or other similar items.

6.25 Drains. There shall be no interference with the established drainage pattern in the Development unless an alternative provision is made and approved in advance in writing by the Architectural Committee.

6.26 Drilling and Exploration. No Lot within the Development shall be used in any manner to explore for, remove, refine, or store any water, gasoline, oil, hydrocarbons, minerals, gravel, earth, or earth substances of any kind. Notwithstanding the foregoing, Members may store a reasonable quantity of gasoline and propane on their Lots. Drilling for geo-thermal heating is permitted.

6.27 Increased Insurance Rates. No Member shall permit anything be done or kept in or on any Lot or any Common Area which will increase the rate of insurance in or on any other Lot or the Common Area, or which would result in uninsurability or in the cancellation, suspension, modification or reduction of insurance in, on or covering any other Lot, Common Area or item of personal property within the Development. If, by reason of the occupancy or use of any portion of the Development by any Member, the

rate of insurance on any policy held by the Association shall be increased, such Member shall become personally liable to the Association for any increase in insurance premiums caused thereby and the cost of the increase shall be assessed to such Member and his/her Lot as a Special Assessment.

6.28 Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Lot except such machinery or equipment as is usual and customary in connection with the use, maintenance or construction of a private Residence.

6.29 Sanitary Conditions. Members shall maintain their Lots and all Improvements in a clean and sanitary condition and not allow rubbish or debris of any kind to accumulate so as to render any Lot or portion of a Lot unsanitary, unsightly, or offensive.

6.30 Storage. No Lot shall at any time be used for open air storage of building materials, vehicles, implements, tools, furniture, landscaping materials or equipment, irrigation pipes or apparatus, junk, trash or any other things whatsoever; provided, however, that building and landscaping materials, tools or equipment may be placed and maintained on building sites as provided for in the Architectural Standards.

6.31 Tanks and Receptacles. Every tank for the storage of fuel installed outside any structure on a Lot shall be either buried below the surface of the ground or screened to the satisfaction of the Architectural Committee by fencing.

6.32 Trash Containers. Every outdoor receptacle for trash, rubbish or garbage shall be placed, screened, and kept as provided for in the Rules and Regulations.

6.33 Utility Service. No lines, wires or other devices for the communication or transmission of electric current or power, including telephone, television and radio signals, shall be constructed, placed or maintained anywhere in or upon any Lot unless the same shall be contained in conduits or cables constructed, placed and maintained underground or concealed in, under or on buildings or other approved structures. Nothing herein shall be deemed to forbid the erection and use of temporary power or telephone services incident to the construction of approved buildings.

6.34 Firearms and Hunting. No firearms of any kind shall be discharged on any Lot or Common Areas within the Development except in self-defense or as provided for in the Rules and Regulations. No hunting shall be permitted anytime on any Lot or Common Areas within the Development. With regards to the Ranch Parcel, Parcels G & H and the HGRP, an Owner may utilize and discharge a firearm on those properties in order to protect any livestock on them, provided such firearm use is in compliance with all Federal, State and local laws or ordinances.

6.35 Horseback Riding. Horseback riding within the Development shall be limited to the streets and trails designated by the Association and/or the Whitehawk Ranch Community Services District as acceptable for horse use. The use of horses on any

street, trail or other areas within the Development shall be subject to such rules as the Board may adopt from time to time.

6.36 The Phase X Property, the Parcels G & H Properties and the HGRP. The following additional restrictions shall apply to the Phase X Property, the Parcels G & H Properties and the HGRP:

- a. *Nuisance Abatement.* Owners of Lots or property permitting horses shall be responsible for the abatement of horse-related nuisances such as dust, insects, odors, etc. It shall be the absolute duty and responsibility of each Owner to dispose daily of all animal waste occurring within stalls, corrals, and arenas, never allowing the stockpiling of it.
- b. *Feed Storage.* All feed for horses, including hay and grain, shall be kept fully enclosed within the barn or garage, in such a manner as to not be visible from the exterior of the building.

ARTICLE 7: LEASING AND OWNERSHIP LIMITATIONS

7.1 Applicability of Article 7. Sections 7.2 through 7.4 and 7.12 of this Article 7 shall not apply to that property annexed into and made part of Hawk Ridge Owners Association, Whitehawk Ranch Townhome Owners Association and to Phase 9, Unit 3B. Sections 7.2 through 7.7, 7.9, 7.10 and 7.12 of this Article 7 shall not apply to the Phase XI Property.

7.2 Residency Requirement. So as to achieve a stabilized community of Owner-occupied properties, to avoid artificial inflation of prices caused by resales by speculators, and to ensure compliance with secondary mortgage requirements, upon transfer of interest in a Residence, the recipient(s) of the transfer shall not lease the Residence until they have physically resided in the Residence as their primary residential dwelling continuously for at least one (1) year.

- a. *For Legal Entities.* The restriction applies as follows: (i) for corporations, a shareholder with a majority shareholder interest must reside in the Lot; (ii) for partnerships, a partner with a majority partnership interest must reside in the Lot; (iii) for any other legal entity, the majority owner of the entity must reside in the Lot.
- b. *Exceptions to Restriction.* This restriction shall not apply to (i) Residences transferred through inheritance, (ii) Residences owned by the Association, or (iii) Members relocated during military service. A hardship exception for other circumstances may also be granted by the Board but only if done in an open meeting where the vote on the exception has been clearly identified in a meeting agenda which has been published to the Membership as required by statute, and only if approved by at least 2/3 of the entire Board.

7.3 Lease Requirements. Lots may not be used for time-share purposes, hotel-like operations, or other transient purposes. No Member shall lease less than an entire Residence nor shall the lease be for an initial term of less than thirty (30) days. If a Tenant vacates after less than thirty (30) days, the Member may not re-lease the Residence until the expiration of thirty (30) days from the date the Tenant moved into the Residence unless the Member applies for and receives a hardship exception from the Board. Notwithstanding anything to the contrary in this section, no Residence may be rented for a period of less than thirty (30) days.

7.4 Lease Addendum. Any lease or rental agreement between Member and Tenant shall be in writing. In addition, Member, Tenant, and the Association shall execute a "Lease Addendum" supplied by the Association. Member and Tenant shall agree, at a minimum, to the following terms: (i) the lease is for the entire Unit; (ii) Member transfers any right to use Common Area facilities to the Tenant; (iii) no assignments or subleases are permitted; (iv) the lease is for not less than thirty (30) days and Member cannot re-lease the Unit if Tenant moves out before Tenant's thirty (30) day Residence has been completed; (v) Tenant agrees to comply with the Association's Governing Documents and be subject to the same disciplinary procedures and fines as Members; (vi) Member assigns rents to the Association in the event Member becomes sixty (60) days delinquent in the payment of Assessments to the Association; (vii) Tenant shall carry renter's insurance; (viii) Member grants the Association the power to institute an unlawful detainer action on his/her behalf for violation of the terms of the Lease Addendum; and (ix) in the event of a conflict, the terms of the Lease Addendum supersede the terms of any other agreement between Member and Tenant. In the event a Lease Addendum is not executed as described above, Member and Association shall nonetheless be bound by the terms of this section as though the Lease Addendum had been executed.

7.5 Governing Documents. Members shall provide their Tenants with copies of all Governing Documents, including, but not limited to, the CC&Rs, Bylaws, and Rules and Regulations, as well as any applicable amendments, and must ensure compliance with all provisions of the Governing Documents.

7.6 Transfer of Common Area Privileges. Any Member residing off-site and whose Residence is occupied by others automatically relinquishes to their Residents the Member's rights to use the Association's Common Area facilities until the Member re-takes possession of the Residence and the Lot.

7.7 Transfer of Occupancy. Members living offsite shall promptly provide the Association with the name, address, phone number, and email address of all Lot Residents and any change in occupancy.

7.8 Repair Damage. Members shall be liable for any and all damage to the Lots, Common Areas, and any personal property when the cause of such damage originates from that Member's Lot or Exclusive Use Common Area, or which was caused by the acts or omissions of such Member, Member's Tenant, or their respective family, guests, invitees, or pets. The Association may in its discretion repair, restore or replace

such damaged property and may impose a Reimbursement Special Assessment against the liable Member and that Member's Lot for all costs, expenses and attorney fees incurred by the Association in connection with the damage. The Reimbursement Special Assessment may become a lien against the liable Member's Separate Interest enforceable by the sale of the Member's Lot under Civil Code sections 2924, 2924(b), and 2924(c).

7.9 Unlawful Detainer. Members who lease their Lots shall be responsible for assuring their Tenants comply with the Association's Governing Documents. A Member's failure to take legal action against his/her Tenant who is in violation of the Governing Documents (including the institution of proceedings in unlawful detainer) within ten (10) days after receipt of written demand to do so from the Board shall entitle the Association to institute unlawful detainer proceedings on behalf of such Member and against the Tenant. Any expense the Association incurs, including attorneys' fees and costs of suit, shall become a Special Assessment against the Lot.

