

**CANYON TRAILS II COMMUNITY
ASSOCIATION
A California Non-profit Mutual Benefit
Corporation**

2024 RESTATED AND AMENDED BYLAWS

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CANYON TRAILS II COMMUNITY ASSOCIATION
A California Non-profit Mutual Benefit Corporation

2024 RESTATED AND AMENDED BYLAWS

ARTICLE I
RECITALS AND DEFINITIONS

Section 1.1 Name of Association. The name of the Association is CANYON TRAILS II COMMUNITY ASSOCIATION, a California nonprofit mutual benefit corporation (hereinafter referred to as the "Association"). The Association is organized under the California Nonprofit Mutual Benefit Corporation Law.

Section 1.2 Principal Office. The principal office for the transaction of the business of the Association is hereby fixed and located within the project or at other such place within San Diego County as the Board of Directors ("Board") may from time to time designate by resolution. Membership will be notified of any change to the principal office via their preferred method of communication pursuant to Civil Code Section 4040. The Board is hereby granted full power and authority to change said principal office from one location to another within the County of San Diego.

Section 1.3 Definitions Incorporated by Reference. The terms defined in the Declaration shall have the same meaning when used herein unless the context clearly indicates a contrary intention.

ARTICLE II
MEMBERSHIP

Section 2.1 Automatic Membership and Voting Power. Every person or entity who is an Owner of a Lot is a Member of the Association as provided in the Declaration. Membership is appurtenant to and may not be separated from ownership of any Lot which gives rise to such Membership in the Association.

Section 2.2 Term of Membership. Each Owner who is a Member shall remain a Member until he or she no longer qualifies as such under Section 2.1 above. Upon the sale, conveyance or other transfer of an Owner's interest in a Lot, the Owner's Membership interest appurtenant to the Lot shall automatically transfer to the Lot's new Owner(s).

Section 2.3 Member Voting and Multiple Ownership of Lots. Ownership of a Lot shall give rise to a single Membership vote in the Association. Additionally, a person with general power of attorney for a Member, who has provided satisfactory evidence thereof, shall not be denied a ballot and said ballot shall be counted if returned by the deadline for voting. If more than one Person owns a Lot, all of these Persons shall be deemed to be one Member for voting purposes, although all such Owners shall have equal rights as Members. The Secretary of the Association, through the Association community manager, shall be notified in writing of the Owner designated by his or her Co-Owners as having the sole right to vote the membership on their behalf, and the Secretary

will provide the inspector(s) of elections with any such notification. If no such notification is received by the Secretary, the inspector(s) of elections may accept the vote of any Owner of record of such an Owner as the vote attributable to the Lot in question, provided that if the multiple Owners of a Lot attempt to vote the membership attributable to said Lot in an inconsistent fashion, the inspector(s) of elections may refuse to count any ballot pertaining to the Lot.

Section 2.4 Suspension of Member's Rights. The Membership's rights and privileges, may be suspended by the Board for any period of time during which such Member is determined by the Board to be delinquent in assessments, in violation of the Declaration, or not in compliance with the obligations imposed by these Bylaws or the Rules and Regulations. No suspension or monetary penalty shall be effective until the Board gives such Member notice and the opportunity for a hearing before the Board, which satisfies the minimum requirements of Civil Code Section 5855. No suspension shall affect the rights of a Member to access his or her Lot or the right of a Member to vote.

ARTICLE III MEMBERSHIP VOTING

Section 3.1 Single Class of Membership. The Association shall have one class of voting membership.

Section 3.2 Member Voting Rights. On each matter submitted to a vote of the Members, whether at a meeting of the Membership called and held pursuant to the provisions of these Bylaws or otherwise, except as otherwise provided in the provisions regarding election of directors, each Member shall be entitled to cast one (1) vote for each Lot owned by such Member. Single Memberships in which two or more Persons have an individual interest shall be voted as provided in Section [2.3](#) of these Bylaws.

Section 3.3 Manner of Casting Votes.

Section 3.3.1. Voting. All Membership voting shall be conducted in one of five ways within the discretion of the Board and as permitted or required by law: 1) solely by mailed in or hand delivered written ballot, 2) by a combination of mailed in or hand delivered written ballots and voting at a meeting, 3) electronic ballots, 4) by a combination of written ballots and electronic ballots, or 5) solely at a meeting of the Members.

Section 3.3.2. Write-In Candidates. Members eligible to vote at any election of Directors may write-in the name of qualified candidate on the ballot provided that there is space on the pre-printed ballot expressly intended for this purpose. A vote for any write-in candidate who is not qualified to serve on the Board shall not be counted.

Section 3.4 Elections to be Conducted by Secret Ballots. Unless otherwise provided by California law, any election within the Association regarding Assessments, election and removal of members of the Board, amendments to the Governing Documents, the grant of exclusive use of the Common Area property pursuant to Civil Code Section 4600, and any other matters later designated by Civil Code as secret ballot voting measures shall be held by secret ballot in accordance with the procedures set forth in Civil Code Section 5100 et seq. The Association shall

adopt rules, in accordance with Civil Code Section 5105 for the conduct of fair elections, appointment of inspector(s) of elections, nomination of candidates and tabulation of election votes. Voting may be conducted via written secret ballots or electronic secret ballots. Of these foregoing, only a regular or special assessment increase vote must remain a written secret ballot vote unless otherwise required by law; the remaining items above may be conducted by secret electronic ballot.

For votes on any other matter not requiring a secret ballot, votes may be by secret ballot or by electronic or written ballot, and ballots may be distributed a reasonable time (which may be less than thirty (30) days) prior to the deadline for voting.

Once a vote is received by the Inspector of Elections, either via written or electronic ballot, the vote may not be revoked by the Owner.

Section 3.4.1. Inspector(s) of Elections. The Board shall select either one (1) or three (3) independent third parties to act as the inspector of elections. The independent third party may include a Member who is not a Board member, candidate for the Board, or related to either a Board member or candidate.

The independent third party may not be a person or entity who is currently employed or under contract to the Association for any compensable services other than for serving as an inspector of elections.

Section 3.5 Electronic Voting. The Association allows for voting in an election by electronic secret ballot. The following requirements must be met:

Section 3.5.1. A vote by electronic secret ballot is effective when it is electronically transmitted to an address, location, or system designated by the Association, an inspector or inspectors of elections.

Section 3.5.2. For determining a quorum, a Member voting electronically shall be counted as a Member in attendance at the meeting. Once the quorum is established, a substantive vote of the Members shall not be taken on any issue other than the issues specifically identified in the electronic vote.

Section 3.5.3. Electronic secret ballots and written ballots must contain the same list of items being voted on.

Section 3.5.4. The Association must provide the date and time by which electronic secret ballots are to be transmitted to be counted and instructions on how to vote by electronic secret ballot prior to the voting period.

Section 3.5.5. Prior to electronic voting period, the Inspector of Elections must provide Members with:

- (a) A way to authenticate the member's identity when accessing the electronic ballot,
- (b) A method to transmit an electronic secret ballot to the electronic voting system that ensures the secrecy and integrity of each ballot, and

- (c) A process to describe how they will confirm, at least 30 days before the voting deadline, that the member's electronic device can successfully be used for electronic voting.

Section 3.5.6. The electronic voting system used by the Association and its inspector(s) of election must be able to:

- (a) validate the member's identity;
- (b) authenticate the validity of each electronic secret ballot to ensure the electronic secret ballot is not altered in transit;
- (c) transmit a receipt from the electronic voting system to each member who casts an electronic secret ballot;
- (d) permanently separate any authenticating or identifying information from the electronic secret ballot to make it impossible to connect an election ballot to a specific member; and
- (e) store and keep electronic secret ballots accessible to the inspector(s) of election or their authorized representatives to recount, inspect, and review, if necessary.

Section 3.5.7. Opting Out of Electronic Voting. Members may opt out of electronic voting and may vote by written ballot, as described below, if the Member submits a written request to the Association's management company no later ninety (90) days before an election. The Association will mail a written ballot to a Member who has opted out of electronic voting.

If the Association does not have a Member's email address required to vote by electronic secret ballot by the time ballots are to be distributed, the Association will send the Member a written secret ballot.

Section 3.5.8. Text of the Proposed Amendment to Governing Documents. The Association may send the text of the proposed amendment to the Governing Documents electronically to Members who vote by electronic secret ballot. The Association will deliver a written copy of the text of the proposed amendment to the Governing Documents to those Members if they request a written copy without charge. If a Member votes by written secret ballot, pursuant to Section 5105, the Association will deliver a written copy of the text of the proposed amendment to the Member with the ballot.

Section 3.5.9. Voter List. The Association will maintain a voting list identifying which Members will vote by electronic secret ballot and which Members will vote by written ballot and include information on the procedures to opt out of voting by electronic secret ballot in the annual statement prepared pursuant to Civil Code Section 5310.

Section 3.6 Extension of Balloting. If, at the date specified for the return of ballots to the inspector(s) of elections or any extension thereof, the Association has not received sufficient ballots to constitute the minimum amount required to either have a quorum present to conduct the election, or the percentage required to amend the Governing Documents, or for other good reason as determined by the Board, then the deadline to return ballots may be extended by the Board and the tabulation meeting set forth in this Section 3.7 may be postponed.

Section 3.7 Open Tabulation of Votes. All ballots shall be opened, counted and tabulated by the inspector(s) of elections in public at a properly noticed meeting of the Board or Members. Any Member may witness the opening, counting and tabulation of the votes. No person shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated.

ARTICLE IV

MEMBERSHIP MEETINGS

Section 4.1 Place and Conduct of Meeting. All meetings of Members shall be held at a place where the Board deems reasonable and at such time as may be designated by the Board in the notice of the meeting. Meetings of Members shall be conducted in accordance with a recognized system of parliamentary procedure or such parliamentary procedures as the Board may adopt. All meetings may be held virtually pursuant to Civil Code Section 4926. Meetings to count ballots must still have a physical location but may have an option to attend virtually.

Section 4.2 Annual Meetings of Members. The annual meeting of Members shall be held once a year or as determined by the Board of Directors on a date, time and place as determined by the Board.

Section 4.3 Special Meetings. Without prejudice to the Board's discretion to determine the method by which balloting shall occur, special meetings of Members or a written or electronic balloting of Members may be called for at any time by the President or by a majority of a quorum of the Board, and shall be called by the Board upon receipt of a written request signed by Members representing at least five percent (5%) or more of the total voting power of the Members of the Association.

Section 4.3.1. Notice of Special Meeting. Notice of special meetings shall be given in the same manner as for annual meetings of Members. Notices of special meetings shall specify the place, day and hour of the meeting and the general nature of the business to be transacted.

Section 4.3.2. Procedures for Calling Special Meetings Requested by Members. If a special meeting is called by Members other than the Board of Directors or the President, the request shall be submitted by such Members in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other facsimile transmission to the President, or the Secretary of the Association. The officer receiving the request shall, within twenty (20) days after receiving the request, cause notice to be promptly given to the Members entitled to vote that a meeting will be held, and the date, time and purpose for such meeting, which date shall be not less than thirty-five (35) nor more than one-hundred and fifty (150) days following the receipt of the request.

Section 4.4 Notice of Members' Meetings.

Section 4.4.1. Requirement that Notice be Given. Notice of all regular and special meetings of the Members shall be sent or otherwise given in writing to each Member who is eligible to vote at the meeting as of the record date established by the Board.

Section 4.4.2. Time Requirements for Notice. All notices of a Members meeting shall be mailed not less than ten (10) days and not more than ninety (90) days before the date of the meeting.

Section 4.4.3. Manner of Service. Notice of any meeting of Members shall be given either personally or by first-class mail, or other written communication, charges prepaid, addressed to each Member either at the address of that Member appearing on the books of the Association or the address given by the Member to the Association for the purpose of notice. Notice may also be given by e-mail, facsimile or other electronic means if the recipient has agreed to that method of delivery and delivery is complete at the time of transmission.

Section 4.5 Quorum. Except as set forth in Section 5.7 of these Bylaws regarding removal of Directors, the presence in person or by proxy (if proxies are allowed), electronically, or the voting by mailed in ballots, hand delivered written ballots, or electronic ballots of at least twenty-five percent (25%) of the voting power entitled to vote shall constitute a quorum for Membership business. In the event a quorum is not achieved, any meeting may be adjourned for a time not less than five (5) days nor more than thirty (30) days following the time the original meeting or any voting by mailed in or hand delivered written ballot may be extended to a date when the quorum requirement shall be automatically reduced to five percent (5%) of the voting power of the Membership. Reduced quorum shall not apply to recall elections. Where the permitted quorum is less than twenty-five (25%) of the voting power of the Membership, the only matters that may be voted upon are those matters included in the original meeting notice or written ballot materials.

Section 4.6 Adjourned Meeting and Notice Thereof. Any Membership meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the voting power present, but, in the absence of a quorum, no other business may be transacted at any such meeting.

Section 4.6.1. Notice of Adjourned Meeting. When any Membership meeting is adjourned for thirty (30) days or less, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting other than by an announcement at the meeting at which adjournment is taken. The adjourned meeting will be noted within the meeting minutes.

Section 4.7 Minutes, Presumption of Notice. Minutes or a similar record of the proceedings of meetings of Members, when signed by the President and the Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice was properly given shall be prima facie evidence that notice was given.

ARTICLE V BOARD OF DIRECTORS

Section 5.1 Powers and Duties. The Board shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of the Project subject only to such limitations on the exercise of such powers as are set forth in the Declaration, Articles of Incorporation, and these Bylaws. The Board shall have the power to do any lawful thing that may be authorized, required, or permitted to be done by the Association under the Declaration, the Articles of Incorporation and these Bylaws, and to do and perform any act that may be necessary or proper for or incidental to, the exercise of any of the express powers of the Association. In

addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board shall have the power to and be responsible for, the following, in way of explanation, but not limitation:

Section 5.1.1. Management of Business. To conduct, manage and control the affairs and business of the Association, and to make such Rules and Regulations consistent with governing law, the Articles of Incorporation, the Declaration and these Bylaws.

Section 5.1.2. Enforcement and Litigation. To enforce the provisions of the Declaration, the Articles, these Bylaws, the Rules and Regulations, the provisions of any agreement to which the Association is a party, and other instruments for the ownership, management and control of that portion of the Properties which are within the jurisdiction of the Association.