7.10 Assignment of Rents. As security for the payment of Assessments and other sums owed to the Association, Members who lease their Lots hereby pledge their rights as landlords (including the right to receive rent) to the Association. In the event a Member becomes delinquent in payment of Assessments to the Association, the Association may require the Tenant to direct any and all rent payments to it until such deficiencies have been paid in full. Members shall have no right to collect these amounts from Tenants and may not evict Tenants for complying with the Association's demand for rents.

7.11 No Criminal Activity. No Person may reside on any Lot if they engage in criminal activities. For purposes of this section "criminal activities" means drug-related activities (including the illegal manufacture, sale, distribution, use or possession of a controlled substance), gang related activities, unlawful use or discharge of firearms, prostitution, or any misdemeanors or felonies enumerated in the California Penal Code. For purposes of this section "reside" means the use, residency or occupancy of any Residence by any Person for more than five (5) consecutive days or more than ten (10) aggregate days, whether or not consecutive, in any one calendar year. In addition, no Owner of a Lot shall permit, by rental agreement or otherwise, Persons who engage in criminal activities to reside on their Lot.

7.12 Phase XI Property. Notwithstanding any provision in these CC&Rs to the contrary, the Phase XI Property may be leased or rented for transient or hotel purposes in conformance with the allowable uses set forth in the County zoning standards and in compliance with County requirements that are within the terms and conditions set forth in the Planned Unit Development Permit and The Development Agreement, or any amendments thereto, provided however, that such transient or hotel purposes shall be limited to operations consisting of bed and breakfast inns. The Phase XI Property's Members and Tenants shall abide by the rules adopted from time to time by the Board for the quiet enjoyment of the Development, and the bed and breakfast inns shall be conducted in such a manner as to not adversely affect other Members' use and enjoyment of the Development.

ARTICLE 8: PETS

8.1 Pet Limitation. No animals shall be kept, bred or maintained within the Development for commercial purposes. Kennels or veterinary services are not permitted within the Development. A reasonable number of common household pets (i.e., dogs, cats, and birds) may be kept on each Lot. No exotic animals are permitted without the consent of the Association. No animal shall be kept for any purpose that would involve any odor, noise, or other nuisance, which would unreasonably disturb the use and enjoyment of any portion of the Development by other Members and Residents. The Board may establish Rules and Regulations regarding the keeping of animals.

8.2 Livestock Prohibited. No horses, cows, cattle, goats or sheep shall be kept or permitted to be kept on any property or lots except that the Board may grant permission to Owners of large lots to keep horses on their Lots. This section shall not apply to the Ranch Parcel, the Parcels G & H Properties and the Historic Guest Ranch Parcel. The prohibition on the keeping of horses shall not apply to the Phase X Property and the Phase XI Property.

8.3 Ranch Parcel and Parcels G & H - Livestock. This section shall apply to the Ranch Parcel and Parcels G & H:

- a. *Grazing or Haying.* Grazing or haying on the Ranch Parcel and Parcels G & H shall be employed on at least a minimum basis on the agricultural land in order to prevent the grass from accumulating excessive growth, which may result in fire danger.
- b. *Cattle/Horses.* The keeping of cattle and/or horses on the Ranch Parcel and Parcels G & H shall be in reasonable numbers so as not to overburden the resources of the properties and to avoid significant damage to the integrity of the pasture or meadow turf and vegetation. The Board may set additional restrictions, rules, and regulations regarding the keeping of cattle and/or horses on the Ranch Parcel and Parcels G & H.
- c. *Small Animal Husbandry.* Small Animal Husbandry as defined in Title 9 of Section 9-2.210 of the Plumas County Code or any amendments thereto, shall be permitted.
- d. *Large Animal Husbandry.* Large Animal Husbandry, as defined in Title 9 of Section 9-2.209 of the Plumas County Code, or any amendments thereto, shall be permitted, however the keeping of pigs or sheep is prohibited.
- e. *Number of Animals.* The maximum number of animals permitted shall be in conformance with the applicable County zoning standards and in compliance with the requirements of Plumas County that are within the terms and conditions set forth in the Planned Unit Development Permit and The Development Agreement or any amendments thereto.

8.4 Phase X Property – Horses. This section shall apply to the Phase X Property. Large animal husbandry, as defined in Title 9 of Section 9-2.209 of the Plumas County Code, or any amendments thereto, is permitted on the Phase X Property but is limited to horses only. Provided however, that no horses shall be allowed on the Phase X Property Lots which lie Northeast of Sulphur Creek. The maximum number of horses permitted on any Lot less than five (5) acres will be two (2) horses and one (1) offspring for up to two (2) years of age; on any Lot larger than five (5) acres, three (3) horses and two (2) offspring for up to two (2) years of age shall be permitted, unless prior written approval has been secured from the Board of Directors.

8.5 Phase XI Property – Horses. This section shall apply to the Phase XI Property. Large animal husbandry, as defined in Title 9 of Section 9-2.209 of the Plumas County Code, or any amendments thereto, is permitted on the Phase XI Property but is limited to horses only. The maximum number of horses permitted will be two (2) horses and one (1) offspring for up to two (2) years of age per Lot; unless prior written approval has been secured from the Board. Notwithstanding any provision to the contrary, the keeping of horses within Phase XI shall be permitted provided the keeping of such horses does not overburden the resources of the Lot and Phase XI Property and cause significant damage to the integrity of the pasture or meadow turf and vegetation. The Board may set additional restrictions, rules, and regulations regarding the keeping of horses on the Parcel XI Property. Small animal husbandry, as defined in Title 9 of Section 9-2.210 of the Plumas County Code, or any amendments thereto, is prohibited on the Parcel XI Property.

8.6 Historic Guest Ranch Parcel (“HGRP”). This section shall apply to the HGRP:

- a. *Grazing or Haying*. Grazing or haying on the HGRP shall be employed on at least a minimum basis on the agricultural land in order to prevent the grass from accumulating excessive growth, which may result in fire danger.
- b. *Cattle/Horses*. The keeping of cattle and/or horses on the HGRP shall be in reasonable numbers so as not to overburden the resources of the property and to avoid significant damage to the integrity of the pasture or meadow turf and vegetation. The Board may set additional restrictions, rules, and regulations regarding the keeping of cattle and/or horses on the HGRP.
- c. *Animal Breeding*. Animal breeding and boarding, which shall mean a facility for any breeding, boarding, and training of animals, including, but not limited to a kennel, as defined in Title 9 of Section 9-2.207 of the Plumas County Code or any amendments, thereto, is not permitted.
- d. *Commercial Animal Husbandry*. Commercial animal husbandry, which shall mean the care and raising of hoofed livestock, as defined

in Title 9 of Section 9.2.208 of the Plumas County Code or any amendments thereto, is limited to personal use only.

- e. *Small Animal Husbandry.* Small animal husbandry, which shall mean the care and raising of hoof-less livestock for the personal use of Residents of the property and 4-H market projects as defined in Title 9 of section 9-2.210 of the Plumas County Code, or any amendments thereto, is permitted for personal use and 4-H projects only.
- f. *Large Animal Husbandry.* Large animal husbandry, as defined in Title 9 of Section 9-2.209 of the Plumas County Code, or any amendments thereto, is permitted except that it is limited to the care and raising of horses and cows for personal use and for 4-H projects. The keeping of pigs is prohibited.

8.7 Service Animals. An animal otherwise prohibited by these CC&Rs, which is kept by a Resident for the purpose of servicing the Resident's qualified disability, may be kept by such Resident provided the animal is properly cared for (i.e., kept healthy, clean, and properly groomed and waste material is properly disposed of) and not unruly or disruptive (e.g., barking, growling, running loose, displaying aggressive behavior, etc.). All pet rules shall apply to assistance animals unless contrary to law.

8.8 Nuisance. Members shall be liable to the Association and other Members for any damage to Person or property or nuisance noise caused by the pets or animals of such Members, Members' Tenants or their respective family, guests, or invitees. The Board shall have the right to prohibit any pet or animal that, in its opinion constitutes a nuisance to other Members pursuant to evidence provided at a noticed hearing.

8.9 Dangerous Animals. No animal may be kept in the Development which the Board has determined to be aggressive or dangerous pursuant to evidence provided at a noticed hearing. Pets that exhibit aggressive or dangerous behavior shall, upon request of the Board, wear a muzzle while in the Common Area until a determination is made by the Board as to whether the pet will be allowed to remain in the Development.

8.10 Liability. Every Member shall be liable for any injury to Persons or property caused by any pet or animal brought or kept within the Development by the Member, Member's Tenant or their respective family, guests, or invitees.

8.11 Control. While in the Common Area or in a public area within the Development, dogs must be restrained on leashes or under the full control of a responsible Person capable of controlling the animal. No dog shall be allowed to run unsupervised within the Common Area or public areas of the Development. Members shall clean up after their pets or animals and shall not allow any waste to remain on the Common Areas.

8.12 Structures. No structures for the care, housing or confinement of any animal shall be constructed on a Lot without the prior, written approval of the Board. No

animal shall be left chained or otherwise secured in the front yard of a Lot, or in any area adjacent or appurtenant to the Common Area or Whitehawk Ranch Golf Club.

ARTICLE 9: VEHICLES AND PARKING

9.1 Management of Streets. The Association shall manage and control the use of all Common Area streets.

9.2 Restricted Vehicles. No RV, camper, boat, recreational watercraft, trailer, or any other similar vehicle is permitted in any portion of the Common Areas unless specifically provided for in the Rules and Regulations.

9.3 Commercial Vehicles. Commercial vehicles, panel trucks, tow trucks, stake bed trucks, tank trucks, dump trucks, step vans, concrete trucks, taxis, buses, vans designed for 10 people or more, vehicles with commercial signage, and the like, are prohibited, except as provided in the Rules and Regulations.

9.4 Vehicle Use and Farm Equipment. This section shall apply to the Ranch Parcel, the Phase X Property and the Phase XI Property. No unlicensed, noisy or smoky vehicles shall be operated on the Ranch Parcel, the Phase X Property or the Phase XI Property. All-terrain and off-road vehicles are prohibited except when used as work vehicles.

9.5 Maintenance of Vehicles. This section shall apply to the Ranch Parcel, Parcels G & H, the Phase X Property, the Phase XI Property and the Historic Guest Ranch Parcel. Maintenance vehicles and farm equipment must be housed fully enclosed within the confines of either the barn or garage, in such a manner as to not be visible from the exterior of the building. Such vehicles shall be used only for improvements and maintenance, and not for recreation. Use of maintenance vehicles and farm equipment is limited to each Owner's individual Lot or property and shall not be ridden within the Development. Specific to the Phase XI Property only, golf maintenance equipment and vehicles, farm equipment, and recreational vehicles and equipment must be housed within the confines of a barn, garage or fenced area. Owner's recreational vehicles, including but not limited to "ATV's" are expressly prohibited from access to the Common Area open spaces.

9.6 Proper Operating Condition. All vehicles shall be maintained in proper operating condition, so as not to be a hazard or nuisance by noise, exhaust emissions, or appearance. All vehicles shall carry current registration tags and shall be insured.

9.7 Noise Limitation. All vehicles must be configured so as to provide for their quiet operation.

9.8 Repair of Vehicles. No Member shall construct, repair, or service any vehicle within any portion of the Common Areas, except for emergency repairs to the extent necessary for the movement of the vehicle to a proper repair facility, or on any Lot except in an area on the Lot not visible from the Common Areas or neighboring properties.

9.9 Washing of Vehicles. Vehicles may not be washed or detailed in the Common Area, except as provided for in the Rules and Regulations.

9.10 Fluid Leaks. Members must keep their driveways, Common Area, and streets in front of their Lots free of fluids such as oil, radiator coolant, brake fluid, power steering fluid, etc. Members who fail to do so may be fined or may be subject to a Reimbursement Special Assessment for the cost of cleaning the affected areas.

9.11 Theft or Damage. The Association shall not be liable for any loss or damage suffered by any Member, Tenant or guest by reason of theft of or damage to any Vehicle or Vehicle contents, unless caused by the Association's intentional misconduct or gross negligence.

9.12 Impeding Access. No vehicle shall be parked in such a manner as to impede or prevent ready access to any other driveway or Common Area entrance or exit.

9.13 Garages. Garages may not be converted to any use other than the storage of vehicles and personal property. Garages shall not be sublet. It is each Owner's sole responsibility to confirm that the garage is accessible for the Owner's vehicle.

ARTICLE 10: ENFORCEMENT OF GOVERNING DOCUMENTS

10.1 Association Enforcement Rights. In addition to any other rights described in these CC&Rs and without waiving the Association's right to institute other enforcement measures, and subject to the notice and hearing provisions in the Bylaws, the Governing Documents may be enforced by any or all of the following, as may be appropriate:

- a. *Monetary Penalties*. The Board may assess reasonable monetary penalties for violations of the Association's Governing Documents by a Member, Member's Tenant or their respective family, Lot Residents, invitees or guests. Such Member shall be liable for all costs of collection, including reasonable attorneys' fees, court costs, and related expenses.
- b. *Suspend Common Area Privileges*. Subject to the notice and hearing provisions set forth in the Bylaws, the Board may temporarily suspend the Common Area privileges of Members, Member's Tenants and their respective family, invitees, and guests for their failure to comply with the Association's Governing Documents. Any such suspension shall be for a period of time not to exceed thirty (30) days for each noncontinuing violation. For continuing violations, the suspension may be imposed for as long as the violation continues.
- c. *Suspend Voting Rights*. Subject to the notice and hearing provisions set forth in the Bylaws, the voting rights of a Member may be suspended for continuing violations of the Governing Documents. Once

suspended, a Member's voting rights shall remain suspended until such continuing violation is cured.

- d. *Judicial Enforcement.* A lawsuit for damages and/or injunctive relief may be filed, whether or not the relief sought is for negative or affirmative action.

10.2 Cumulative Remedies. The respective rights and remedies, provided by these CC&Rs, by law, or available in equity, shall be cumulative and the exercise of any one or more of such rights or remedies shall not preclude or affect the exercise, at the same or at different times, of any other such rights or for the same or different failures of the Members or others to perform or observe any provision of these CC&Rs.

10.3 Failure to Enforce Not a Waiver. Failure to enforce the Governing documents, whether by the Board or any Member or other Person entitled to enforce them, shall in no event be deemed a waiver of the right to do so. Waiver or attempted waiver of any provision of these CC&Rs with respect to a given Lot shall not be deemed a waiver as to any other Lot. Additionally, violation of any provision hereof with respect to any Lot or Lots shall not affect the applicability or enforceability of any provision of these CC&Rs to any other Lot.

10.4 Remedy at Law Inadequate. Remedies at law for violation of the Association's Governing Documents are inadequate and equitable and injunctive relief may be sought and awarded.

10.5 Right of Action against Buyer. Failure by a Member to correct Lot violations prior to the transfer of title to the Lot shall give the Association the right to enforce compliance against the buyer.

10.6 Attorneys' Fees. In the event any party initiates any action or proceeding to enforce or interpret the Governing Documents or California law relating to the Development, the substantially-prevailing party shall be awarded reasonable attorneys' fees and costs, including reasonable experts' fees.

ARTICLE 11: RIGHT OF ENTRY

11.1 Limited Right of Entry. During reasonable hours and subject to the notice requirements contained in this Article, the Association's representatives, employees, and vendors may enter Lots and Common Areas: (i) to inspect and perform maintenance or repairs to the Common Areas; or (ii) to mitigate or repair damages; or (iii) to inspect the Lot to ensure compliance with the Governing Documents. Such Persons, acting in good faith, shall not be liable for trespass.

11.2 Notice of Entry. The Association shall give at least three (3) business days' written notice if by personal delivery and five (5) days if by first-class mail to the Resident and the Lot Owner, stating the purpose for the entry and the time of the entry.

11.3 Avoid Unreasonable Interference. The right of entry shall be exercised in such a manner as to avoid any unreasonable or unnecessary interference with the possession, use, and enjoyment of the Member or Resident of such Lot.

11.4 Emergency Entry. In the event of an emergency, the Board or its authorized representative may enter the Lot without permission and shall not be subject to liability to the Member or occupant. Such entry shall not constitute trespass or any other wrongful act. If it is necessary for the Association to damage or destroy property to gain access to the Lot, the Member shall have no right of action against the Association or its representatives. However, the Association shall repair the damage if the emergency did not originate in the Lot. Prior to emergency entry, if feasible, the Board shall make a good faith effort to give notice.

11.5 Refusal to Allow Entry. In the event the Resident refuses to allow entry for any reason authorized in these CC&Rs, the Association shall have the right to assess against the Member all expenses including reasonable attorneys' fees (regardless of whether legal proceedings are instituted) incurred by the Association arising from the Resident's refusal to allow entry. Such fees and expenses shall become a Reimbursement Special Assessment against the Member and shall be fully enforceable by all means provided for in these CC&Rs including lien and foreclosure.

11.6 Damage Repaired by Association. Any damage caused by the Association to the Common Areas and Lot improvements shall be promptly repaired by the Association to original building standards. The Association shall have the right to seek reimbursement from responsible parties that gave rise to such damage and repairs.

11.7 Power to Vacate Lot. If necessary, the Board has the authority to vacate a Lot to make repairs to the Association's Common Areas. All costs of food, lodging and other associated expenses shall be borne by the Member and not by the Association. Any lost rent or income resulting from vacating a Lot shall be borne by the Member and not by the Association. However, the Association shall have the duty to diligently make repairs so as to return occupancy as quickly as possible.

- a. *Notice.* The Board shall give notice of the need to temporarily vacate a Lot to Residents and Members not less than fifteen (15) days prior to the date of the relocation. The notice shall state the reason for the temporary relocation, the date and time of the repairs, and the anticipated date and time of completion of repairs. Notice shall be either by personal delivery or first-class mail to the address shown on the books of the Association.
- b. *Duty to Vacate.* Members shall ensure that Residents vacate their Lots. In the event any Member fails to cause the Residents to vacate, the Association shall have the right to levy a Reimbursement Special Assessments against the Member for all expenses and attorneys' fees incurred by the Association in removing such Residents from the Lot and any additional costs caused by the delay.