To commence and maintain actions in the name of the Association for damages and/or to restrain and enjoin any actual or threatened breach of any provision(s) of the Governing Documents or any decisions or resolutions of the Board by an Owner and to enforce by injunction or otherwise all of these provisions. To prosecute and defend actions on behalf of one or more Member, or the Association, to protect the interests of the Members or the Association, as long as the action is pertinent to the operations of the Association.

Section 5.1.3. Levy Fines, Suspension of Rights and Privileges. To temporarily suspend a Member's rights and privileges and/or assess monetary penalties against any Member or other person entitled to exercise such rights or privileges for any violation of the governing documents. However, before a decision to impose such a suspension or monetary penalties is reached by the Board, the aggrieved Member shall be provided with ten (10) days-notice and an opportunity to be heard by the Board, orally or in writing, in accordance with Civil Code Section 5855. A Member's voting rights may not be suspended.

Section 5.1.4. Delegation of Powers. To delegate the management of the activities of the Association to any person or persons, management company or committee, provided that the affairs of the Association shall be managed and all Association powers shall be exercised under the ultimate discretion of the Board.

Section 5.1.5. Adopt and Establish Rules and Regulations. To adopt, amend and repeal as it deems reasonable, rules and regulations governing the use of or relating to the Properties by all Owners, their family members, guests, tenants and/or employees.

Section 5.1.6. Selection of Officers. To select, remove, and supervise all the Officers, agents and employees of the Association, prescribe such powers and duties for them as may be consistent with law, the Articles, these Bylaws and the Declaration and, subject to the provisions of these Bylaws, to fix their composition.

Section 5.1.7. Insurance Contracts. To contract for and pay premiums for fire, casualty, liability and other insurance and bonds (including indemnity bonds) that may be required or desirable from time to time by the Association.

Section 5.1.8. Maintenance and Repair Contracts. To contract for and pay for maintenance, landscaping, utilities, materials, supplies, labor and services that may be required from time to

time in relation to the Common Areas and other portions of the Properties which the Association is obligated to maintain.

Section 5.1.9. Financial Statements. To prepare budgets and maintain a full set of books and records showing the financial condition of the affairs of the Association in a manner consistent with generally accepted accounting principles, and at no greater than annual intervals prepare an annual financial report, a copy of which shall be delivered to each Member as provided in these Bylaws.

Section 5.1.10. Vacancies. To fill vacancies on the Board of Directors or on any committee, except a vacancy created by the removal of a Board Member by the Association Members.

Section 5.1.11. Bank Accounts. To open bank accounts and borrow money on behalf of the Association, and to designate the signatories to such bank accounts.

Section 5.1.12. Committees. To establish, maintain and, except for any committee required by the Declaration, to disband any committee, and to appoint and/or remove any or all committee members at the Board's sole discretion.

Section 5.1.13. Borrow Money. To borrow money on behalf of the Association from a third party and to pledge the Association's assets as security therefor provided that no such borrowing or pledge exceeding the sum of Ten Thousand Dollars (\$10,000.00) shall be permitted without the prior approval of a majority of the voting power of the Membership.

Section 5.1.14. Purchase Lot. To purchase any Lot located within the Association via sale, deed in lieu of foreclosure, or through lien foreclosure.

Section 5.2 Duties of the Association. In addition to the powers delegated to it by its governing documents, and without limiting their generality, the Association, acting by and through the Board and its agents, has the obligation to conduct all business affairs of common interest for all Owners and to cause to be performed each of the duties set forth below:

Section 5.2.1. Operation and Maintenance of Common Area. To manage, operate, maintain, and repair the Common Area and any facilities, improvements, and landscaping located thereon, and the restoration and replacement of any or all of the structures or improvements which are part of the Common Area, in an acceptable condition and in a good state of repair as may be determined by the Board.

Section 5.2.2. Taxes and Assessments. To pay all real and personal property taxes and assessments and all other taxes levied against the Association.

Section 5.2.3. Water and Other Utilities. To acquire, provide and pay for water, sewer, garbage disposal, refuse and rubbish collection, electrical, pest control, gas and other necessary utility services for the Common Area and Common Maintenance Area, and to the extent not separately metered or charged, for each Lot.

Section 5.2.4. Insurance. To contract and pay for fire, casualty, liability, fidelity and other insurance adequately insuring the Association and Owners with respect to the Common Area and the affairs of the Association.

Section 5.2.5. Assessments. To establish, fix, and levy assessments against the Owners and to enforce payment of such assessments, in accordance with the provisions of the Declaration.

Section 5.2.6. Budget and Financial Statements. To prepare budgets and financial statements for the Association as provided in these Bylaws.

Section 5.3 Limitations on the Authority of the Board. The Board is prohibited from taking any of the following actions, except with the vote or written consent of a majority of a quorum Members:

Section 5.3.1. Entering into a contract on behalf of the Association for a term longer than one (1) year which cannot be terminated by the Association on two (2) months' notice or less without cause or payment of a termination fee or penalty, with the following exceptions:

- a. A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission; provided, however, that the term of the contract must not exceed the shortest term for which the supplier will contract at the regulated rate;
- b. Prepaid casualty and/or liability or fidelity insurance policies of up to three (3) years duration, provided that the policy permits for short rate cancellation by the insured;
- c. Investment of reserve funds;
- d. A management contract, the terms of which have been approved by the VA and FHA; and
- e. Contracts with a term not to exceed three (3) years which are terminable by the Association without cause, penalty or other obligations after one (1) year upon sixty (60) days written notice of termination given by the Association to the other party.

Section 5.3.2. Paying compensation to Directors or officers of the Association for services performed in the conduct of the Association's business, except that Directors and officers may be reimbursed for expenses incurred in carrying on the business of the Association.

Section 5.4 Number and Qualifications of Directors and Candidates. The Board shall consist of three (3) Directors. The Board's number is subject to change following a resolution by the Board. The following are the required qualifications of Directors of the Board and Candidates.

- a. A Director must be a Member of the Association.
- b. A Director and Candidate for Director may not serve on the Board at the same time as another owner of the same separate interest.

- c. A Director and Candidate for Director may not be delinquent in the payment of regular and/or special assessments. A Director or Candidate for Director shall not be considered “delinquent” if the delinquency relates to the payment of fines, fines renamed as assessments, collection charges, late charges, or costs levied by a third party if the Director or Candidate for Director: (i) has paid the regular or special assessment under protest; (ii) has entered into a payment plan for repayment of the delinquent assessments and is not delinquent in payments due under the plan; or (iii) the Director or Candidate for Director has requested and has not been provided an opportunity to engage in internal dispute resolution.
- d. A Candidate for Director must have been a member of the Association for at least one year.
- e. A Director or Candidate for Director is not qualified to serve as a Director if the Candidate discloses, or the Association becomes aware of a past criminal conviction that would either prevent the Association from purchasing the insurance required by Civil Code Section 5806 or would terminate the Association’s existing insurance required by Civil Code Section 5806.
- f. Board members must complete any required filings of information that are or may be required by the State of California or federal government. These filing may require Board members to file their personal information such as their names, birth dates, home addresses, and/or driver’s license numbers, etc. Failure to comply with these laws will result in in disqualification as a Board member or candidate for the Board.

Section 5.5. Election and Term of Office. Directors shall be elected for one (1) year terms. Appointed Directors shall serve the remaining term of a vacant position. All Directors shall hold office until their term expires, they resign or until their position is declared vacant.

Section 5.6 Nomination Procedures. Nomination for election to the Board of Directors may be made in such reasonable manner as the Board shall determine provided that any natural person who is a Member may nominate himself or herself for election to the Board subject to any qualification requirements in the Governing Documents will be allowed at any Members’ meeting. Each nominee shall be given a reasonable opportunity to communicate to the Members the nominee’s qualifications and the reasons for the nominee’s candidacy. Each nominee shall be given a reasonable opportunity to solicit votes and the Members shall be given a reasonable opportunity to choose among the nominees.

Section 5.7 Removal of Directors by the Members. Any Director may be removed from the Board, with or without cause, by a majority of the voting power for the Association.

Section 5.8 Removal of Directors by the Board. Any Director may be removed from the Board and a Director’s position on the Board may be declared vacant by a majority of a quorum of the Board for any one or more of the following good causes:

Section 5.8.1. Director No Longer Qualifies to Serve on the Board. If a Director no longer qualifies under the provisions of Section 5.4 of these Bylaws.

Section 5.8.2. Excessive Absences. When the Director has been absent from three (3) consecutive regular Board meetings or a total of four (4) regular Board meetings in any calendar year without just cause in the reasonable opinion of the Board.

Section 5.9 Vacancies. Vacancies on the Board created other than by removal by the Members may be filled by a majority of the remaining Directors, though less than a quorum, and each Director so elected shall hold office until his or her successor is elected at the end of the former Director's term or at a special meeting called for that purpose. Any Director appointed by the Board shall thereafter be deemed for all purposes to be in the same position as if the Directors had been elected by the Members, and may only be removed prior to the end of his or her term in the same manner as Directors who have been elected by the Members. Vacancies on the Board created by the removal of any Director may be filled only by the vote of the Members. The Members may at any time call a meeting to elect Directors to fill any vacancy not filled by the Directors.

Section 5.10 Resignation. Any Director may resign upon giving written notice to the President, the Secretary or the entire Board. Such resignation shall be effective on the date or event specified in the notice of resignation, or if no date is specified, on the date that written notice of resignation is received.

Section 5.11. Election Procedures. The annual election of Directors shall be conducted by secret written ballot or electronic secret ballot, and in a manner consistent with the Civil Code.

Section 5.12. Voting by Acclamation. The Association may declare the outcome of uncontested elections without the need for balloting and can elect qualified candidates by acclamation. (See Article 5, Section 5.4 for definition of Qualified Candidate). The following requirements must be met for the Association to vote by acclamation:

5.12.1. Frequency of Elections to Vote by Acclamation. The Association must have held a regular election for directors in the last three (3) years to be able to vote by acclamation. (Civ. Code Section 5103(a)).

5.12.2. Number of Candidates. The number of qualified candidates for the election cannot exceed the number of vacancies on the Board to be elected. (Civ. Code Section 5103).

5.12.3. Notice of Nomination Submission Deadline. Notice for submitting nominations must be given at least ninety (90) days before the deadline for submitting nominations. The notice will include (a) the number of open positions on the Board, (b) the deadline to submit nominations, (c) how to submit nominations, and (d) a statement informing Members the seats can be filled by acclamation without balloting. (Civ. Code Section 5103(b)(1)).

5.12.4. Reminder Notice of Nomination Submission. A reminder notice will be sent to Members seven (7) days to thirty (30) days before the deadline to submit nominations. (Civ. Code Section 5103(b)(2)).

5.12.5. Acknowledgement of Nomination. The Association must provide acknowledgment of the nomination (i) to the Member who submitted the nomination and

(ii) to the nominee that they either qualify or do not. If disqualified, the Association must include the reason for the disqualification and the nominee's right to appeal. (Civ. Code Section 5103(c)). This acknowledgment must be sent within seven (7) business days of receiving a nomination. (Civ. Code Section 5103(c)).

5.12.6. Noticed Meeting to Vote by Acclamation. The vote by acclamation must take place at a noticed meeting with the name of each qualified candidate seated by acclamation included on the meeting's agenda. (Civ. Code Section 5103(d)).

ARTICLE VI BOARD MEETINGS

Section 6.1 Place of Meetings. Regular and special meetings of Board of Directors may be held at any place stated in the notice of the meeting.

Section 6.2 Organization Meetings. As soon as reasonably practical, following each annual meeting of Members, the Board shall hold a meeting for the purpose of organization, election of Officers and the transaction of other business. Notice of such meetings is not required and meeting may take place immediately after the Annual Meeting.

Section 6.3 Regular Meetings. Regular meetings of the Board shall be held quarterly or as business dictates or at such time as the Board shall determine at a location within a reasonable proximity to the Project. However, if the business to be transacted by the Board does not require the Board to meet on a monthly basis, said meetings shall be held at least every three (3) months. Financial documents and statements shall be reviewed by the Board on a monthly basis as required by Civil Code Section 5100, and if there is not a monthly meeting, ratified at the next Board meeting. Notice of regular meetings of the Board will be communicated to the Members in writing, either electronically or mailed, and communicated to Directors not less than four (4) days before the meeting.

Section 6.4 Special Open Meetings. Special meetings of the Board for any purpose may be called at any time by the President, Secretary, or by any two (2) Directors other than the President or Secretary. Written notice of the time and place of special meetings and the nature of any special business to be considered shall be posted in the manner prescribed for notice of regular meetings and shall be sent to all Directors by first class mail not less than four (4) days before the scheduled time of the meeting, or such notice shall be delivered personally or by telephone or electronically not less than forty-eight (48) hours before the scheduled time of the meeting.

Section 6.5 Notice of Meetings. Except in an emergency, notice of an open Board meeting shall be given to Members not less than four (4) days before the meeting and notice of an executive session Board meeting shall be given to Members not less than two (2) days before the meeting. Notice of Board meetings shall be given to the Members by General Delivery in accordance with Civil Code Section 4045, including 1) delivery individually by first class mail, 2) inclusion with a document that is delivered by one the methods provided by Civil Code Section 4045 or 3) by posting in a prominent location in the Properties accessible to all Members, provided that such location has been designated in the annual policy statement delivered to all Members pursuant to Civil Code Section 5310.

Section 6.6 Quorum. A majority of the Directors then in office shall be necessary to constitute a quorum for the transaction of business, except to adjourn. Every action done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board. No single Board member may act without the authority of the Board except as expressly authorized by the Governing Documents or the Board.

Section 6.7 Adjournment. A majority of a quorum of the Directors may adjourn any Directors' meeting to meet again at a stated date and hour. In the absence of a quorum, a majority of the Directors present at the Directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board. Unless a meeting is adjourned for more than twenty-four (24) hours, notice of adjournment of any Directors meeting need not be given to absent Directors if the time and place are fixed at the meeting adjourned.

Section 6.8 Attendance at Meetings and Executive Sessions.

Section 6.8.1. Regular and Special Open Meetings. Regular and special open meetings of the Board shall be open to all Members of the Association, but not to any other person unless expressly authorized by the Board. Members shall be entitled to speak at any open meeting regarding any Association business during the Open Forum portion of such meeting subject to any reasonable conditions as to time or otherwise as may be imposed by the Board or meeting chairperson. Members who are not Directors may not participate in any deliberation or discussion of the Board outside of Open Forum unless expressly permitted by the Board.

Section 6.8.2. Executive Session Meetings. The Board may conduct a meeting in executive session to discuss and vote upon personnel matters, formation and termination of contracts with third parties, litigation in which the Association is or may become involved, discipline of a member if the member requests such executive session to discuss same, to obtain the advice of legal counsel and other matters of business of a similar nature. Only Directors and other invited parties and members being disciplined who have requested attendance at an executive session meeting for such purpose, shall be entitled to attend. The nature of any and all business to be considered in executive session shall first be announced in open session. Any manner discussed in executive session shall be generally noted in the minutes of the Board.

Section 6.8.3. Recordation of Meetings. Meetings of the Board may not be recorded by any audio or visual device without the express written authority of the Board of Directors.

Section 6.9 Emergency Meetings. An emergency Board meeting may be held at any time without notice as provided in Section 6.5 above. An emergency matter is a matter which could not have been reasonably foreseen by the Board and which requires immediate attention and possible action by the Board, and which of necessity makes it impractical to provide a four-day notice for an open Board meeting or a two-day notice for an executive session Board meeting to the membership.

Section 6.10 Action Without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting, if all Members of the Board consent in writing to the action. Action by written consent shall have the same force and effect as a unanimous vote of the Board. Written consent or consents shall be filed with the minutes of the proceedings of the Board.

An explanation of the action to be taken or actually taken by the Board shall be given to the Members of the Association within three (3) days after all written consents have been obtained. The explanation shall be given in the same manner as provided in the Bylaws for the giving of notice of regular meetings of the Board. Failure to give notice shall not render the action to be taken or actually taken invalid.

ARTICLE VII OFFICERS

Section 7.1 Officers. The Officers of the Association shall consist of a President, Vice President, Secretary, and Treasurer who shall be Directors, and such other officers as the Board may from time to time by resolution create. One person may hold two (2) or more offices, except the offices of President and Secretary cannot be held by the same person at the same time.

Section 7.2 Election and Term. The Officers of the Association, except such Officers as may be appointed in accordance with the provisions of this Article, shall be chosen annually by a majority vote of the Board for a term of one (1) year and each shall hold his or her office until he or she shall resign, or shall be removed or otherwise disqualified to serve, his or her term ends, or his or her successor be elected and qualified.

Section 7.3 Removal and Resignation from Office. Any Officer may be removed, with or without cause, by a majority of the Directors at any meeting of the Board. Any Officer may resign at any time by giving written notice to the Board or to the President, or to the Secretary of the Association. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified in the resignation. Unless otherwise specified in the resignation, the acceptance of the resignation is not required to make it effective.

Section 7.4 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in the Bylaws for regular appointments to such office.

Section 7.5 President. The President shall be the chief executive officer of the Association and shall, subject to the control of the Board, have general supervision, direction and control of the business and Officers of the Association. The President shall preside at all meetings of the Members and at all meetings of the Board. The President shall see that orders and resolutions of the Board are carried out, sign all leases, mortgages, deeds and other written instruments, and co-sign all checks and promissory notes unless others are so authorized by resolution of the Board. The President, by virtue of his or her office, shall be an ex-officio Member of all standing committees, and shall have the general powers and duties of management usually vested in the office of President of a corporation, and shall have such other powers and duties as may be prescribed by the Board or by these Bylaws.

Section 7.6 Vice President. In the absence or disability of the President, the Vice President shall perform all the duties of the President, and when so acting shall have all powers of and be subject to all the restrictions upon the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed for him or her by the Board or by these Bylaws.

Section 7.7 Secretary. The Secretary shall keep, or cause to be kept, a book of the minutes at the principal office or such other place as the Board may order of all meetings of Directors and Members, with the time and place of the meeting, whether regular or special, and if special how authorized, the notice given, the names of those present at the Directors' meetings, the number of Members present or represented at Members' meetings and the proceedings of the meeting. The Secretary shall give or cause to be given, notice of all the meetings of the Members and of the Board required by these Bylaws or by law to be given, and shall keep other powers and perform such other duties as may be prescribed by the Board or these Bylaws.

Section 7.8 Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital and surplus. The Treasurer shall sign all checks and promissory notes of the Association unless others are so authorized by resolution of the Board. The Treasurer shall cause an annual audit of the Association's books to be made by a public accountant at the completion of each Fiscal Year.

Section 7.9 Delegation of Duties. The Association, acting by and through the Board, may delegate the duties of any of its Officers to committees or employees, including a professional managing agent.

ARTICLE VIII MISCELLANEOUS

Section 8.1 Fiscal Year. The fiscal year of the Association shall be as determined by the Board and can be changed at the discretion of the Board.

Section 8.2 Parliamentary Procedures. In the event of a dispute concerning the procedural aspects of any meeting of Members which cannot be resolved by reference to these Bylaws or applicable law, the matter shall be resolved by reference to the Revised Robert's Rules of Order or other established parliamentary procedure publication.

Section 8.3 Personal Liability. No Member of the Board, or of any Committee of the Association, or any Officer of the Association shall be personally liable to any Owner, or to any other party, including the Association, for any error or omission of the Association, the Board, its authorized agents or employees, if such person has acted in good faith without willful or intentional misconduct.

Section 8.4 Indemnification of Association. Every Director and every Officer past or present of the Association shall be indemnified by the Association against expenses and liabilities, including reasonable attorney's fees, incurred or imposed upon him or her in connection with any proceeding in which he may be a party, or in which he may become involved, by reason of his or her being, or having been, a Director or an Officer of the Association, or any settlement thereof, except in such cases wherein the Director or Officer is adjudged guilty of gross negligence or malfeasance in the performance of his or her duties. Indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

Section 8.5 Amendment Procedures. These Bylaws may be adopted, amended or repealed only by the affirmative vote of Members representing a majority of the total voting power of the Association. Any amendment shall become effective upon the signing of a Certificate of Amendment by the Secretary of the Association which verifies that the amendment was approved by the requisite number or percentage of the Owners and was done in accordance with the procedures set forth in these Bylaws.

Section 8.6 Amendments for Changes in the Law. A provision of these Bylaws may be amended for the sole purpose of bringing the provision into compliance with the law by a vote of the Board of Directors.

Section 8.7 Conflict Between Documents. In the case of any conflict between the Articles and the Bylaws, the Articles shall control. In the case of any conflict between the Declaration and the Bylaws, the Declaration shall control.

CERTIFICATION

We, the undersigned, do hereby certify:

1. That each of us is an Officer of Canyon Trails II Community Association, a California non-profit mutual benefit corporation; and
2. That we have counted the ballots of the 2024 Restated and Amended Bylaws for Canyon Trails II Community Association, and can confirm and that they have met the necessary number for amending said Bylaws.

In Witness Whereof I sign my name this _____ day of _____, 2025.

Canyon Trails II Community Association

By: _____

Print Name: _____

Title: _____

In Witness Whereof I sign my name this _____ day of _____, 2025.

Canyon Trails II Community Association

By: _____

Print Name: _____

Title: _____

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Canyon Trails II Community Association
c/o Timothy P. Flanagan, Esq. (SBN: 246974)
6050 Santo Road, Suite 200
San Diego, CA 92124
Telephone: (619) 489-3100

Space Above for Recorder's Use

**2024 AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
CANYON TRAILS II COMMUNITY ASSOCIATION**

If this document contains any restriction based on race, color, religion, sex, familial status, marital status, military status, disability, national origin, or ancestry, that restriction violates state and federal fair housing laws and is void and may be removed pursuant to Section 12956.1 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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**2024 AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR CANYON TRAILS II**

This 2024 AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (“Declaration”) is made on the day and year hereinafter written by Canyon Trails II Community Association (“Association”) with reference to the following Recitals:

RECITALS

- A. Declarant was the owner of the real property located in the City of San Diego, County of San Diego, California, Described as:

Lots 1 through 36, of VISTA ALEGRE according to Map thereof No. 13309 filed in the Office of the County Recorder of San Diego County, California, 011 Match 13, 1996 (“Properties”).
- B. Lots 1 through 35, inclusive, are residential lots and Lot 36 is a Common Area lot (as such terms are defined in this Declaration). The Common Area lot is improved with partially natural and partially landscaped open space.
- C. A Declaration of Covenants, Conditions, and Restrictions for Canyon Trails II Community Association was recorded on March 28, 1996, as Document No. 1996-0152442 in the Official Records of San Diego County (“Original Declaration”).
- D. Declarant conveyed the Properties, subject to certain easements, protective covenants, conditions, restrictions, reservations, liens and charges as set forth in the Original Declaration referred to above, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Properties and be binding on all parties having or acquiring any right, title or interest in the Properties, or any part thereof their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

Declarant sold and conveyed Lots to the Owners, subject to the protective covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, charges, and equitable servitudes between Declarant and such Owners which are set forth in this Declaration and which are intended to be in furtherance of a general plan for the subdivision, development, sale and use of Properties as a common interest development as defined in Section 4100 of the California Civil Code. NOW, THEREFORE, the Association hereby declares that the Original Declaration, and any other amendments, declarations, or other documents, recorded or unrecorded are hereby rescinded, supplemented, canceled and terminated in full. Said documents are to be completely superseded by this Declaration. As so amended and restated, the covenants, conditions, and restrictions set forth in this Declaration shall serve as restrictions on the use and enjoyment of the Properties, shall be equitable servitudes enforceable against the Properties and run with the land and be binding on the Properties and Common Area, and shall be binding upon all parties having or acquiring and right, title, or interest in the Lots or any portion thereof, and shall inure to

the benefit of each Owner, and their successors and assigns thereof. The provisions of this Declaration shall be effective as of the date this Declaration is recorded.

ARTICLE I

DEFINITIONS

Unless the context clearly indicates otherwise, the following terms used in this Declaration are defined as follows:

Section 1.1. “Architectural Guidelines” shall mean and refer to the policies and procedures established by the Board and/or the Architectural Review Committee governing any proposed changes to the Properties.

Section 1.2. “Architectural Review Committee” shall mean and refer to the design review committee established to ensure compliance with architectural standards established by the Association and to help preserve the physical harmony and appearance of the community as a whole.

Section 1.3. “Articles” shall mean and refer to the articles of incorporation of the Association.

Section 1.4. “Assessments” shall mean and refer to any singular, special or reimbursement assessment as defined in this Declaration and the Davis-Stirling Common Interest Development Act.

Section 1.5. “Association” shall mean and refer to Canyon Trails II Community Association, a California nonprofit mutual benefit corporation, incorporated under the laws of the State of California, its successors and assigns.

Section 1.6. “Association Property” shall mean all the real property owned from time-to-time, in fee title by the Association.

Section 1.7. “Beneficiary” shall mean and refer to a mortgagee, or the beneficiary or holder of a note secured by a deed of trust, and/or the assignees of a mortgage, beneficiary or holder.

Section 1.8. “Board” or “Board of Directors” shall mean and refer to the Board of Directors of the Association.

Section 1.9. “Bylaws” shall mean and refer to the Bylaws of the Association, which may be duly amended from time-to-time.

Section 1.10. “City” – The City of San Diego, California.

Section 1.11. “Common Area” shall mean and refer to Association Property, together with all Improvements constructed thereon located within the properties which is owned, leased

or acquired from time-to-time by the Association for the common use and enjoyment of the owners.

Section 1.12. “Common Expenses” shall mean and refer to any cost for which use of the Association funds is authorized by the Governing Documents or applicable laws. These expenses include any use of the common funds authorized by this Declaration and the Bylaws and includes, without limitation: (a) all expenses or charges incurred by or on behalf of the Association for the management, maintenance, administration, operation, repairs, additions, alterations, or reconstruction of the Common Area and Common Facilities, (b) all expenses or charges reasonably incurred to procure insurance for the protection of the Association, the Board of Directors, the Officers of the Association and committee members, (c) any amounts reasonably necessary for reserves for maintenance, repair, and replacement of the Common Areas and Common Facilities that the Association is obligated to maintain or replace, and (d) the use of such funds to defray the costs and expenses incurred by the Association in the performance of its functions or in proper discharge of the responsibilities of the Board as provided in the Governing Documents.

Section 1.13. “Common Facilities” shall mean all of the real property constituting or located upon the Common Area, including, without limitation, trees, hedges, plantings, lawns, shrubs, landscaping, fences, utilities, beams, pipes, lines, lighting fixtures, buildings, structures and other facilities constructed or installed, or to be constructed or installed, or currently located within the Common Area.

Section 1.14. “Common Interest Development Plan” is the recorded document and recorded amendments which describes and defines the entire development and details the various property rights of the Owners.

Section 1.15. “Common Maintenance Area” shall mean and refer to the other real property (other than the Common Area), the maintenance of which is the responsibility of the Association as provided in the Declaration or by easement or agreement.

Section 1.16. “Declarant” SHEA HOMES LIMITED PARTNERSHIP, a California limited partnership, its successors and assigns, if such successor or assigns should acquire more than five (5) Lots for the purpose of development, and the rights of “Declarant” are assigned to them.

Section 1.17. “Declaration” or “CC&Rs” shall mean and refer to the 2024 Amended and Restated Declaration of Covenants, Conditions and Restrictions.

Section 1.18. “Fiscal Year” shall mean the accounting period selected by the Board covering twelve (12) consecutive months, at the end of which the Association’s books are closed.

Section 1.19. “Governing Documents” is a collective term that shall mean and refer to this Declaration, the Articles, Bylaws, Common Interest Development Plan, Architectural Guidelines, and Association Rules, as well as other documents enacted by the Association or recorded or filed with any governmental agency with respect to the Properties.

Section 1.20. “Improvement” shall mean any structure and any fixture and fitting of every type and kind of a permanent or semi-permanent nature, together with any utilitarian or

decorative part, finish or addition thereto, and all hard or soft landscaping installations or alterations.