ARTICLE 12: ASSESSMENTS

12.1 Purpose of Assessments. The general purpose of Assessments is to provide for the recreation, health, safety, and welfare of the Members, enforce and comply with the Governing Documents, manage the Development, enhance the quality of life in the Association, improve and maintain the Common Areas, provide for the acquisition and maintenance of property, services and facilities devoted to these purposes, and for any action or undertaking on behalf of the Association.

12.2 Regular Assessment. The Board shall levy Regular Assessments in an amount sufficient to provide for the performance by the Board of each and every one of its powers and duties provided, however:

- a. *20% Limitation.* Pursuant to the Davis-Stirling Act, the Board shall not, without the approval of Members casting a majority of the votes with Quorum present, impose a Regular Assessment which is more than twenty percent (20%) greater than the Regular Assessment for the immediately preceding fiscal year. Quorum for the purposes of this provision means more than fifty percent (50%) of the Members of the Association.
- b. *Uniform Rate of Assessment.* Regular Assessments shall be fixed at a uniform rate for all Lots.
- c. *Payable Monthly.* Regular Assessments shall be payable by each Member against whom assessed in twelve (12) equal monthly installments on the first day of each calendar month or at such other dates and in such other installments as the Board shall determine. Assessments for new Members shall be prorated in the first month of membership according to the date on which the individual becomes a Member.
- d. *Written Notice.* Written notice of any increase in Regular Assessments shall be sent by first-class mail to each Member not less than thirty (30) days nor more than sixty (60) days prior to the increased Assessment becoming due.
- e. *Modification of Assessment.* The Board may modify the Regular Assessments during the course of a fiscal year if necessary to conform to a revised estimate of costs and expenses. However, if the aggregate increase exceeds twenty percent (20%) of the Regular Assessment for the immediately preceding fiscal year, the Board must obtain the approval of Members pursuant to the Davis-Stirling Act. If an annual Regular Assessment is not published for a new fiscal year, the Regular Assessment for the prior fiscal year shall apply and govern each Member's payments until changed by a new Regular Assessment.

12.3 Special Assessment. In addition to the Regular Assessment, the Board may levy a "Special Assessment" for any purpose necessary for the Association to carry out its duties; provided, however:

- a. *5% Limitation*. Pursuant to the Davis-Stirling Act, the Board shall not, without the approval of Members casting a majority of the votes with Quorum present, impose a Special Assessment which is more than five percent (5%) of the budgeted gross expenses of the Association for such fiscal year. Quorum for purposes of this provision means more than fifty percent (50%) of the Members of the Association.
- b. *Rate of Assessment*. Special Assessments shall be fixed at a uniform rate for all Lots.
- c. *Reimbursement Assessments*. Special Assessments may also be levied against individual Lots for reimbursement of expenses incurred by the Association arising out of actions or omissions of such Member, Member's Tenant, or their respective family, guests, invitees or pets. As provided elsewhere in these CC&Rs, such expenses shall include, but not be limited to: (i) enforcing compliance with the Association's Governing Documents; (ii) mitigating or repairing damage to Lots, Association property and/or Common Areas; (iii) collecting delinquent Assessments; (iv) attorneys' fees and costs; and (v) materials and services provided by the Association to individual Members, Tenants or their respective family, guests, or invitees.
- d. *Payment Schedule*. Special Assessments shall be payable by each Member against whom assessed either monthly or at such dates and in such installments as the Board shall determine.
- e. *Written Notice*. Written notice of Special Assessments shall be sent by first-class mail to each Member not less than thirty (30) days nor more than sixty (60) days prior to the Assessment becoming due.

12.4 Emergency Assessment. In emergency situations, the Board may increase Regular Assessments beyond twenty percent (20%) or impose Special Assessments above five percent (5%) only as provided for by law.

12.5 Deposit of Assessments. All sums received by the Association shall be promptly deposited into accounts clearly designated in the Association's name.

- a. *Commingling*. The Association shall maintain separate accounts for its operating funds and its Reserves, respectively, and no funds from those separate accounts shall be commingled at any time.
- b. *Interest*. No Member shall have the right to receive interest on any such funds deposited.

12.6 Reserves. All sums assessed and collected by the Association which are budgeted to fund Reserves for anticipated long-term maintenance, repair, and replacement of Improvements upon the Common Area, the cost of which would not ordinarily be incurred on an annual basis, shall:

- a. *Be Segregated*. Be received in trust by the Board, set aside and segregated from the other monies and not be commingled with the Association's Operating Account.
- b. *Be Invested*. Be invested in low-risk investments. Reserves shall be deposited in financial institutions authorized to do business in California and where the Association's deposits are insured against loss. Alternatively, the Association may deposit funds with brokerage houses or institutions which are members of the Financial Industry Regulatory Authority and where the Association's deposits are insured against loss.
- c. *Require Two Signatures*. Be withdrawn from the Reserve account only upon approval by the Board and (i) the signature of two (2) members of the Board or (ii) the signature of one (1) member of the Board and one (1) officer who is not a member of the Board.
- d. *Not Be Reimbursed*. All contributions to the Reserves, as well as interest earned, are for the benefit of the Association and not to the benefit of any individual Member. As such, contributions and interest are not refundable to Members when they cease to be Members of the Association.

12.7 Assessments and Subdivision of Phases. As long as a Phase remains as a single parcel, the Phase shall be considered a single Lot for Assessment purposes. If a Phase is divided or subdivided into two or more lots as provided for in Article 5 of these CC&Rs, Assessments shall terminate for that Phase on the date the map is recorded dividing or subdividing the parcel into two or more lots. If a Phase is subdivided pursuant to Article 5 of these CC&Rs, Assessments shall commence for each remainder parcel or other lot or parcel (other than a subdivided residential lot or common area lot) on the date the map is recorded in the County records. If a Phase is subdivided pursuant to Article 5 of these CC&Rs into residential lots as identified as a phase in a final subdivision public report issued by the California Bureau of Real Estate or its successor, Assessments shall commence on the first day of the month following the first conveyance of a subdivided residential lot in that phase. If multiple maps are recorded subdividing a Phase, Assessments for each remainder parcel that is further subdivided shall be in accordance with the same procedure as the initial subdivision of the Phase into two or more lots.

ARTICLE 13: ENFORCEMENT OF ASSESSMENTS

13.1 Liability for Assessments. Assessments, together with charges, interest, costs, and attorneys' fees (regardless of whether legal proceedings are instituted), shall be

a charge on the land and shall be a continuing lien upon the property against which each such Assessment is made. In addition, Members shall be personally liable for any and all Assessments provided for by these CC&Rs, together with any accompanying late charges, interest, costs, attorneys' fees (regardless of whether legal proceedings are instituted), and penalties as may be authorized under these CC&Rs. All Members owning a partial interest in a Lot shall be personally liable, jointly and severally, for the entire amount of any and all Assessments against such Lot.

13.2 Enforcement Rights. Any Assessment made in accordance with these CC&Rs shall be the separate debt of each Member against whom the same is assessed. In addition to any other rights provided for by law or described in these CC&Rs, the Board has the right to collect delinquent Assessments as follows:

- a. *Late Fees and Interest.* Unpaid Assessments shall be deemed delinquent fifteen (15) days after they are due and shall be subject to a late charge of the greater of either ten percent (10%) or Ten Dollars (\$10.00), which may not be imposed more than once on any delinquent payment, and interest at the rate of twelve percent (12%) per annum, which may commence thirty (30) days after the Assessment becomes due.
- b. *File Suit.* The Association may commence and maintain a lawsuit directly on the debt without waiving its right to establish a lien and initiate foreclosure against the Member's Lot for the delinquent Assessment. In any action to collect delinquent Assessments, late charges or interest, the prevailing party shall be entitled to costs and reasonable attorneys' fees. If such costs and fees are awarded to the Association, they shall become a Reimbursement Special Assessment against the Member and shall be fully enforceable by all means provided for in these CC&Rs including lien and foreclosure.
- c. *Lien and Foreclose.* In accordance with the Davis-Stirling Act, a delinquent Assessment or installment, together with any late charges, interest, costs, attorneys' fees, and penalties, shall become a lien on the Lot upon the recordation of a "Notice of Delinquent Assessment" in the Office of the County Recorder. The Board may enforce any Assessment lien against a Lot by filing an action for judicial foreclosure or by nonjudicial foreclosure. The Association, through its Board, may bid on the Lot at the sale and may hold, lease, mortgage, and convey the acquired Lot.
- d. *Suspend Privileges.* Subject to the notice and hearing provisions set forth in the Bylaws, privileges may be suspended until such time as delinquent Assessments, fees and fines, including any accumulated penalties, interest, and costs of collection have been paid in full.