Section 1.21. “Lot” or “Residential Lot” shall mean and refer to any numbered plot of land shown as a separate lot or parcel upon any recorded Final Map or Parcel Map of any portion of the Properties except for the Common Area, upon which a residence has been permitted or constructed.

Section 1.22. “Member” shall mean any Owner of a Lot in the Properties who is entitled to membership in the Association as provided in the Declaration. All Owners are Members of the Association.

Section 1.23. “Mortgage” shall mean and refer to any security interest encumbering all or any portion of a Lot.

Section 1.24. “Mortgagee” shall mean and refer to the beneficiary of a Mortgage including the beneficiary of a Deed of Trust and any guarantor or insurer of a Mortgage.

Section 1.25. “Mortgagor” shall mean the borrower who borrows money by mortgaging his property to a lender as security.

Section 1.26. “Owner” shall mean any record owner(s), whether one or more persons or entities, of fee simple title to any Lot, including contract sellers, but excluding any person or entity who or which holds an interest in a Lot merely as security for the performance of any obligation.

Section 1.27. “Properties” shall mean and refer to the real property described in the recitals of this Declaration.

Section 1.28. “Quorum” shall mean and refer to a simple majority of the Board or the Members that constitute a quorum thereof, unless specifically stated otherwise in a particular provision of the Declaration or Bylaws.

Section 1.29. “Residence” or “Dwelling” shall mean and refer to the single-family home built on each Lot within the Properties, except for lot 36 which is a Common Area lot.

Section 1.30. “Resident” shall mean the person or persons that occupy and live in a lot within the Properties.

Section 1.31. “Rules” shall mean any written rules, regulations, policies, and/or procedures regulating the use and/or operation of the Association and/or the Properties and any part thereof which rules have been adopted and promulgated by the Board pursuant to the provisions herein or as permitted by California Law.

ARTICLE II

PROPERTY RIGHTS IN THE COMMON AREA

Section 2.1. Owner's Easements of Enjoyment. Each Owner shall have a right and easement of ingress, egress and of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to the Owner's Lot, subject to the following provisions:

- (a) The right of the Association to suspend right to use the Common Area by an Owner for any period for any period during which the Owner is delinquent in the payment of any Assessment, fine or monetary penalty, or as otherwise provided in the Governing Documents.
- (b) The right of the Board to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Board. No dedication or transfer of all or substantially all of the assets of the Association shall be effective unless approved by the vote or written assent of the majority of the voting power of the membership, and an instrument has been recorded agreeing to such dedication or transfer in accordance with the California Corporations Code.
- (c) The right of the Board, in accordance with the Articles and Bylaws, to borrow money for the purpose of improving the Common Area and in the aid that the rights of such mortgages shall be subordinate to the rights of the Owners.
- (d) The right of the Association to lease all or portions of the Common Area for uses consistent with the City's zoning ordinances.
- (e) The right of access, ingress, and egress of Owners over the Common Area and the right of installation and use of utilities on the Common Area for the benefit of Lots, subject to rules and regulations adopted by the Board.
- (f) The right of the Board to grant maintenance, access and utility easements over the Common Area to others and to convey portions of the Common Area to others.
- (g) The right of the Board to adopt rules and regulations relating to the use of the Common Area and the governance of the Properties.
- (h) The right of the Association to establish and enforce reasonable rules and regulations pertaining to the use of the Common Area.
- (i) The right of the Association to determine and maintain the landscaping and plantings within the Common Area.
- (j) The right of the Association to approve any proposed alteration or modification to the Common Area.
- (k) The restrictions on use of the Common Area as imposed by the City in connection with the City approvals described in Article V of the Declaration, including open space easements dedicated to the City on Final Map 13309.

Section 2.2. Delegation of Use. Any Owner may delegate, in accordance with the Declaration, his or her rights with respect to use of the Common Area and facilities to the members of his or her family, tenants or contact purchasers who reside on his or her Lot. However, the Common Area is intended to be maintained as open space without any active recreational facilities, and access to the Common Area by Owners is limited.

Section 2.3. Waiver of Use. No member may exempt himself or herself from personal liability for assessments fully levied by the Association, nor release the Lot owned by him or her from the liens and charges hereof, by waiver of the use and enjoyment of the Common Area, or the abandonment of his or her Lot.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN ASSOCIATION

Section 3.1. Membership. Every Owner of a Lot which is subject to assessment by the Association shall be a Member of the Association. Membership is appurtenant to and may not be separated from ownership of a Lot which is subject to assessment. Ownership of a Lot shall be the sole qualification for membership. Not more than one membership shall exist based upon ownership of a single Lot.

Section 3.2. Transfer. The membership held by any Owner shall not be transferred, pledged or alienated in any manner, except upon the conveyance or encumbrance of such Lot and then only to the purchaser or Mortgagee of such Lot. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association. In the event an Owner should fail or refuse to transfer the membership registered in his name to the purchaser of such Lot, the Association shall have the right to record the transfer upon the books of the Association.

Section 3.3. Voting Rights. All Members have the right to vote. Any Owner(s) of record, of a Lot within the Properties shall be a Member. When more than one person holds an interest in any Lot, all such persons shall be Members; provided the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Section 3.4. One Class of Voting. The Association shall have one (1) class of voting.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS TO ASSOCIATION

Section 4.1. Creation of Lien and Personal Obligation for Assessments. Each Owner of a Lot by acceptance of a deed to a Lot, whether or not it shall be so expressed in the deed, is deemed to covenant to pay to the Association: (a) regular assessments; and (b) special assessments; (c) reimbursement assessments; and (c) individual assessments. The regular and special assessments, together with interest, late charges, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which the assessment is made. This continuing lien shall be deemed to include all subsequent amounts due on the account

to include late charges, interest, attorneys' fees and any other related costs of collection that may accrue.

Each such assessment, together with interest, late charges, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner or person who was the Owner of the Lot at the time the assessment is levied. Assessments are also the personal obligation of any person who held an ownership interest in the Lot at the time when the assessment is levied. The personal obligation for delinquent assessments shall not pass to successors in title of a Lot, unless expressly assumed by such successors.

Section 4.2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties, for the improvement and maintenance of the Common Area and Common Maintenance Area, to reimburse the Association for the costs incurred in bringing an Owner into compliance with the Articles, Bylaws, Declaration, Architectural Guidelines, and Rules adopted by the Board, or incurred on behalf of any Owner(s) and for any other purposes determined to be appropriate by the Board and permitted by law.

Section 4.3. Regular Assessments. Not later than thirty (30) days prior to the beginning of each fiscal year, the Board shall distribute to each Member an Annual Budget Report and Annual Policy Statement for the upcoming fiscal year which shall, among other things, estimate the total Common Expense to be incurred for such fiscal year. The Board shall at that time determine the amount of the Regular Assessment to be paid by each Member. Each Member shall thereafter pay to the Association his Regular Assessment in installments as established by the Board. Each such installment shall be due and payable on the date established by the Board in the written notice sent to Members. In the event the Board shall determine that the estimate of total charges for the current year is or will become inadequate to meet all Common Expenses for any reason, it shall then immediately determine the approximate amount of such inadequacy and issue a supplemental estimate of the Common Expenses and determine the revised amount of Regular Assessment against each Member, and the date or dates when due. The Association shall not impose a Regular Assessment which is increased more than twenty percent (20%) over the amount of the Regular Assessment in the immediately preceding fiscal year, without the requisite membership approval pursuant to California Civil Code Section 5605. Regular Assessments shall include amounts as reserves for the future periodic maintenance, repair or replacement of all or a portion of the Common Area, Common Maintenance Area, and Association Property. All amounts collected as reserves shall be deposited by the Board in a separate bank account to be held in trust for the purpose for which they are collected and are to be segregated from and not comingled with any other funds of the Association.

Section 4.4. Special Assessments. A Special Assessment is an assessment the Board, in its discretion, determines necessary if the Association's available funds are or will become inadequate to meet the estimated expenses of the Association for the fiscal year. The Board, at any time, may levy a special assessment applicable to that year only in order to raise funds for unexpected operating or other costs, insufficient operating or reserve funds; for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of an Improvement located in the Common Area, including fixtures and personal property related thereto. Special Assessments shall be allocated among the Lots in the same manner as Regular Assessments, except in the case of a Reimbursement Assessment that is levied by the Board against

a Member. The Board of Directors may also levy a Special Assessment for any purpose which is consistent with the Governing Documents, or such other purposes as the Board in its discretion considers appropriate.

The Board may levy the entire special assessment immediately or levy it in installments over a period the Board determines appropriate. The Board may not levy a special assessment to defray the cost of any action or undertaking on behalf of the Association which in aggregate exceeds five percent (5%) of the budgeted gross expenses of the Association for that fiscal year, without the vote or written assent of members casting a majority of the votes at a meeting of the Association at which quorum is present.

Notwithstanding the foregoing, the Board, without membership approval, may increase Regular Assessments or levy Special Assessments, if necessary for an emergency situation. For purposes of this section, an emergency situation is one of the following:

- (a) An extraordinary expense required by order of a court;
- (b) An extraordinary expense necessary to repair or maintain the property or any part of it for which the Association is responsible where a threat to personal safety on the property is discovered; or
- (c) An extraordinary expense necessary to repair or maintain the property or any part of it for which the Association is responsible that could not have been reasonably foreseen by the Board in preparing and distributing the Annual Budget Report, provided, however that prior to the imposition or collection of the assessment, the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process and the resolution shall be distributed to the members with the notice of the assessment. This section incorporates the statutory requirements of California Civil Code Section 5610. If this section of the California Civil Code is amended in any manner, this section automatically shall be amended in the same manner without the necessity of amending this Declaration.

Section 4.5. Reimbursement Assessment. Reimbursement Assessments are due and payable after notice pursuant to this Declaration is given to the Owner subject to the assessment. The Association may levy a Reimbursement Assessment for the repair, maintenance or replacement of damages to the Common Area, portions of the Properties owned or controlled by the Association or for which the Association is responsible in repairing, or any Improvements or personal property thereto or thereon allegedly caused by such Owner, its guests or any occupant of such Owner's Lot, or as a means of reimbursing the Association for bringing an Owner or his or her Lot into compliance with the provisions of the Governing Documents, or any other charge designated in the Governing Documents together with attorneys' fees, interest and other charges related thereto as provided in this Declaration. The Association shall have the right to record a lien against any Lot to secure repayment of any Reimbursement Assessment levied by the Association pursuant to this Section. Unless otherwise restricted by law, a Reimbursement Assessment may be enforced, collected and foreclosed upon to the same extent and with the same force as a Regular Assessment and Special Assessment referenced above.

Section 4.6. Enforcement Assessments/Fines. The Association may also impose an individual assessment or fine against an individual Member to reimburse the Association for costs incurred in bringing a Member or his Lot into compliance with the provisions of the Declaration, the Articles, the Bylaws, the Rules, and Architectural Guidelines, which assessment may be imposed upon the vote of the Board after notice and an opportunity for a hearing which satisfy the requirements of Section 5855 of the California Civil Code.

Section 4.7. Uniform Rate of Assessment. Both Regular and Special assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly or other periodic basis as determined by the Board.

Section 4.8. 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, a claim that the Association is not properly exercising its duties of enforcement.

Section 4.9. Notice of Regular Assessment and Special Assessment Increase. The Board shall provide notice by first-class mail to each Owner of any increase in the regular assessment or of any special assessment not fewer than thirty (30) nor more than sixty (60) days prior to the increased regular assessment or special assessment becoming due.

Section 4.10. Effect of Non-Payment of Assessments; Remedies of Association. Assessments levied pursuant to this Declaration are delinquent (15) days after they become due. A late charge may be imposed in accordance with this Declaration not to exceed ten percent (10%) of the delinquent assessment or ten dollars (\$10.00), whichever is greater, or the maximum amount allowed by law. Interest may be charged on the total of the delinquent assessments, late charges and reasonable costs of collection at an annual percentage rate not to exceed twelve percent (12%), commencing thirty (30) days after the assessment becomes due. Any Assessment made in accordance with this Declaration shall be debt of the Owner of a Lot from the time the assessment is due. At any time after any assessments levied by the Board of Directors affecting any Lot have become delinquent, the Board of Directors may file for recording in the Office of the County Recorder of San Diego County a notice of delinquent assessment (i.e., Notice of Assessment Lien) as to such Lot, which notice shall state all amounts which have become delinquent with respect to such Lot and the costs (including attorneys' fees), any late charges and interest in the amount of any assessments relating to such Lot which is due and payable although not delinquent, a description of the Lot with respect to which the delinquent assessments are owed, and the name of the record or reputed record Owner of such Lot. Such notice may be signed by the president or vice president and secretary or assistant secretary of the Association; or may be signed by the Association's legal counsel or legal agent after the Association has properly approved the recording of an assessment lien. The Notice of Assessment Lien is not required to be amended by the Association or Trustee to secure the additional amounts due that accrue to the account, and it is not necessary to file serial liens to secure the continuing nature of the lien and all amounts due that accrue after the Notice of Assessment Lien has been recorded.

Section 4.10.1. Assessment Lien Statutory Requirements. The Association shall comply with all current laws relative to the contents of the notice of assessment lien, the contents of the notice, and all notice requirements to the delinquent Owner. The requirements of the California Civil Code Section 5650, et. seq. shall hereby be incorporated in this Section.

Section 4.10.2. Effect of Lien and Priority. Immediately upon recording of any notice of delinquent assessment, the amounts delinquent, as set forth in such notice, together with the costs (including attorneys' fees) and any late charges, and interest shall be and become a lien upon the Lot described therein, which lien shall also secure all other payments and/or assessments which shall become due and payable with respect to said Lot following such recording, and all costs (including attorneys' fees), late charges and interest. When a notice of assessment lien has been recorded, such assessment shall constitute a lien on each respective Lot prior and superior to all other liens, except (i) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (ii) the lien or charge of any First Mortgage given for value.

Section 4.11. Foreclosure Sale. Each assessment lien may be foreclosed as, and in the same manner as, the foreclosure (non-judicial or judicial) of a mortgage or deed of trust upon real property under the laws of the State of California or may be enforced by sale pursuant to California Civil Code Section 5710, and to that end a power of sale is hereby conferred upon the Board of Directors. The Board of Directors, acting on behalf of the Owners, shall have the power to bid for the Lot at a foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid assessments, rent and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same.

Section 4.12. Membership Suspension. The membership rights and privileges may be suspended by the Board for any period of time during which the assessments on his or her Lot remain unpaid, and for a period not to exceed thirty (30) days from any infraction of the Association's Governing Documents after reasonable written notice and an opportunity for a hearing before the Board as set forth below.

Section 4.13. Schedule of Monetary Penalties. If the Association adopts a policy of imposing any monetary penalty, including any fee, or on any Owner for violation of this Declaration or the Rules of the Association, including any monetary penalty relating to the activities of a guest or invitee of an Owner, the Board shall adopt and distribute to each Owner, by personal delivery or first-class mail, a schedule of the monetary penalties that may be assessed for those violations, which shall be in the accordance with the authorization for Owner discipline set forth in this Declaration and the Governing Documents. The Board shall not be required to distribute any additional schedules of monetary penalties unless there are changes from the schedule that were adopted and distributed to the Owners pursuant to this Section.

Section 4.14. Subordination of the Lien to First Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any First Mortgage encumbering any Lot and given for value. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to judicial or nonjudicial foreclosure of a First Mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from lien rights for any assessments thereafter becoming due. Where a First Mortgagee, or other purchaser of a Lot obtains title to the same as a result of foreclosure, such acquirer of title, its successors and assigns, shall not be liable for the share of the common expenses or assessments by the Board of Directors chargeable to such Lot which became due prior to the acquisition of title to such Lot by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the Lots including such acquirer, its successors and assigns.

Section 4.15. Assignment of Rents. Each Owner assigns to the Association, absolutely and regardless of possession of the property, all money now due or to become due under any agreement for the use or occupation of any part of any Lot, now existing or hereafter made, for the purpose of collecting all Assessments and costs and expenses due the Association which are in default. The Association confers on each Owner the authority to collect and retain money due under any agreement for the use or occupation of any part of any Lot, provided that the Association may revoke the authority at any time by written notice of a default in the payment of any Assessments. Upon revocation the Association may collect and retain the money until the delinquent Assessments and related charges are satisfied, whether the money is past due and unpaid or current. The Association's rights under this provision are subordinate to the rights of any First Mortgagee.

Section 4.16. Acceptance of Payments.

Section 4.16.1. Order of Priority. Payments received on delinquent assessments shall be applied to the delinquent Owner's account in the following order of priority: First, the principal on the assessments owed; then to accrued interest and late charges; then to attorneys' fees; then the title company and foreclosure service company charges and other reasonable costs of collection. Payments on account of principal shall be applied in reverse order so that the oldest arrearages are retired first.

Section 4.16.2. Rejection of Defective Tenders. Once a delinquent account has been turned over to the Association's legal counsel, the Association and its legal counsel may opt not to accept partial payments and may reject such partial payments until the Owner's account is brought current and paid in full. Any payments delivered to the collection agent shall be forwarded to the attorney's office; the attorney shall then release the lien if an unequivocal payment in full was made by the delinquent Owner.

Section 4.17. Waiver of Exemptions. Each Owner does hereby waive, to the extent of any liens created pursuant to this Article IV, the benefit of any homestead or exemption laws of the State of California, including Code of Civil Procedure Sections 704.10-704.730, or any similar section which may be in effect at the time any assessment, or installment thereof, becomes delinquent or any lien is imposed pursuant to the terms hereof.

Section 4.18. Estoppel Certificate. The Association shall furnish or cause an appropriate officer to furnish, upon demand by any person, a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 4.19. Personal Liability of Owner. No Member may exempt himself from personal liability for assessments levied by the Association, nor release the Lot owned by him from the liens and charges for assessments by waiver of the use and enjoyment of the Common Area or by abandonment of his Lot.

Section 4.20. Exempt Property. All properties dedicated to and accepted by a public authority, and all properties owned by a charitable nonprofit organization exempt from taxation by the laws of the State of California, shall be exempt from assessment by the Association. However,

no land or Improvements devoted to dwelling use shall be exempt from assessments by the Association.

ARTICLE V

GOVERNMENTAL REGULATIONS

The Properties and its use are subject to the jurisdiction of, and the ordinances, regulations and permits issued by, the City and all other governmental entities, including but not limited to:

- (i) Planned Residential Development and Resource Protection Overlay Zone Permit No. 87-0927;
- (ii) Vesting Tentative Map No. 87-0927;
- (iii) Environmental Impact Report 87-0927;
- (iv) Planning Commission Resolution No. 2184-2-PC;
- (v) Vista Alegre Permit No. 87-0927;
- (vi) Open space easements dedicated to the City on Final Map 13309; and
- (vii) The City of San Diego “Landscape Technical Manual” – RR-274506

ARTICLE VI

ARCHITECTURAL CONTROL

Section 6.1. Architectural Committee. No construction, development, alteration, grading, landscaping, addition, excavation, modification, decoration, painting or reconstruction to the exterior of any residence (including exterior walls, windows, and roof), the footprint of a residence, exterior lighting, Improvements attached to the exterior of any residence, and any landscaping or other yard Improvements (including patio covers, walls, fences, pools, ponds, or other water features, sheds or other structures) (“Construction”), on any Lot shall be commenced or maintained until the documents and information as specified in the Architectural Guidelines (“Documentation”) have been submitted to and approved in writing by a committee of not less than three (3) nor more than five (5) persons (“Committee”). All members of the Committee may be appointed or replaced by the Board. Committee members appointed by the Board shall be Members of the Association. If the Board fails for any reason to appoint an Architectural Committee, then the Board shall act as the Committee and any reference made herein to the “ARC” shall apply equally to the Board. No Construction shall be permitted without the prior written approval of the Committee as well as the Development Services Director of the City, if the addition is located within the Construction Restriction Area (as described in Section 7.19 of this Declaration). Building additions, including patio covers, may be permitted only if they are consistent with the architecture of the residential unit located on the Lot and the Landscape Technical Manual - RR-274506 (if the Improvement is located within the Construction Restriction Area). In addition to the Committee’s and the Development Services Director’s (if required)

approvals, certain Improvements to a Lot may require a building permit or other approval from the City.

Section 6.2. Committee Approval. The Committee shall approve Documentation submitted for its approval only if it deems that the Construction contemplated thereby in the locations indicated will not be detrimental to the appearance of the Properties and surrounding real property as a whole, and that the appearance of any structure or other Improvement will be in harmony with the surrounding structures and Improvements. However, the Committee shall have the right from time to time to categorically exempt certain types of Improvements from review by the Committee.

Section 6.3. Approved Conditions. The Committee may condition its approval of Documentation on such changes thereto as it deems appropriate and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The Committee may adopt, amend or supplement the Architectural Guidelines (i) concerning design and materials standards, rules and guidelines for construction activities; (ii) setting forth procedures for the submission of plans for approval; (iii) requiring a reasonable (“Review Fee”) payable to the Committee for any costs involved to accompany each application for approval; and (iv) specifying additional factors which it will take into consideration in reviewing submissions. The Committee may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevation drawings, and description or samples of plantings, exterior materials and colors. Until receipt by the Committee of all plans, specifications or other materials deemed necessary by the Committee, the Committee may postpone review of any plans submitted for approval. Once plans have been approved by the Committee, no material modifications may be made to the approved plans and no subsequent alteration, relocation, or addition may be made without a separate written approval by the Committee. Also, once plans have been approved, the Owner shall secure all necessary and/or required permits and approvals for the Improvement.

Section 6.4. Inspection of Work. The Board may require the Committee perform a final inspection confirming that the work in the Architectural application was completed consistent with the approved application but are not obligated to perform a final inspection. After such inspection, if required by the Board, the Committee shall provide the Owner with written notice of either a letter of completion or a letter of noncompliance, setting forth either:

- (a) All Construction and other work completed by said Owner complies with the application and Governing Documents, or
- (b) Construction or work do not so comply, in which event the Notice shall identify the non-compliant Construction or work and set forth with particularity the basis of such non-compliance and a date by which the Owner shall bring the work into compliance. In the event the work is found not to comply with the Governing Documents, the Owner shall remedy within sixty (60) days of a notification of noncompliance from the committee. After correcting the deficiency, the Owner shall reapply for another inspection. Alternatively, the Owner shall remove the Construction and return the area to its original condition within the timescale specified by the Committee. If the deficiency is not corrected or the Improvement removed, the Board will hold a hearing,

and the Owner will have forty-five (45) days to remedy or remove the non-compliant Improvement.

Section 6.5. Owner's Duty to Obtain Approval from Governmental Agencies. Prior to commencing any Construction approved by the Association, the Owner shall comply with all appropriate governmental laws and regulations. The Association shall not be obligated to enforce the provisions of this Section. Approval by the Association shall not be considered to satisfy the appropriate approvals that may be required by any governmental entity with appropriate jurisdiction, nor shall the approval of any governmental entity be considered to completely satisfy the requirement of Association approval. An Owner's failure to obtain such governmental approval may subject such Owner to certain penalties imposed by the governmental entity, notwithstanding the approval of the Association, which penalties shall be the responsibility of such Owner.

Section 6.6. Notification. Decisions of the Committee and the reasons for decisions shall be transmitted by the Committee to the Applicant at the address set forth in the application for approval within sixty (60) days after receipt by the Committee of all materials required by the Committee. Any application submitted pursuant to this Article VI shall be deemed approved, unless the Committee's written disapproval or a request for additional information or materials is transmitted to the Applicant within sixty (60) days after the date of receipt by the Committee of all required materials.

Section 6.7. No Waiver Based Upon Prior Approval. The approval of the Committee to any Documentation for any Construction or in connection with any other matter requiring the approval and consent of the Committee shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters whatever subsequently or additionally submitted for approval or consent.

Section 6.8. No Liability. Neither the Committee, nor any members of the Committee, nor their duly authorized representatives, shall be liable to any Applicant or Lot Owner for any loss, damage or injury arising out of or in any way connected with the performance of the Committee's duties, unless due to the willful misconduct of the Committee.

Section 6.9. Design Criteria. The Committee shall review and approve or disapprove all Documentation submitted to it on the basis of aesthetic considerations and the overall benefit or detriment to the Properties and surrounding real property generally which would result from such Improvement, alteration, addition or other construction activity. The Committee shall not be responsible for reviewing, nor shall its approval of any plans or design be deemed approval of any plan or design from the standpoint of adequacy of drainage, structural safety, view impacts or conformance with building or other codes. The Committee approval of any particular construction activity shall expire, and the documentation therefore shall be resubmitted for Committee approval if substantial work pursuant to the approved documentation is not commenced within six (6) months after the Committee's approval of such construction activity.

All construction activities shall be performed as promptly and as diligently as possible and shall be completed within such reasonable period of time specified by the Committee.

Section 6.10. Variances. The Committee may authorize variances from compliance with any of the architectural provisions of this Article VI and the Architectural Guidelines, including,

without limitation, restrictions on height, size, floor area or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require or when the City or Municipal Code requires. Such variances must be in writing and must be signed and acknowledged by at least a majority of the members of the Committee. The granting of a variance shall not operate to waive any of the terms and provisions of this Article VI or the Architectural Guidelines for any purpose except as to the particular property and particular provision covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all laws and regulations of any governmental authority affecting the use of his or her Lot, including, but not limited to, zoning and building requirements of any governmental agency or entity having jurisdiction over the Lot.

Section 6.11. Architectural Guidelines. The Board and Committee may adopt, amend, and/or repeal the Architectural Guidelines after a period of at least twenty-eight (28) days for comment to the Board from the Members on the proposed rules and regulations. The Architectural Guidelines are the rules for the conduct of its affairs and design guidelines for construction activities. The Architectural Guidelines of the Committee may provide for the pre-approval of certain specified types or categories of construction activities, provided that the affected Owner implements such pre-approved construction activities in conformance with the standards for design, materials and other criteria established in the Architectural Guidelines for such pre-approved construction activities. The Committee may from time to time adopt, supplement or amend Architectural Guidelines to establish, expand, limit or otherwise modify the categories and criteria for any pre-approved construction activities.

Section 6.12. Enforcement. With the approval of the Board, the Committee shall have the right to specifically enforce against resolution of or to obtain injunctive relief in any court of competent jurisdiction. In the event the Committee prevails in the court proceeding, the Committee shall be entitled to recover its costs and attorneys' fees.

ARTICLE VII

USE RESTRICTIONS

Section 7.1. Nuisances. No noxious, offensive, nuisance, or hazardous activities, as determined in the sole discretion of the Board, shall be carried on upon the Properties, including, but not limited to:

- (i) accumulation of rubbish, debris, or unsightly articles within a Lot;
- (ii) odor arising from a Lot which renders the Lot or any portion of a Lot unsanitary, unsightly or offensive to any street or to any portion of the Properties, or vicinity thereof, or to its occupants;
- (iii) noise at a decibel level so as to be unreasonably offensive or detrimental to any other part of the Properties, or vicinity thereof, or to their occupants;
- (iv) storage or maintenance of unsightly articles on any portion of a Lot which is visible from any street or from any other Lot for more than seventy-two (72) hours;

- (v) activities which are or might be hazardous, dangerous, or unsafe to any person or property;
- (vi) mining, drilling, quarrying, or extracting any rocks, minerals, or any other material from the land;
- (vii) installing or maintaining outdoor lighting that unreasonably illuminates other Lots or Common Area; provided, however, the Committee may grant variances from this restriction for lighting installed and maintained for security or safety purposes.

Section 7.2. Exterior Maintenance and Repair: Owner's Obligations. No Lots or Improvements, Dwellings, or buildings within a Lot shall be permitted to fall into disrepair, and each Improvement, Dwellings, and buildings shall at all times be kept in good condition and repair by the Owner of the Lot.

Section 7.3. Drainage. There shall be no interference with the established drainage pattern over any Lot to affect any other portion of the Properties, unless an adequate alternative provision is made for proper drainage, and it is in accordance with all applicable governmental codes and ordinances. "Established drainage" is defined as the drainage which exists at the time the overall grading and landscaping of the Properties pursuant to grading plans approved by the City. All drainage facilities located on a Lot shall be maintained by the Owner of the Lot. The soil level of each Lot adjacent to a building shall be at least six (6) inches below the finished floor slab of the adjacent building. All concrete terrace drains located on a Lot shall be maintained in good working condition by the Owners of the Lot. No drainage shall be allowed from one Lot to another unless that drainage pattern is part of the established drainage pattern.