- e. *Suspend Voting Rights.* Subject to the notice and hearing provisions set forth in the Bylaws, voting rights of a Member may be suspended if the Member is more than sixty (60) days delinquent in paying any Assessment, fee, or fine. Once suspended, a Member's voting privileges shall remain suspended until such time as the delinquency, including any accumulated late charges, interest, and costs of collection, have been paid in full.
- f. *Additional Remedies.* The remedies provided in this section shall be in addition to, not in substitution for, any other rights and remedies which the Association may have.

13.3 No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation: (i) a claim that the Association is not properly exercising its duties and powers, as provided in these CC&Rs; (ii) a Member has not made or elects not to make use of the Common Area; (iii) any construction or maintenance for which the Association is responsible that has not been performed; or (iv) any construction or maintenance for which the Association is responsible that has not been performed to a Member's satisfaction.

13.4 No Exemption by Waiver of Use. Members may not exempt themselves from liability for Assessments nor release their Lots from liens and charges by waiver of their use and enjoyment of the Common Areas, by abandonment of their Lots, or through non-use of Common Areas or membership privileges.

13.5 Attorneys' Fees. Any reasonable attorneys' fees and costs incurred by the Association in the enforcement of its Assessment rights against a Member may become a Reimbursement Special Assessment against that Member, which may be collected in any manner provided for by these CC&Rs or by law.

13.6 Non -Waiver of Assessments. If the Board fails to approve a Budget or fix the Assessments for the current year, the Budget and Assessments from the preceding year shall continue until a new Budget is approved and new Assessments are fixed.

ARTICLE 14: INSURANCE

14.1 Association Insurance. The Association shall obtain and maintain policies of insurance as described below. So as to keep premiums at a reasonable level and to ensure the insurability of the Association, the Board shall establish appropriate deductibles and make business decisions as to which losses shall be submitted to the Association's insurance carrier.

- a. *Direct Physical Loss.* The Association shall maintain one or more policies for loss or damage by fire or other risks covered by the standard "Special Form" policy (or its equivalent) on all Common Area Improvements. The amount of such insurance shall be not less than one hundred percent (100%) of the aggregate full insurable value,

meaning actual replacement value. The coverage shall be written on a blanket basis with an agreed value endorsement and an inflation guard endorsement. In addition, if available and if applicable, the Board shall purchase:

- i. “Building Ordinance” coverage, or its equivalent, to cover any increased costs of construction following a covered loss which may be imposed due to changes in building codes or ordinances.
 - ii. “Maintenance Fees Receivable” coverage, or its equivalent, to cover the loss from unpaid or uncollected assessments resulting from a covered property loss.
 - iii. “Demolition and Debris Removal” endorsement in the amounts adequate to cover demolition and debris removal costs.
 - iv. Such other endorsements which the Board may deem necessary or reasonable.
- b. *Comprehensive or Commercial General Liability (“CGL”).* The Association shall maintain one or more CGL policies which shall provide appropriate liability limits for injury or death to one or more Persons in any one accident or occurrence. The Association shall carry coverage in amounts that meet or exceed those called for in the Davis-Stirling Act.
 - c. *Directors and Officers.* The Association shall purchase Directors and Officers errors and omission insurance, which shall provide appropriate liability limits insuring Directors, Officers, Committee members, and management employees. The Association shall carry coverage in amounts that meet or exceed those called for in the Davis-Stirling Act.
 - d. *Workers’ Compensation.* The Association shall carry workers’ compensation and employers’ liability insurance, as may be appropriate.
 - e. *Fidelity Bond.* The Association shall maintain blanket fidelity bond coverage for all Directors, Officers, Committee members, and employees of the Association handling funds of the Association or third party property. In the event the Association has delegated some or all of the responsibility for the handling of funds to a management agent, the management agent shall also be required to maintain blanket fidelity bond coverage for those Persons handling or responsible for funds of the Association.

- f. *Employment Practices Liability*. If the Association has employees, it should, depending on cost and availability, purchase employment practices liability coverage.
- g. *Automobile Liability Insurance*. If appropriate, the Association shall purchase non-owned and hired automobile coverage and garage-keepers legal liability coverage.
- h. *Boiler and Machinery Insurance*. If appropriate, the Association shall purchase insurance for the loss or damage to or as a result of boilers, pressure vessels, and pressure pipes.
- i. *Umbrella Policy*. In addition to appropriate levels of insurance for all of the above, the Association may carry an umbrella policy for its public liability and property damage, Directors and Officers liability, and workers' compensation policies.
- j. *Earthquake and Flood Insurance*. The Association may purchase appropriate levels of earthquake or flood insurance, if such insurance is available and if approved by the Board or the membership. In the event the Board decides not to purchase earthquake insurance for the Association's Improvements, that decision must be made as part of the Board's annual insurance disclosure to the membership.

14.2 Member Obligation to Carry Insurance. At their sole expense, Members shall purchase the following insurance: (i) real property and personal property coverage that insures their Lot's improvements and contents against damage or loss; (ii) premises liability that includes protection for bodily injury and property damage; (iii) loss of use that protects a Member for additional living expenses should his/her Lot become uninhabitable due to a covered loss; and (iv) loss assessment coverage that protects against Special Assessments due to a loss which exceeds the Association's master policy limits or deductible. In addition, if a Member operates a vehicle which is driven across or stored in the Association's Common Areas, the Member must carry appropriate automobile insurance. The Association may police this provision but is not required to and is specifically relieved of any responsibility or liability from doing so or failing to do so.

- a. *Waiver of Claims*. Members waive their claims against the Association to the extent such claims are covered under insurance which Members are required to carry under these CC&Rs, regardless of whether Members actually carry such insurance.
- b. *Assignment of Proceeds*. If any loss intended to be covered by the Association's insurance occurs and the proceeds payable are reduced because of a Member's insurance coverage, that Member shall assign such insurance proceeds to the Association, to the extent of the

reduction. The Board shall apply those proceeds to the same purposes as the reduced proceeds received by the Association.

14.3 Payment of Deductible. If a loss occurs as a result of the negligence or breach of CC&Rs of a Member, Member's Tenant, or their respective family, guests, invitees, or pets or animals or as a result of a failure of a portion of the Lot or its Improvements within a Member's care, custody, or control and the loss results in a payment by the Association's insurance, that Member shall pay the Association's deductible, if any.

14.4 Management of Claims. The Board, not individual Members, shall determine which claims, if any, shall be submitted to the Association's insurance carrier. The Board may take into account the Association's claim history, the amount of the deductible, the apparent merit of the claim, etc. and make a business decision regarding which claims are submitted and which ones are not. In the event a Member makes an unauthorized claim against the Association's insurance which results in an increase in the Association's insurance premiums, the amount of the increase shall be assessed against the Member and his/her Lot as a Special Reimbursement Assessment.

14.5 Liability for Increased Insurance Rates. In the event any act or omission of any Member, Member's Tenant, or their respective family, guests, invitees, or pets causes an increase in the cost of the Association's insurance, the amount of the increase shall be assessed against the Member and his/her Lot as a Special Reimbursement Assessment.

14.6 Choice of Contractor. With respect to any repairs for which proceeds of insurance are paid or are payable to the Association, the Board shall designate the contractor to perform the repairs to the Common Areas. Individual Members shall be responsible for overseeing repairs done to their respective Lots.

14.7 Insurance Company Rating. All policies of insurance obtained by the Board shall be from an insurance company qualified to do business in the State of California and holding a Best's Insurance Reports rating of "A" or better, or such other comparable rating as may be given by Standard and Poor's.

ARTICLE 15: PROTECTION OF LENDERS

15.1 Priority of Mortgage. Notwithstanding any other provision of these CC&Rs, it is hereby provided that a breach of any of the conditions contained in these CC&Rs by any Member or of any re-entry by reason of such breach, shall not defeat or render invalid the lien of any Mortgage or deed of trust made in good faith and for value as to said Lot or any part thereof. Any lien which the Association may have on any Lot in the Development for the payment of common expense Assessments attributable to such Lot will be subordinate to the lien or equivalent security interest of any first Mortgage on the Lot recorded prior to the date any such common expense Assessments became due.

15.2 Payment of Taxes or Premiums by Mortgagees. Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area, unless such taxes or charges are separately assessed

against the Members, in which case the rights of Mortgagees shall be governed by the provisions of their Mortgages. Mortgagees may, jointly or singly, also pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for the Common Area and Mortgagees making such payments shall be owed immediate reimbursement therefore from the Association. Entitlement to such reimbursement shall be reflected in an agreement in favor of any Mortgagee which requests the same to be executed by the Association.

15.3 Effect of Breach. No breach of any provision of these CC&Rs shall invalidate the lien of any Mortgage made in good faith and for value, but all of the covenants, conditions and restrictions shall be binding on any Member whose title is derived through foreclosure sale, trustee's sale, or otherwise.