Section 7.4. Temporary and Prefabricated Structures. No tent, shed, shack, trailer or any temporary building, Improvement or structure (all the foregoing greater than 100 square feet) shall be placed upon any portion of a Lot without the prior approval of the Committee. The foregoing excludes construction trailers, and other temporary or prefabricated structures or Improvements utilized during construction and sales activities. ADUs and Junior ADUs are allowed pursuant to Civil Code Section 4751 but are subject to any regulations provided by the Association.

Section 7.5. View Impairment. There is no representation that any view exists from any Lot. Each Owner, by accepting a deed to a Lot, acknowledges that grading of construction on or installation of Improvements, including landscaping or the continued growth of landscaping, on other Lots within the Properties and on surrounding real property may impair whatever view may exist from the Owner's Lot, and each Owner consents to such impairment and waives any claim for view impairment. Each Owner acknowledges that: (a) there are no protected views, and no Owner of a Lot is assured of the existence, quality or unobstructed continuation of any particular view, (b) any view from the Lot is not intended as part of the value of the Lot and is not guaranteed; and (c) any future development, construction, landscaping, growth of trees, or other installation of Improvements by other owners in the community or of properties surrounding the community may impair the view from any Lot. There are no express or implied easements appurtenant to any Lot

for view purposes or for the passage of light and air over another Lot, or any other property whatsoever.

Section 7.6. Residential Use. All Lots within the Properties shall be improved and used solely for single-family residential use, unless the ordinances of the City permit use by more than a single family; provided, however, that this provision shall not preclude any Owner from renting or leasing all of his or her Lot or room(s) within the dwelling by means of a written lease or rental agreement. No lease shall be for a term of less than thirty (30) days. No Lot shall be used or caused to be used or allowed or authorized to be used in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storage, vending or other non-residential purposes. The provisions of this Section shall not preclude an Owner from maintaining a home-office and conducting business activities therefrom on the following conditions: (a) there is not external evidence of such activity; (b) such activities are conducted in conformance with all applicable government ordinances; (c) the patrons or clientele of such activities do not visit the Lot or park automobiles or other vehicle within the Properties; (d) the existence or operation of such activities is not apparent or detectable by sight, sound or smell from outside of the boundaries of the Lot; and (e) such activities are consistent with the residential character of the Properties and conform with the provisions of this Declaration.

Section 7.7. Residential Area Improvements.

- (a) Residence. No Lot shall be improved except with one Residence (unless additional residences are permitted by the ordinances of the City or State of California) designed to accommodate no more than a single family (unless the ordinances of the City permit use by more than a single family) and its servants and occasional guests, plus a garage, fencing and such other Improvements as are necessary or customarily incident to a single-family residence. No projections of any type shall be placed or permitted to remain above the roof of any building within the Lot, except chimneys, railings, vent stacks, pediments, and similar architectural features. Anything contained in this Article to the contrary notwithstanding, any structure constructed on a Lot shall be subject to the ordinances of the City regulating the height of structures. No wiring or air conditioning fixture, water softeners or other devices (other than solar heating devices approved by the Board or as otherwise provided by the Board/Architectural Committee) shall be installed on the exterior of a residence or be allowed to protrude through the walls or roof of the residence (except for those items installed during the original construction of the residence).
- (b) Utilities. Except for facilities originally installed, a public utility company or a governmental entity, all utility and storage areas or structures must be (i) completely concealed from the view from any other Lot or street, or (ii) constructed of such design, materials, configuration and in such location as to be compatible with the residence and other Improvements on the Lot.
- (c) Fences. In the event fencing within a Lot requires replacement, the replacement fencing shall be substantially identical to the fencing being replaced, unless the Committee approves other replacement fencing.

- (d) Roofs. No roof shall be repaired or replaced with material different than the material originally installed.
- (e) Windows. No window in any dwelling shall be covered in whole or in part, inside or outside, with aluminum foil, newspaper, or paint. Window tinting is subject to Committee approval. No window in any dwelling shall be covered on the exterior with wrought iron or other metallic bars whether intended for decorative or security purposes; however, security bars may be installed on the interior of windows and doors in a residence.
- (f) Solar Energy Systems. All Owners shall have the right to place and maintain on their dwelling or Lot equipment and facilities related to the installation and maintenance of individual solar energy systems. The installation and maintenance of any solar energy system by an Owner shall be subject to all applicable zoning regulations, the Uniform Building Code and associated ordinances. No solar panels or other solar energy collection equipment shall be installed on any portion of any Lot or Improvement unless the equipment is installed in a location and manner as to be reasonably screened from the view of other persons in the Properties without significantly decreasing its efficiency. No person shall install any solar energy system or equipment without the prior written consent of the Committee, which shall have the right to reasonably restrict the nature, size, shape, color, style, materials or location of any such panels or equipment within the Properties, subject to the provisions of California Civil Code Section 714 as the same may be amended from time to time.

Section 7.8. Landscaping. Each Owner shall properly maintain and periodically replace, when necessary, all trees, plants, grass, vegetation and other landscaping Improvements located on the Owner's Lot. No plants or seeds infected with insects or plant diseases, shall be brought upon, grown or maintained upon any Lot. If any Owner fails to install or maintain landscaping in conformance with the Architectural Guidelines or allows his landscaping to deteriorate to a dangerous, unsafe, unsightly or unattractive condition, the Committee, upon thirty (30) days prior written notice to the Owner, shall have the right either to seek any remedies at law or in equity which it may have or to correct such condition and to enter upon the Owner's property for the purpose of doing so, and the Owner shall promptly reimburse the Committee for the cost thereof or the amounts will be levied on the Owner's account as a reimbursement assessment.

Section 7.9. Parking and Vehicular Restrictions. The Board of Directors shall have the right to promulgate rules and regulations related to vehicles and parking within the Properties as it deems necessary from time to time to maintain the aesthetic environment of the Association and maintain property values. Unless otherwise expressly permitted by the Board:

- (a) Commercial and Recreational Vehicles. None of the following (collectively "Prohibited Vehicles") shall be parked, stored or kept on any street within the Properties: any commercial type vehicle (including, but not limited to: any dump truck, cement mixer truck, oil or gas truck or delivery truck); any recreational vehicle (including, but not limited to, any camper unit, house/car or motor home); any bus, trailer, trailer coach, camp trailer, boat, aircraft or mobile home; any inoperable vehicle or any other similar vehicle; or any vehicle or vehicular equipment, mobile or otherwise, constituting a nuisance, all of the foregoing, unless: (i) the Prohibited Vehicle is parked, stored or kept

wholly within an enclosed garage, and then only if the garage door is capable of being fully closed, or (ii) for the purposes of loading, unloading, making deliveries or repairs (“Transitory Use”), provided that no Transitory Use shall extend over more than seventy-two hours during any seven (7) consecutive days.

- (b) Passenger Vehicles. Vehicles owned, operated or within the control of an Owner, or of a resident of Owner’s Lot, shall be parked in the garage, driveway, or public street.
- (c) Repairs. No repairs or restorations of any motor vehicle, boat, trailer, aircraft or other vehicle or equipment shall be conducted upon any Lot or elsewhere within the Properties wherein such repair or restoration continues for more than seventy-two hours, except wholly within an enclosed garage; provided, however, that such activity is not undertaken as a business, and provided further that such activity may be prohibited entirely if it constitutes a nuisance.
- (d) Towing. Any vehicle parked in a fire lane, within fifteen (15) feet of a fire hydrant, in a disable designated parking space with the proper authority, or in a manner which interferes with any entrance to or exit from the Properties or any Lot, parking space or garage may be removed in accordance with the California Vehicle Code.

These restrictions shall not be interpreted in a manner which would permit any activity which would be contrary to any ordinance of the City or other governmental agency having jurisdiction over the Properties.

Section 7.10. Further Subdivision. No Lot may be further subdivided (including division into time-share estates or time-share uses) without the prior written approval of the Board. Nothing in this Section shall be deemed to prevent an Owner from: (i) selling a Lot to more than one person to be held by them as tenants in common, joint tenants, tenants by the entirety or as community property; (ii) leasing or renting by any Owner of all of his or her Lot by means of a written lease or rental agreement; or (iii) adjusting the boundary of a Lot by boundary adjustment, Parcel Map or other procedure authorized by the City.

Section 7.11. Animals. Pets are not to be kept, bred or maintained for any commercial purpose nor in unreasonable quantities nor in violation of any applicable law or ordinance. Every dog and cat must carry an identification tag which contains the address of the Owner of the animal. No animal shall be maintained in any Lot which constitutes a nuisance as determined by the Board in its sole discretion. Animals belonging to Owners, occupants or their licensees, tenants or invitee must be either kept within an enclosure, an enclosed yard, or on a leash or bridle being held by a person capable of controlling the animal. Pet Owners shall clean up any excrement or other unclean or unsanitary condition caused by their animal within the Properties. Every Owner shall comply with the rules and regulations governing the keeping of pets adopted by the Board from time to time.

Section 7.12. Diseases and Insects. Owners and Residents may not permit any thing or condition to exist in the Properties that may induce, breed or harbor infectious plants, diseases or insects.

Section 7.13. Signs. The Board may set reasonable rules and regulations as to time, place and manner of signs allowed to be displayed and viewed from the Association Property and Common Area from an Owner's Lot. Noncommercial signs and posters that are more than nine (9) square feet in size, noncommercial flags or banners that are more than fifteen (15) square feet in size, and those noncommercial signs, posters, or banners that may pose a public health or safety danger may not be displayed on or in a Lot. Pursuant to California Civil Code Section 4705, the Association shall not limit or prohibit the display of the United States flag by an Owner on or in the Owner's Lot. However, the Board of Directors may limit, regulate, or curtail an Owner's placement of the United States flag, in the event such placement poses a public health or safety concern to the Project, or adjacent properties.

No signs, posters or displays shall be shown or displayed on Association Property, Common Area, or Common Maintenance Area without the express written approval of the Board with the exception of one sign of customary and reasonable dimensions, or as otherwise allowed by law, which states that the premises are "for sale" or "for rent", as well as temporary signs and flags customarily used by real estate offices to advertise an open house, and such signs as may be required by legal proceedings, and temporary signs for political freedom of speech.

Section 7.14. Slope Control, Use and Maintenance. Each Owner will keep, maintain, water, plant, and replant all slope banks located on the Owner's Lot to prevent erosion, control brush in accordance with the requirements of the City and to create an attractive appearance. No structure, planting or other material shall be placed or permitted to remain, or other activities undertaken on any slope banks which may damage or interfere with established slope ratios, create erosion or sliding problems, or which may change the direction of flow of drainage channels or obstruct or retard the flow of water through drainage channels.

Section 7.15. Common Walls and Fences. There is created, established and granted an easement appurtenant to all Lots in the Properties for the placement of all common fences and walls, where Declarant originally installed the fences or walls, regardless of whether the fences and walls are located precisely upon the boundary separating two (2) Lots. Those Owners who have a common fence or wall which adjoin their Lots and effectively creates the boundary line between the Lots shall equally have the right to use the fence or wall, and each shall have the exclusive right to the use and the obligations of maintenance of the interior surface of the fence or wall facing the Owner's residence. Neither Owner shall drive nails, screws, bolts or other objects more than halfway through any common fence or wall or impair in any way the structural integrity of the common wall or fence. In the event that any portion of the common wall or fence, except the interior surface of one (1) side, is damaged from any cause other than the act or negligence of either party, it shall be replaced or rebuilt at their joint expense. In the event an Owner damages any portion of the common wall or fence, that Owner shall, at its expense, be responsible for the repair of the damage to the common wall or fence. In the event of a dispute arising in connection with a common wall or fence or the provisions of this Section, the matter shall be submitted to and decided by binding arbitration. Each party to the dispute shall choose one arbitrator and those arbitrators shall choose one additional arbitrator. The decision shall be rendered by a majority of all arbitrators in accordance with the American Arbitration Association Commercial Rules of Arbitration.

Section 7.16. Easement Reservations. The rights and duties of the Owners of Lots with regards to sanitary sewer, water, electricity, gas, television cable (or CATV service) and telephone lines, and other facilities, shall be governed by the following:

- (a) Each Owner shall maintain those facilities and connections located upon his or her Lot which are not maintained by the respective utility company or public agency.
- (b) Wherever sanitary sewer, water or gas connections, television cables, electricity or telephone lines are installed within the Properties and it becomes necessary to gain access to the connections, cables and/or lines through a Lot owned by someone other than the Owner of the Lot served by the connections, cables and/or lines, the Owner of the Lot served by the connections, cables and/o lines shall have the right, and is hereby granted an easement to the full extent necessary, to enter upon such other Lot or to have the utility companies enter upon such other Lot to repair, replace and generally maintain the connections, cables and/or lines.
- (c) Whenever sanitary sewer, water or gas connections, television cables, electricity or telephone lines are installed within the Properties and the connections, cables and/or lines serve more than one (1) Lot, the Owner of each Lot served by the connections, cables and/or lines shall be entitled to the full use and enjoyment of the portions of the facilities which service his Lot.
- (d) In the event of a dispute between Owners with respect to the repair or rebuilding of the connection, cables and/or lines, or the sharing of the cost of maintenance, the matter shall be resolved by arbitration as provided in the Article of this Declaration entitled “General Provisions.”
- (e) No Owner shall construct any Improvements on any utility easement area of record which will unreasonably interfere with the maintenance and repair of the facilities located in the easement, without the prior written consent of the appropriate utility company or easement owner.

Section 7.17. Open Space Easement. An open space easement over Common Area lot 36 has been dedicated to the City on Final Map 13309 (“Open Space Easement”). As per the Open Space Easement, the Association did, “grant and relinquish to the City of San Diego, A municipal Corporation, and all rights to construct, erect or maintain any structures; to construct, erect or maintain fences; to remove live trees and shrubs, to change the grade; or to otherwise change the opens space character of the land, unless approved by the city, over, upon or across all of Lot 36 . . .” The Association reserved, however, “the right to maintain firebreaks, trim or remove brush and otherwise perform preventive measures required by the fire department to protect structures and other improvements from potential fires.”