15.4 Mortgagee's Rights. A first Mortgagee's rights shall include, but not be limited to, the following:

- a. *Attend Meetings.* Any first Mortgagee, upon written request, shall receive written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.
- b. *Furnish Information.* Any Mortgagee may furnish information to the Board concerning the status of any Mortgage.
- c. *Inspect Books and Records.* The Association shall make available to Members, prospective purchasers and first Mortgagees current copies of these CC&Rs, any Rules and Regulations adopted by the Board or the Association, and the books, records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.
- d. *Financial Statement.* The Association shall provide an audited financial statement for the immediately preceding fiscal year if the first Mortgagee submits a written request for it. Said financial statement shall be furnished by the Association within a reasonable time following such request. If the Development contains fewer than fifty (50) Residences and there is no audited financial statement available, any first Mortgagee should be allowed to have an audited financial statement prepared at its own expense.

15.5 No Restrictions on Member's Right to Ingress and Egress. There shall be no restriction upon any Member's right of ingress and egress to his or her Lot, which right shall be perpetual and appurtenant to his or her Lot ownership.

15.6 Notices to Mortgagees. Upon written request to the Association, any first Mortgagee shall be entitled to timely written notice of the following:

- a. Any proposed amendment to the CC&Rs effecting a change in:

- i. The boundaries of any Lot or the exclusive use rights appurtenant thereto, if any;
 - ii. The interests in the general or exclusive use Common Areas, if any, appurtenant to any Lot or the liability for common expenses appurtenant to any Lot; or
 - iii. The purposes to which any lot or the Common Area are restricted.
- b. Any proposed termination of the legal status of the Development as a planned development.
 - c. Any condemnation or casualty loss which affects either a material portion of the Development or any Lot on which there is a first Mortgage held, insured or guaranteed by such requesting party.
 - d. Any sixty (60) day delinquency in the payment of Assessments or individual charges owed by a Member subject to a first Mortgage held, insured or guaranteed by such requesting party.
 - e. Any default in the performance by the affected member of any obligation under the CC&Rs which is not cured within sixty (60) days.
 - f. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.
 - g. Any proposed action which requires the consent of a specified percentage of first Mortgagees as specified in Section 15.7.

15.7 FNMA and FHLMC Mortgages.

- a. *Conditions when this Section is Applicable.* The provisions of this section shall apply if any of the following conditions exist pertaining to first Mortgages on any of the Lots:
 - i. Any first Mortgage is sold or transferred to FNMA; or
 - ii. Any first Mortgage is sold or transferred to FHLMC.
- b. *Approval of Material Amendments.* The approval of Members comprising a majority of the Voting Power of the Association and the approval of a majority of the Eligible First Mortgagees (based upon one vote for each first Mortgage owned) must be obtained for amendments of a material nature to the CC&Rs. A change to any of the following would be considered material:
 - i. Voting Rights;

- ii. Assessments, Assessment liens, or subordination of Assessment liens;
 - iii. Reserves for maintenance, repair and replacement of Common Areas or any other portions of the Development which the Association has a duty to maintain, repair and replace;
 - iv. Responsibility for maintenance and repairs;
 - v. Reallocation of interests in the general or exclusive use Common Areas, if any, or rights to their use;
 - vi. Boundaries of any Lot;
 - vii. Convertibility of Lots into Common Areas or vice-versa;
 - viii. Expansion or contraction of the Development or the addition, annexation or withdrawal of property to or from the Development;
 - ix. Insurance or fidelity bonds;
 - x. Leasing of Lots;
 - xi. Imposition of any right of first refusal or similar restriction on a Lot Owner's right to sell, transfer or convey his Lot;
 - xii. A decision by the Member's Association to establish self-management when professional management has been required previously by a first Mortgagee;
 - xiii. Restoration or repair of the Development (after a hazard damage or partial condemnation) in a manner other than that specified in the CC&Rs;
 - xiv. Any action to terminate the legal status of the Development after substantial destruction or condemnation occurs; or
 - xv. Any provisions that expressly benefit first Mortgagees.
- c. *Non-Material Amendments.* Any addition or amendment to the CC&Rs shall not be considered material if it is for the purpose of correcting technical errors or for clarification only.
 - d. *Voluntary Termination of Legal Status.* Except as provided above, any election to terminate the legal status of the Development as a planned development for reasons other than substantial destruction or condemnation of the Development, must be approved by Members comprising more than sixty-seven percent (67%) of the Voting Power

of the Association and sixty-seven percent (67%) of the Eligible First Mortgagees (based upon one vote for each first Mortgage owned).

- e. *Reallocation of Interests in the Common Area.* No reallocation of interests in the Common Area resulting from a partial condemnation or partial destruction of the Development shall be effected without the approval of fifty-one percent (51%) of the Eligible First Mortgagees (based upon one vote for each first mortgage owned).
- f. *Restriction on Certain Changes.* Unless at least sixty-six and two-thirds percent (66 2/3%) of the First Mortgagees (based on one vote for each First Mortgage owned) or sixty-six percent and two-thirds (66 2/3%) of the Owners have given their prior written approval, the Association shall not:
 - i. By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area (the granting of easements for public utilities or for other public purposes consistent with the intended use of such Common Area by the Association shall not be deemed a transfer within the meaning of this clause); or
 - ii. Change the method of determining the Assessments, or other charges which may be levied against a Lot Owner; or
 - iii. By act or omission change, waiver or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of Lots, the exterior maintenance of Lots, the maintenance of the Common Area party walks or common fences and driveways, or the upkeep of lawns and plantings in the Development; or
 - iv. Fail to maintain fire and extended coverage on insurable Common Area and other portions of the Development which the Association has a duty to insure 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); or
 - v. Use hazard insurance proceeds for losses to any Common Area or other Development Improvements for other than the repair, replacement or reconstruction of such Common Area or improvements.
- g. *No Right of First Refusal.* The right of a Member to sell, transfer or otherwise convey his or her Lot shall not be subject to any "right of first refusal" or similar restriction.

- h. *Foreclosure Eliminates Unpaid Assessments.* Each holder of a first Mortgage lien on a Lot who comes into possession of the Lot by virtue of foreclosure of the Mortgage or any purchaser at a foreclosure sale, will take the Lot free of any claims for unpaid Assessments and charges against the Lot which accrue prior to the time such holder comes into possession of the Lot, except for claims for a pro rata share of such Assessments or charges resulting from a pro rata reallocation of such Assessments or charges to all Development Lots, including the mortgaged Lot.
- i. *Mortgage Priority in Case of Distribution.* No provision in the CC&Rs will entitle a Lot Owner or other party to priority over any rights of the first Mortgagee of the Lot pursuant to its Mortgage in the case of a distribution to such Lot Owner of insurance proceeds or condemnation awards for losses to or a taking of the Lot and/or Common Area.
- j. *Leasing Restrictions.* No Member shall be permitted to lease his Lot for transient or hotel purposes. No Member may lease less than the entire Lot. Any lease or rental agreement must be in writing and be subject to the provisions of the Governing Documents. No Lot may be leased or rented for less than thirty (30) days. This subsection shall not apply to that property annexed into and made part of Hawk Ridge Owners Association and Whitehawk Ranch Townhome Owners Association and to the Phase XI Property.
- k. *Taxes Related Only to Individual Lots.* All taxes, assessments and charges which may become liens prior to the first Mortgage under local law shall relate only to the individual Lots and not the Development as a whole.

15.8 Waivers. A Mortgagee may waive any requirement contained in these CC&Rs as they pertain to such Mortgagee, provided that such waiver shall be in writing.

15.9 Conflicts. In the event of a conflict between any of the provisions of this Article 15 and any other provisions of these CC&Rs, the provisions of this Article 15 shall control.

ARTICLE 16: WHITEHAWK RANCH GOLF CLUB

16.1 Assumption of Golf Course Risks. Each Member acknowledges that owning property adjacent to or in the vicinity of the Whitehawk Ranch Golf Club is subject to each of the following risks and the Member assumes each of these risks: (a) the risk of damage to property or injury to Persons and animals from golf balls hit on or over a Member's Lot or other portions of the Development; (b) the entry by golfers onto a Member's Lot or other portions of the Development to retrieve golf balls; (c) overspray in connection with the watering or fertilizing of the roughs, fairways and greens on the golf course; (d) noise from the Whitehawk Ranch Golf Club maintenance and operation

equipment (including, but without limitation, 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) the use of fertilizers, pesticides and other chemicals on the golf course; (f) odors arising from irrigation and fertilization of the turf situated on the golf course; and (g) disturbances and loss of privacy resulting from golf cart traffic and golfers. Additionally, each Owner acknowledges and understands 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 Member expressly assumes such detriments and risks and agrees that neither the Association, or any director, office, manager, employee or agent thereof, shall be liable to the Member or occupant of any Lot, or any family member, guest, Tenant, employee or agent, or anyone else 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 Member's Lot or Residence to the Whitehawk Ranch Golf Club. Each Member understands and agrees that it is the Member's duty to warn the Member's family members, guests, agents and Tenants of the risks described in this section.

16.2 Appearance of Golf Course. Each Member acknowledges, understands and agrees that neither any Member nor the Association shall have any right to compel the owner of the Whitehawk Ranch Golf Club to maintain the Whitehawk Ranch Golf Club's property including the golf course and any improvements thereon to any particular standard of care and that the appearance of the Whitehawk Ranch Golf Club's property including the golf course and improvements thereon shall be determined in the sole discretion of the owner of the Whitehawk Ranch Golf Club. The Association does not have an ownership interest in or otherwise control, manage or direct the Whitehawk Ranch Golf Club.

16.3 Golf Course Easements. A nonexclusive right and easement appurtenant to the Whitehawk Ranch Golf Course's property is reserved for the benefit of Whitehawk Ranch Golf Course's owner, and its successors and assigns, as the dominant tenement over each Lot as the servient tenement for purposes of overspray in connection with the watering and fertilizing of the roughs, fairways and greens on the golf course and for the intrusion of golf balls onto or over the servient tenement from the roughs fairways and greens of the golf course. Any Person for whose benefit the right and easement for overspray and intrusion is reserved shall not be liable to any Member 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 easement reserved by this section shall be for the benefit of Whitehawk Ranch Golf Course's owner and its successors and assigns and for the benefit of its employees, contractors, agents, guests, invitees, licensees or members. Nothing herein grants any user of the Whitehawk Ranch Golf Club the right to enter any Lot to retrieve a golf ball. Each Lot Owner acknowledges, understands and agrees, however, that regardless of their lack of any right to do so, users from time to time may enter the Lots for the purpose of retrieving golf balls and neither Whitehawk Ranch Golf Club's owner nor the Association have any responsibility or liability in connection with any such wrongful entry.

ARTICLE 17: WATER USAGE RIGHTS

17.1 Ranch Parcel. The following water usage rights shall apply to the Ranch Parcel:

- a. *Seasonal Irrigation Ditch*. The original developer had for many years transported water from McKenzie Stream into and through a Seasonal Irrigation Ditch (“Ditch”) that flows over and across the Southeastern boundary of the Ranch Parcel and onto the original Developer’s property. Owners of the Ranch Parcel shall not interfere with the flow of water through the Ditch. Owners shall not alter, dam or disrupt in any way the Ditch that would unreasonably reduce the flow, except for the reasonable diversions necessary to irrigate meadows located on the Ranch Parcel. From time to time the original developer or the Association may need access to the Ditch for inspection purposes and/or maintenance and access shall not be denied by the Owner of the Ranch Parcel. It is the responsibility of Owner to maintain and repair the Ditch and to not damage or obstruct the Ditch in any way and to keep animals and children away from and out of the Ditch at all times.
- b. *Perennial Water Course*. A Perennial Water Course passes through subject property, as identified on the Ranch Parcel Map. Water from the Perennial Water Course (also known as South Meadow Stream) has historically been diverted up stream to irrigate agricultural areas and to provide domestic water to the Development.
- c. *Historic Water Usage and Diversions*. Owners of the Ranch Parcel shall maintain, utilize and preserve historic water usage and diversions from the Seasonal Irrigation Ditch, Perennial Water Course, and all water courses on the Ranch Parcel, in a responsible manner when irrigating agriculture and meadow areas so as to conserve water and to keep excessive water runoff to a minimum while still maintaining the meadows and pastures in a green, healthy condition during the growing season.
- d. *Riparian Water Rights*. In accordance with California law, riparian water rights appurtenant to the Ranch Parcel are not limited in quantity except as to an amount, which can be reasonably and beneficially used on the Ranch Parcel, subject to the requirements of other landholdings bordering on the water. Other landholdings bordering on the water as it pertains to the Development, and not any landholdings further downstream, are Mohawk Valley Ranch, Inc., Whitehawk Ranch Mutual Water Company and the Whitehawk Ranch Golf Club.

17.2 Phase X Property. The following water usage rights shall apply to the Phase X Property:

- a. *Individual Wells*. Individual wells for pasture irrigation are permitted, and shall be in compliance with all applicable County and State laws and ordinances.
- b. *Domestic Water Service*. Domestic water service is provided by the Whitehawk Ranch Mutual Water Company, and shall be subject to all Mutual Water Company policies.

17.3 Phase XI Property. The following water usage rights shall apply to the Phase XI Property:

- a. *Individual Wells*. Individual domestic wells for pasture irrigation are permitted and shall be in compliance with all applicable County and State laws and ordinances.
- b. *Domestic Water Service*. Domestic water service may be provided by the Whitehawk Ranch Mutual Water Company, and shall be subject to all Mutual Water Company policies.
- c. *Riparian Water Rights*. In accordance with California law, riparian water rights appurtenant to the Phase XI Property are not limited in quantity except as to an amount, which can be reasonably and beneficially used on the Phase XI Property, subject to the requirements of other landholdings bordering on the water. Other landholdings bordering on the water as it pertains to the Development, and not any landholdings further downstream, are Mohawk Valley Ranch, Inc., Whitehawk Ranch Mutual Water Company and the Whitehawk Ranch Golf Club.

17.4 Phase XII Property. For the Phase XII Property, as described in the “Declaration of Annexation Whitehawk Ranch Phase XII Property” recorded as Document No. 2005-0010568 on September 30, 2005 in the Official Records of Plumas County, in accordance with California law, riparian water rights adjacent to the Phase XII Property are not limited in quantity except as to an amount, which can be reasonably and beneficially used on the Phase XII Property, subject to the requirements of other landholdings bordering on the water. Other landholdings bordering on the water as it pertains to the Development, and not any landholdings further downstream, are Mohawk Valley Ranch, Inc., Whitehawk Ranch Mutual Water Company and the Whitehawk Ranch Golf Club.

17.5 Parcels G & H Properties. The following water usage rights shall apply to the Parcels G & H Properties:

- a. *Individual Wells.* Individual domestic wells for pasture irrigation are permitted, and shall be in compliance with all applicable County and state laws and ordinances.
- b. *Historic Water Usage and Diversions.* Owners shall maintain, utilize, and preserve historic water usage and diversions in a responsible manner when irrigating agriculture and meadow areas so as to conserve water and to keep excessive surface water runoff to a minimum while still maintaining the meadows and pastures in a green, healthy condition during the growing season.
- c. *Domestic Water Service.* Domestic water service may be provided by the Whitehawk Ranch Mutual Water Company, and shall be subject to Mutual Water Company policies.
- d. *Riparian Water Rights.* In accordance with California law, riparian water rights appurtenant to Parcels G & H are not limited in quantity except as to an amount, which can be reasonably and beneficially used, subject to the requirements of other landholdings bordering on the water. Other landholdings bordering on the water as it pertains to the Development, and not any landholdings further down stream, are Mohawk Valley Ranch, Inc., Whitehawk Ranch Mutual Water Company and the Whitehawk Ranch Golf Club.

17.6 Historic Guest Ranch Parcel "HGRP". The following water usage rights shall apply to the HGRP:

- a. *Individual Wells.* Individual domestic wells are permitted, and shall be in compliance with all applicable County and state laws and ordinances.
- b. *Historic Water Usage and Diversions.* Owner shall maintain, utilize, and preserve historic water usage and diversions in a responsible manner when irrigating agriculture and meadow areas so as to conserve water and to keep excessive surface water runoff to a minimum while still maintaining the meadows and pastures in a green, healthy condition during the growing season.
- c. *Domestic Water Service.* Domestic water service may be provided by the Whitehawk Ranch Mutual Water Company, and shall be subject to all Mutual Water Company policies.
- d. *Riparian Water Rights.* In accordance with California law, riparian water rights appurtenant to the HGRP is not limited in quantity except as to an amount, which can be reasonably and beneficially used, subject to the requirements of other landholdings bordering on the water. Other landholdings bordering on the water as it pertains to the Development, and not any landholdings further downstream, are

Mohawk Valley Ranch, Inc., Whitehawk Ranch Mutual Water Company and the Whitehawk Ranch Golf Club.

ARTICLE 18: LIMITATIONS OF LIABILITY

18.1 Standard for Liability. Officers, Directors, Committee members, employees, or agents shall not be responsible to any Member, Member's Tenant, or their respective family, guests, or invitees for any loss or damage to Person or property suffered by reason of water, fire, smoke, explosion, electricity, dust, sand, insect or rodent infestation, or any other source, unless there is clear and convincing evidence the damage or loss was caused by the gross negligence or willful misconduct of the Association's Officers, Directors, Committee members, employees, or agents. The standard for determining liability shall not be strict liability.

18.2 Limited Personal Liability. No Officer, Director, Committee member, or employee of the Association shall be personally liable for any loss, injury, or damage to Persons or property for any act or omission, if the act or omission was performed in good faith, within the scope of the Person's duties for the Association, was not self-dealing, and did not constitute intentional misconduct or gross negligence.

18.3 Association Not a Security Provider. The Association may, from time to time, provide measures of security in the Development. However, the Association is not a provider of security and shall have no duty to provide any security in the Development. The obligation to provide security lies with each Member individually. The Association shall not be held liable for any harm to Persons or property by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. This shall include, but not be limited to, any loss or damage suffered by reason of theft of or damage to any article or thing which is placed or stored in or on any portion of the Common Area.