Section 7.18. Post-Tension Slabs. Each Owner acknowledges that the concrete slab for some or all of the homes constructed on Lots within the Properties may have been reinforced with a grid of steel cable which was installed in the concrete and then tightened to create a very high tension. This type of slab is commonly known as a “post-tension slab”. Each Owner further acknowledges that cutting into a post-tension slab for any *reason* (e.g., to install a floor safe, to remodel plumbing, etc.) is very hazardous and may result in serious damage to the dwelling and/or

personal injury. By accepting a grant deed to a Lot, each Owner specifically covenants and agrees that:

- (a) An Owner shall not cut into or otherwise tamper with a post-tension slab;
- (b) An Owner shall not knowingly permit or allow any other person to cut into or tamper with a post-tension slab, other than a licensed contractor who has been informed that the slab is post-tensioned and who has identified the location of the cables running within the slab;
- (c) An Owner shall disclose the existence of the post-tension slab (if any) to any tenant, subsequent purchaser or lessee of the Lot; and
- (d) An Owner shall indemnify and hold the Association, its respective officers, employees, contractors and agents, free and harmless from and against any and all claims, damages, losses or other liability (including attorney's fees) arising from any breach of this Section.

Section 7.19. Construction Restriction Area. To reduce fire hazards, portions of some Lots ("construction restriction area") shall not be improved with any structures, including but not limited to wood decks, trellises, gazebos, patio overhangs, play equipment, room additions, tool sheds, fences or other combustible structures. The construction restriction area shall be landscaped and irrigated in conformance with landscape guidelines adopted by the Board. Non-combustible accessory structures may be approved by the Fire Marshall, the Development Services Department and the Development and Environmental Planning Director. The "Construction Restriction Area" consists of portions of Lots 1 through 19 and Lots 21 through 35, the boundaries of which are shown on Final Map 13309 and on Exhibit "A" attached to this Declaration.

ARTICLE VIII

INSURANCE

Section 8.1. Types. The Association, to the extent available, shall obtain and continue in effect in its own name the following types of insurance:

- (a) A comprehensive policy of public liability insurance covering the Common Area and Common Maintenance Area with a limit of not less than Two Million Dollars (\$2,000,000.00) for claims for personal injury and/or property damage arising out of a single occurrence and in the aggregate, such coverage to include protection against water damage liability, liability for non-owned and hired automobile and liability for property of others, and such other risks as shall customarily be covered with respect to similar planned residential developments in the area of the properties, and shall contain a "severability of interest" endorsement or the equivalent which shall preclude the insurer from denying the claim of an Owner because of negligence acts or omissions of the Association or other Owners;
- (b) The Association shall obtain and maintain a policy of fire and casualty insurance with an extended coverage endorsement for the full insurable replacement value of all the

Improvements in the Common Area and Common Maintenance Area. The Board shall determine the amount of any deductible. This insurance shall be maintained for the benefit of the Association.

- (c) The Association shall also purchase and maintain crime insurance, employee dishonesty coverage, fidelity bond coverage, or their equivalent, which names the Association as an obligee, for its directors, officers, and employees in an amount that is equal to or more than the combined amount of the reserves of the association and total assessments for three months whether or not such persons or entities are compensated for their services. Coverage shall also include protection in an equal amount against computer fraud and funds transfer fraud. If there is a management agent who handles Association funds, such agent shall also be covered by the association's crime insurance, employee dishonesty coverage, fidelity bond coverage or their equivalent and this coverage shall additionally include dishonest acts by the management agent or entity and its employees. The insurance and bonds must contain a provision that they may not be canceled or substantially modified without at least ten (10) days prior written notice to the Association.
- (d) Flood Insurance to the extent necessary to comply with any applicable law.
- (e) Worker's compensation insurance to the extent necessary to comply with any applicable law.
- (f) The Association shall maintain a policy insuring the Association's officers and directors against liability for their negligent acts or omissions within their capacity as officers and directors. The limits of such insurance shall be no less than Five Hundred Thousand Dollars (\$500,000.00) for all claims arising out of a single occurrence.

Section 8.2. Waiver by Owner. As to each of said policies which will not be voided or impaired thereby, the owners hereby waive and release all claims against the Association, the Board, the Declarant and agents and employees of each of the foregoing with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but to the extent of insurance proceeds received in compensation for such loss only.

Section 8.3. Other Insurance; Annual Review. The Association may purchase such other insurance as it may deem necessary. The Board shall annually determine whether the amounts and types of insurance it has obtained provide adequate coverage for the Common Area and Common Maintenance Area in light of increased construction costs, inflation, practice in the area in which the properties are located, or any other factor which tends to indicate that either additional insurance policies or increased coverage under existing policies are necessary or desirable to protect the interests of the Association. If the Board determines that increased coverage or additional insurance is appropriate, it shall obtain the same.

Section 8.4. Individual Insurance. Each Owner shall maintain property insurance against losses to the Lot covering the full replacement cost thereof, including the residence and any upgrades or fixtures or Improvements located within the Lot and liability insurance against any liability resulting from any injury or damage occurring within the Lot. The Association insurance policies will not provide coverage against any of the foregoing or any other loss

association with the individually owned Lots, and the Association shall not have any obligation to monitor insurance carried by the Owners. Owner shall provide Association with proof of insurance upon request.

ARTICLE IX

CONDEMNATION

In the event the Common Area, Common Maintenance Area, or any portion thereof shall be taken for public purposes by condemnation as a result of any action or proceeding in eminent domain or shall be transferred in lieu of consideration to any authority entitled to exercise the power of eminent domain, then the award or consideration for such taking or transfer shall be paid to and belong to the Association. In the event of a threatened taking of all or any portion of the Common Area or Common Maintenance Area, the members hereby appoint the Board and such persons as the Board may delegate to represent all the members in connection with the taking. The Board shall act in its sole discretion with respect to any awards being made in connection with the taking and shall be entitled to make voluntary sale to the condemnor in lieu of engaging in a condemnation action. In the event of a taking of less than all of the Common Area or Common Maintenance Area, the rules as to restoration and replacement of the Common Area or Common Maintenance Area and the Improvements thereon shall apply as in the case of destruction of Improvements upon the Common Area or Common Maintenance Area. In the event of a total taking, the Board may in its sole discretion retain any award in the general funds of the Association or distribute pro rata all or a portion thereof to the members, subject to the prior rights of Mortgagees who are entitled to receive an Owner's portion of such award pursuant to the terms of their mortgages.

ARTICLE X

COMMON AREA AND COMMON MAINTENANCE AREA: MAINTENANCE RESPONSIBILITIES

Section 10.1. Common Area. The Association shall maintain and use the Common Area in accordance with the following standards:

- (a) All litter and debris that collects or is deposited on the Common Area shall be promptly removed, and the Common Area shall be kept clear and clean of litter and debris. All landscaped areas shall be maintained in a healthy and thriving condition, free from weeds, trash, and debris.
- (b) Open space easement over Common Area Lot 36 which has been dedicated to the City on Final Map 13309 shall be maintained in accordance with the restrictions set forth in Section 7.17 of this Declaration.
- (c) Brush management within the Common Area shall be conducted as required or permitted in the Open Space Easement.

Section 10.2. Common Maintenance Area. The Common Maintenance Area shall include the landscaping along the westerly portion of Eclipse Place between Lots 27 and 28 as

shown on Exhibit “C” attached to the Declaration.

An easement or right over an area which otherwise would be Common Maintenance Area may be conveyed to a public assessment district, in which event the area conveyed shall be maintained by the public assessment district.

Section 10.3. Association Maintenance. The Association shall maintain and provide for the maintenance of all Common Area and Common Maintenance Area and all Improvements thereon in good repair and appearance as set forth in the Declaration and in accordance with the requirements of the City. The Association shall have the right to enter onto any Lot (but not within the dwelling on the Lot) as may be necessary for the construction, maintenance or emergency repair of the Common Area or Common Maintenance Area or, if necessary, for the benefit of the Owners in common. Any damage caused to a Lot by entry of the Association shall be repaired by the Association at its expense. The Association may retain the services of consultants to periodically review and inspect the Common Area and Common Maintenance Area to ensure adequacy of the Association’s maintenance program. Any person who damages the Common Area shall be liable to the Association for the damage, and the Owner and Resident of the Lot with which the person causing the damage is associated are jointly and severally liable to the Association.

Section 10.4. Owner Maintenance. Owners shall keep and maintain in good repair and appearance all portions of their Lots and the landscaping within the public right of way, which is between the sidewalk adjacent to the Owner’s front yard and the street right of way, and Improvements thereon (other than that portion the maintenance of which is the responsibility of a public maintenance assessment district, if any), including, but not limited to, any fence or wall, concrete terrace drain or drainage swales which is located on the Owner’s Lot. The Owner of each Lot shall water, weed, maintain and care for the landscaping located on their Lot (other than that portion the maintenance of which is the responsibility of a public maintenance assessment district, if any) and the landscaping within the public right of way, which is between the sidewalk adjacent to the Owner’s front yard and the street right of way, so that the same presents a neat and attractive appearance, free from weeds, trash and debris. No Owner shall interfere with or damage the Common Maintenance Area nor interfere with or impede the Association or a public maintenance assessment district in connection with the maintenance of the Common Area or Common Maintenance Area.

Section 10.5. Association’s Right to Perform Owner Maintenance. In the event an Owner of a Lot should fail to carry out the maintenance and repair responsibilities referenced in this Article or within the Governing Documents, in a manner satisfactory to the Board, the Association, after approval by two-thirds (2/3) vote of the Board, shall have the right through its agents and employees, to enter onto the Lot and to repair, maintain and restore the Lot and exterior of the Residence, building and any other Improvements erected on the Lot. The cost of such exterior maintenance shall be added to and become a part of the assessment to which the Lot is subject. Such assessment shall be due and payable within thirty (30) days after the Board gives written notice thereof.

Section 10.6. Association’s Right of Entry. Each Owner grants easements to the Association to enter into each Lot to maintain, repair, or restore the Lot when Owner of a Lot fails to carry out their maintenance responsibilities. Entry into a Lot by the Association for non-

emergency repairs shall be made only after a minimum of three (3) days written notice has been given to the Resident. In case of emergency involving immediate threat to life or safety or immediate, significant property damage, the Association's right to enter any Lot is immediate. In an emergency situation, however, prior to entering a Lot a reasonable attempt must be made to notify the Resident and the Owner of the Lot. Entry by the Association shall be made with as little inconvenience to the Owner as possible and any damage caused by the Association shall be repaired by the Association.

Section 10.7. Mailboxes. The Association will maintain, repair, and replace, all mailboxes and related components. All mailboxes and related components are maintained by the association regardless of whether previously installed, maintained, repaired and/or replaced by an Owner or Declarant. The Association's maintenance standards shall be consistent with the provisions of Article X, Section 10.3.

ARTICLE XI

ANNEXATION

Additional residential property, Common Area and Common Maintenance Area may be annexed to the Properties and to the Declaration upon the vote or written assent of two-thirds (2/3) of the voting power of Members of the Association. Upon approval by Members of the Association, the Owner of the property wishing it to be annexed may file of record a "Declaration of Annexation" which shall extend the provision of this Declaration to the property being annexed. Each Declaration of Annexation shall be signed by two officers of the Association and by each record owner of the Annexed Territory. For any annexation of property outside of Annexable Territory, each Declaration of Annexation must be signed by the record owner of each of the Lots annexed, and by an officer of the Association, certifying that the approval of the requisite percentage of Members has been obtained.

ARTICLE XII

RIGHTS OF LENDERS

Section 12.1. Payments of Taxes or Premiums by First Mortgagees. First Mortgagees may, jointly or severally, pay taxes or other charges which are in default, and which may or have become a charge against the Common Area, unless the taxes or charges are separately assessed against the Owners, in which case, the rights of first Mortgagees shall be governed by the provisions of their Mortgages. First Mortgagees may, jointly or severally, also pay overdue premiums on casualty insurance policies, or secure a new casualty insurance coverage on the lapse of a policy for the Common Area; first Mortgagees making such payments shall be owed immediate reimbursement from the Association. Entitlement to reimbursement shall be reflected in an agreement in favor of any first Mortgagee who requests the same to be executed by the Association.

Section 12.2. Priority of Lien of Mortgage. No breach of the covenants, conditions or restrictions in the Declaration shall affect, impair, defeat or render invalid the lien or charge of any first Mortgage made in good faith and for value encumbering any Lot, but all of the covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title to a

Lot is derived through foreclosure or trustee's sale, or otherwise.

Section 12.3. Curing Defaults. A first Mortgagee who acquires title by judicial foreclosure, deed in lieu of foreclosure or trustee's sale shall not be obligated to cure any breach of the provisions of this Declaration which is non-curable or of a type which is not practical or feasible to cure. The determination of the Board made in good faith as to whether a breach is non-curable or not feasible to cure shall be final and binding on Mortgagees.

Section 12.4. Approval of First Mortgagees. Except as provided by statute in case of condemnation or substantial loss to the Lots or Common Area, unless the Mortgagees of first Mortgages encumbering sixty-seven percent (67 %) or more of the Lots which are subject to a Mortgage or Owners representing sixty-seven percent (67%) of the voting power of the Association have given their prior written approval, the Association shall not:

- (a) 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 shall not be deemed a transfer within the meaning of this Subsection.
- (b) Change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner.
- (c) By act or omission, change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or exterior appearance of residences, the exterior maintenance of residences, the maintenance of Common Area walks or common fences and driveways, or the upkeep of lawns and plantings in the Properties.
- (d) Fail to maintain fire and extended coverage insurance on the Common Area on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurance value, based on current replacement cost.
- (e) Use hazard insurance proceeds for losses to any portion of the Common Area for other than the repair, replacement or reconstruction of the Common Area.

Section 12.5. Restoration of Common Area. Any restoration or repair of the Common Area after partial condemnation or damage due to an insurable event, shall be performed substantially in accordance with the Declaration and original plans and specifications unless other action is approved by holders of first Mortgages on Lots which have at least fifty-one percent (51%) of the votes of Lots subject to Mortgage holders.

Section 12.6. Professional Management. When professional management has been previously required by a first Mortgage holder, a decision to establish self-management by the Association shall require the consent of at least sixty-seven percent (67%) of the voting power of Members of the Association and the approval of holders of first Mortgages on Lots, the Owners of which have at least fifty-one percent (51%) of the votes of Lots encumbered by Mortgages.