18.4 Duty to Defend. The Association shall indemnify and defend and shall advance reasonable attorneys' fees and costs to its Officers, Directors, Committee members, and employees against all expenses and liabilities reasonably incurred by such Person(s) in connection with any proceeding (including, but not limited to, alternative dispute resolution proceedings) to which they may be a party by reason of having been an Officer, Director, Committee member, or employee of the Association. Provided, however, the Association may recover its attorneys' fees and costs from, and shall not be liable for any judgments or other liabilities for, those Persons who are adjudged to have acted in bad faith or in gross negligence in the performance of their duties.

18.5 Personal Injury or Property Damage Sustained Within a Lot. The following shall apply if any Person sustains personal injury or property damage within a Lot and the injury or damage results in a claim against the Association or any of its Officers, Directors, Committee members, Members, agents, or employees. The Owner of the Lot where the injury or damage occurred shall: (i) fully indemnify and hold harmless the Association, Officer, Director, Committee member, Member, agent, or employee against whom such claim or suit is brought; and (ii) defend, at his own cost and expense, any resulting litigation against the parties. However, there shall be no obligation to

defend or indemnify any party whose gross negligence or willful misconduct was the cause of the injury or damage.

18.6 Actions against Volunteers. No cause of action against a Person serving without compensation as Director or Officer of the Association on account of any negligent act or omission by that Person within the scope of that person's duties as Director acting in the capacity of a board member, or as an Officer acting the capacity of, and within the scope of the duties of, an Officer, shall be included in a complaint or other pleading unless the court enters an order allowing the pleading that includes that claim to be filed after the court determines that the party seeking to file the pleading has established evidence that substantiates the claim.

ARTICLE 19: DAMAGE/DESTRUCTION TO IMPROVEMENTS

19.1 Association's Duties. In the event of partial or total destruction of Common Area Improvements the Association is obligated to maintain, it shall be the duty of the Association to restore and repair the same to its former condition (or better) as promptly as practical. The proceeds of any insurance received shall be used for such repairs and/or replacement.

19.2 Member's Duties. In the event of partial or total destruction of Improvements on a Member's Lot, it shall be the duty of the Member to either: (i) restore and repair the same to its former condition (or better) as promptly as practical, or (ii) as promptly as possible remove the damaged Improvement as well as all debris and place the Lot in a clean and presentable condition to the satisfaction of the Architectural Committee.

19.3 Duties of Board during Reconstruction. If reconstruction is undertaken, the Board shall: (i) enter into a written contract with a contractor who is licensed and insured for such repair, reconstruction, and restoration; (ii) disburse insurance proceeds available for the work, along with funds collected by reason of Assessments, in appropriate progress payments; and (iii) take all steps necessary to ensure the commencement and completion of such repair, reconstruction, and restoration in a lawful, workmanlike manner at the earliest possible date.

ARTICLE 20: CONDEMNATION

20.1 Notice. Promptly upon learning of any potential condemnation or sale by eminent domain, the Board shall notify all Members and first mortgagees who have filed a written request for notice.

20.2 Payment for Common Area. In the event an action in eminent domain is brought to condemn all or any portion of the Common Areas, the Association shall represent the Members in all proceedings, negotiations, or settlements. Awards for the acquisition of Common Area shall be paid to the Board, as trustee, for deposit into the Association's Reserves unless a majority of the total voting power of the Association elects to distribute the award among the Members in accordance with their Percentage Interest.

20.3 Payment for Lot. In the event that an action in eminent domain is brought to condemn all or any portion of one or more Lots, the award made for such taking shall be payable to the respective Owners of the Lots, subject to: (i) the rights of Mortgagees holding Mortgages covering such Lots; and (ii) all unpaid Assessments of each Member, taken together with interest charges. The Board of Directors shall have no responsibility for the restoration of a Member's personal property taken as a result of condemnation.

20.4 Revision of Documents. In the event of any condemnation of a part of the Development, the Board shall, as soon as practical, cause to be prepared, filed, and/or recorded a revised subdivision map, Condominium Plan, or other documents, reports, schedules, or exhibits necessary to show the changed or altered status of the Development.

20.5 Status of Membership. In the event a Lot is taken in condemnation, the Lot shall cease to be part of the Development, the Member shall cease to be a Member of the Association, and the Percentage Interest in Common Area appurtenant to that Lot shall automatically become vested in the remaining Members, in proportion to their respective Percentage Interests in the Common Area.

ARTICLE 21: MISCELLANEOUS

21.1 Amendment. These CC&Rs may be amended by the vote or written consent of Members comprising more than fifty percent (50%) of the Voting Power of the Association or as provided for by law, provided that the percentage of the Voting Power necessary to amend a specific provision shall not be less than the percentage of affirmative votes prescribed for action to be taken under that provision. Any amendment enacted in compliance with this provision shall become effective when recorded with the Office of the County Recorder.

21.2 Lender Approval. If a first Mortgagee is entitled by the terms of these CC&Rs to consent to or approve a proposed amendment or restatement to the CC&Rs, fails to return a ballot, such first Mortgagee shall be deemed to have consented to and approved the proposed amendment or restatement, provided the ballot was delivered by certified or registered mail with return receipt requested and the delivery signed for by a representative of the first Mortgagee.

21.3 Amendment to Conform to Statute. If at any time a provision in these CC&Rs contradicts current law, according to a written opinion of the Association's legal counsel, the Board of Directors will have the authority, on the unanimous approval of the Directors and without approval of the Members, to amend that provision, but only to the extent necessary to render the provision compliant with applicable law.

21.4 Term of CC&Rs. These CC&Rs shall continue in full force and effect for a term of sixty (60) years from the date of their recordation, after which time they shall be automatically extended for successive periods of twenty (20) years, unless within six (6) months prior to the expiration of the initial term or any twenty (20) year extension period a written agreement executed and acknowledged by at least seventy five percent (75%) of

the Members is placed on record in the office of the County Recorder, terminating the effectiveness of these CC&Rs.

21.5 Attorneys' Fees. Any reasonable attorneys' fees and costs incurred by the Association in the enforcement of the Governing Documents against a Member or to determine the rights or duties of the Member under the Governing Documents may be levied against that Member by the Board as a Reimbursement Special Assessment, which may be collected in any manner provided for by these CC&Rs or by law.

21.6 Notices. Any communication or notice of any kind permitted or required herein may be delivered as provided in these CC&Rs and shall be in writing and may be served, as an alternative to personal service, by mailing same as follows:

To a Member: To the street address of the Lot or at such other address as Member may designate in writing to the Association.

To the Association: To the address of the Manager or the Board President.

All notices or demands to be served by mail shall be by first-class mail with postage prepaid. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail.

21.7 Headings. The headings contained in these CC&Rs are for convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction of any term or provision of these CC&Rs.

21.8 Liberal Construction. The provisions of the Governing Documents shall be liberally construed to effectuate their purpose of creating a uniform plan for the use, operation and maintenance of the Development.

21.9 Number and Gender. Whenever the context so requires, the singular number includes the plural, the plural includes the singular, the masculine gender includes the feminine and/or neuter, and the neuter gender includes the masculine and/or feminine.

21.10 Severability. The provisions of these CC&Rs and any other Governing Document shall be deemed independent and severable and the invalidity, partial invalidity, or unenforceability of any one provision shall not affect the validity or enforceability of any other provision.

21.11 No Public Rights. Nothing contained in these CC&Rs shall be deemed to be a gift or dedication of all or any portion of the Development to the general public or for any public use or purpose whatsoever.

21.12 Successor Association. In the event the Association, as a corporate entity, is dissolved, a nonprofit, unincorporated association shall, without further action, automatically succeed to all the rights and duties of the corporation. The affairs of the

unincorporated association shall continue to be governed by these CC&Rs, the Bylaws, Architectural Standards, and the Rules and Regulations, as well as any applicable law.

21.13 Conflicting Provisions. In the event of any conflict between these CC&Rs and the Articles or the Bylaws, these CC&Rs shall control. In the event of any conflict between the Articles and the Bylaws, the Articles shall control.

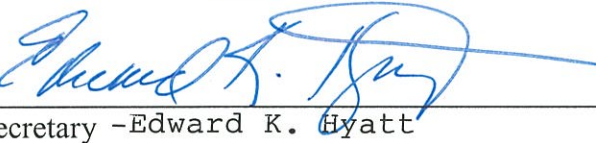
CERTIFICATION

WE CERTIFY this 11th day of OCT, 2017 that this Restated Declaration of Covenants, Conditions and Restrictions has been duly approved and adopted by the membership of Whitehawk Ranch Homeowners' Association.

WHITEHAWK RANCH HOMEOWNERS' ASSOCIATION



President-Earl H. Zeigler



Secretary -Edward K. Hyatt

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Plumas

On 10/11/2017 before me, Michael Tanguay, Notary Public
(insert name and title of the officer)

personally appeared Earl H. Zeigler and Edward K. Hyatt,
who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Michael Tanguay (Seal)