Section 12.7. Notice to Mortgagees. Upon written request to the Association identifying the name and address of the holder and the Lot member or address, any first Mortgage holder will

be entitled to timely written notice of:

- (a) Any condemnation loss or any casualty loss which affects a material portion of the project or any Lot on which there is a first Mortgage held by the Mortgage holder.
- (b) Any delinquency in the payment of assessments or charges owed by an Owner subject to a first Mortgage held by the Mortgage holder which remains uncured for a period of sixty (60) days.
- (c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.
- (d) Any proposed action which would require the consent of a specified percentage of Mortgage holders.

Section 12.8. Documents to be Available. The Association shall make available to Owners and Mortgagees, and holders, insurers or guarantors of any first Mortgage, current copies of the Declaration, the Bylaws, other Rules adopted by the Board concerning the Properties 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. The holders of first Mortgages encumbering fifty-one percent (51%) or more of the Lots subject to a Mortgage shall be entitled to have an audited statement for the immediately preceding fiscal year prepared at their expense if one is not otherwise available. Any financial statement so requested shall be furnished within a reasonable time following the request.

Section 12.9. Conflicts. In the event of any conflict between any of the provisions of this Article and any of the other provisions of the Declaration, the provisions of this Article shall control.

ARTICLE XIII

DISPUTE NOTIFICATION / RESOLUTION PROCEDURES / IDR / MEMBER DISCIPLINE HEARINGS

Section 13.1. Application. This Article XIII applies to a dispute between the Association and an Owner involving their rights, duties or liabilities under California Civil Code Section 5900 and any amendments thereto, or under the Governing Documents of the Association. This procedure referenced in this Article XIII shall be initiated prior to initiating the dispute resolution procedure referenced in Article XIV below, if applicable. This process called for by this Section 13.1 and Civil Code Section 5900, et seq., shall be referred to as “Internal Dispute Resolution” or “IDR.”

Section 13.2. Procedure. Either party to a dispute within the scope of Civil Code Section 5900, et seq., or amendments thereto, may invoke the following procedure:

- (a) The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.

- (b) An Owner may refuse a request to meet and confer; however, the Association may not refuse a request to meet and confer.
- (c) The Board shall designate a member of the Board to meet and confer.
- (d) The Parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute.
- (e) A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the Board designee on behalf of the Association.

Section 13.3. Enforceable Agreement. An agreement reached under this Article binds the parties and is judicially enforceable if both of the following conditions are satisfied: (1) The agreement is not in conflict with law or the governing documents of the Association; and (2) the agreement is either consistent with the authority granted by the Board to its designee or the agreement is ratified by the Board.

Section 13.4. Fees. Unless otherwise stated by California law, an Owner may not be charged a fee to participate in the process described in this Article XIII.

Section 13.5. Hearings. No penalty or temporary suspension of rights shall be imposed unless the Owner alleged to be in violation is given at least ten (10) days prior notice of the proposed penalty or temporary suspension and is given an opportunity to be heard before the Board of Directors or appropriate committee established by the Board with respect to the alleged violation(s) at a hearing conducted. Within fifteen (15) days from the date of the hearing, the Owner must be notified in writing of the hearing outcome.

Notwithstanding the forgoing, under circumstances involving conduct that constitutes (1) an immediate and unreasonable infringement of, or threat to, the safety or quiet enjoyment of neighboring Owners, (2) a traffic or fire hazard, (3) a threat of material damage to or destruction of, the Common Area or Common Maintenance Area, or (4) a violation of the Governing Documents that is of such a nature that there is no material question regarding the identity of the violator or whether a violation has occurred (such as late payment of Assessments or parking violations), the Board of Directors or its duly authorized agents may undertake immediate corrective or disciplinary action and, upon request of the offending Owner (which request must be received by the Association, in writing, within five (5) days following the Association's disciplinary action), or on its own initiative, conduct a hearing as soon thereafter as reasonably possible.

Section 13.6. Hearing Notices. Any notice required by this Article shall, at a minimum, set forth the date and time for the hearing, a brief description of the action or inaction constituting the alleged violation of the Governing Documents and a reference to the specific Governing Documents provision alleged to have been violated. The notice shall be in writing and may be given by any method reasonably calculated to give actual notice, provided that if notice is given by mail, it shall be sent by first-class or certified mail sent to the last address of the Member shown on the records of the Association.

Section 13.7. Rules Regarding Disciplinary Proceedings. The Board shall be entitled to

adopt rules that further elaborate and refine the procedures for conducting disciplinary proceedings. Such rules, when approved and adopted by the Board, shall become a part of the Rules.

ARTICLE XIV

ALTERNATIVE DISPUTE RESOLUTION (MEDIATION/ARBITRATION)

Section 14.1. Subsequent Prolitigation Procedure. After the Internal Dispute Resolution procedure set forth in Article XIII is completed and complied with, the Alternative Dispute Resolution (“ADR”) procedure set forth in this Article XIV shall be initiated before litigation is commenced, provided this Article is applicable.

Section 14.2. Applicable Disputes. Association or an Owner may not file an enforcement action in the Superior Court unless the parties have endeavored to submit their dispute to alternative dispute resolution, consistent with California Civil Code Section 5925 et seq., and amendments thereto, and other successor California statutes and law. This Article applies to enforcement actions in the Superior Court solely for (1) declaratory relief; (2) injunctive relief; (3) writ relief; and (4) relief in conjunction with a claim for monetary damages. This Article does not apply to Small Claims actions and assessment disputes.

Section 14.3. Request for Resolution. Any party to a dispute may initiate Alternative Dispute Resolution under this Article by serving on another party to the dispute a Request for Resolution. Service of the Request for Resolution shall be by personal delivery, first-class mail, express mail, facsimile transmission, or other means reasonably calculated to provide the party on whom the request is served actual notice of the Request. The Request for Resolution must include:

- (a) A brief description of the dispute between the parties.
- (b) A request for alternative dispute resolution.
- (c) A notice that the party receiving the Request for Resolution is required to respond within thirty (30) days of receipt of the request, or it will be deemed rejected.

Section 14.4. Responses to Request for Resolution. The party receiving a Request for Resolution has thirty (30) days following receipt to accept or reject alternative dispute resolution. If not accepted within thirty (30) days, the Request may be deemed rejected. If alternative dispute resolution is accepted, it must be completed within ninety (90) days of the date of receipt of the acceptance by the party initiating the Request, unless extended by written stipulation signed by both parties.

Section 14.5. Certificate of Completion. At the time of filing a civil action, the party filing the action shall file with the complaint a certificate stating that alternative dispute resolution has been completed in compliance with California Civil Code Section 5950, and amendments thereto and these CC&Rs. Failure to file a certificate may be grounds for a demurrer or motion to strike unless the Court finds that dismissal of the action for failure to comply with this Article would result in substantial prejudice to one of the parties pursuant to Section 430.10 of the California Code of Civil Procedure, and amendments thereto.

Section 14.6. Cost of Alternative Dispute Resolution. The parties must equally bear the cost of the alternative dispute resolution hearing. Refusal to share costs equally constitutes rejection of alternative dispute resolution, regardless of prior acceptance.

Section 14.7. Failure to Comply. Failure of a Member to comply with the pre-filing requirements of these CC&Rs and California Civil Code Section 5925, et seq. and amendments thereto may result in the loss of a party's right to pursue another Member or Association regarding enforcement of the Governing Documents.

ARTICLE XV

GENERAL PROVISIONS

Section 15.1. Enforcement. The Association or any Owner shall have the right to enforce by any proceedings at law or in equity, all covenants, conditions, restrictions and reservations, now or hereafter imposed by the provisions of this Declaration or any amendment hereto, including the right to prevent the violation of any such covenants, conditions, restrictions and reservations and the right to recover damages or other due for such violation. The Association or any Owner shall also have the right to enforce by proceedings at law or in equity the provisions of the Articles or Bylaws and any amendments thereto. Each Owner shall have a right of action against the Association for any failure of the Association to comply with the provisions of the Declaration or of the Bylaws or Articles. (See also Articles XIII and XIV).

Section 15.2. No Waiver. Failure by the Association or any Owner to enforce any covenant, condition, restriction or reservation in the Declaration shall not be deemed a waiver of the right to do so thereafter.

Section 15.3. Cumulative Remedies. All rights, options and remedies of the Association, the Owners or Mortgagees under this Declaration are cumulative, and not one of them shall be exclusive of any other, and the Association, the Owners and the Mortgagees shall have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief which may be provided by law, whether or not stated in this Declaration.

Section 15.4. Severability. Should any provision in the Declaration be void or become invalid or unenforceable in law or equity by judgment or court order, the remaining provisions shall be and remain in full force and effect.

Section 15.5. Singular Includes Plural. Whenever the context of this Declaration requires same, the singular shall include the plural, and the masculine shall include the feminine and the neuter.

Section 15.6. Attorney's Fees. In the event action is instituted to enforce any of the provisions in this Declaration, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment, reasonable attorneys' fees and costs of such suit.

Section 15.7. Nonliability of Officials. To the fullest extent permitted by law, neither the Board, the Architectural Committee, any other committees of the Association or any member of

such Board or committee shall be liable to any Member or the Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of plans or specifications (whether or not defective), course of action, act, the like made in good faith within omission, error, negligence or which such Board, committees or persons reasonably believed to be the scope of their duties.

Section 15.8. Amendments. This Declaration may be amended at any time, and from time to time, by an instrument in writing approved by a majority (50% + 1) of the Association; provided, however, that if any provision of this Declaration requires a greater or lesser percentage of the voting rights of Members in order to take any action under such provision, the same percentage of the Association shall be required to amend or revoke such provision. Any amendment shall become effective upon the recording thereof with the Office of the County Recorder of San Diego County, California. Anything herein stated to the contrary notwithstanding, no material amendment may be made to this Declaration without the prior written consent of Mortgagees of first Mortgage encumbering fifty-one percent (51%) or more of the Lots within the Properties which are subject to a Mortgage. "Material amendment" shall mean, for purposes of this Section 15.8, any amendments to provisions of this Declaration governing any of the following subjects:

- (a) The fundamental purpose for which the Properties were created (such as a change from residential use to a different use).
- (b) Assessments, assessment liens or the priority of assessment liens.
- (c) Reserve for maintenance, repair and replacement of the Common Area or Common Maintenance Area.
- (d) Responsibilities for maintenance and repairs.
- (e) Insurance or fidelity bonds.
- (f) Restoration or repair of the Properties after a hazard damage or partial condemnation.
- (g) Rights to use the Common Area or Common Maintenance Area.
- (h) Expansion or contraction of the Properties or the addition, annexation or withdrawal or property to or from the Properties.
- (i) Voting Rights.
- (j) Convertibility of Lots into Common Area or of Common Area into Lots.
- (k) Redefinition of boundaries of any Lot or the Common Area.
- (l) The interests in the Common Areas or Common Maintenance Area.
- (m) Leasing of Lots.

- (n) Imposition of any restrictions on the right of an Owner to sell or transfer his or her Lot.
- (o) Any action to terminate the legal status of the Association after substantial destruction or condemnation.
- (p) The requirement of retention of professional management of the Association.
- (q) Any provision which is expressly for the benefit of first Mortgagees or insurers or guarantors of first Mortgages.

An amendment to the Declaration shall not be considered material if it is for the purpose of correcting technical errors or for clarification. A first Mortgagee who receives a written request delivered by certified or registered mail, return receipt requested, to approve amendments who does not deliver to the requesting party a negative response within thirty (30) days, shall be deemed to have approved such request.

Notwithstanding the above provisions, the percentage of voting power necessary to amend a specific clause or provision in the Declaration shall not be less than the percentage of affirmative votes necessary for action to be taken under that clause or provision.

The percentage of membership votes or written consents required to amend the Declaration may be reduced under certain circumstances by court order obtained pursuant to California Civil Code Section 4275.

Section 15.9. Required Amendments. If any law applicable to the Properties is enacted after the date of recording of this Declaration which directly contradicts, restricts, limits or changes any provision contained herein, this Declaration will be deemed amended by operation of law. Any provision herein to the contrary notwithstanding, if an amendment occurs by operation of law, the Board may, by unanimous written consent, cause a document describing the amendment by operation of law, to be distributed to the Members and recorded with the San Diego County Recorder's Office as an amendment to this Declaration.

Section 15.10. Extension of Declaration. Each and all of the covenants, conditions and restrictions shall run with and bind the land for a term of sixty (60) years from the date this Declaration is recorded, after which date they shall automatically be extended for successive periods of ten (10) years, unless the Owners of two-thirds (2/3) of the Lots subject to this Declaration have executed and recorded at any time within six (6) months prior to the end of the sixty (60) year period, or within six (6) months prior to the end, of any such ten (10) year period, in the manner required for a conveyance of real property, a written instrument in which it is agreed that the restrictions shall terminate at the end of the sixty (60) year period or at the end of any ten (10) year period.

Section 15.11. Encroachment Easement.

- (a) In the event any Improvement to a Lot encroaches upon the Common Area or Common Maintenance Area as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion thereof, an easement for the encroachment and for its maintenance shall exist so long as the encroachment exists; provided, however,

in no event shall an easement for encroachment be created in favor of an Owner if the encroachment occurred due to the willful misconduct of the Owner. In the event a structure on a Lot is partially or totally destroyed, and then rebuilt or repaired, the minor encroachments over adjoining Common Area and Common Maintenance Area shall be permitted and there shall be easements of maintenance of the encroachments so long as they shall exist.

- (b) Each Owner of a Lot is granted an easement over adjoining Lots for the purpose of accommodating encroachments due to design, construction, engineering error, errors in construction, settlement or shifting of the Dwelling, building, roof overhangs, architectural, or other appendants and drainage of water from roofs. There shall be easements for the maintenance of encroachments so long as they shall exist; provided, however, that no easement is created in favor of an Owner if the encroachment occurred due to the willful misconduct of the Owner. In the event a structure on any Lot is partially or totally destroyed and then rebuilt or repaired, the minor encroachments over adjoining Lots shall be permitted and there shall be easements for maintenance of encroachments so long as they shall exist.

Section 15.12. Litigation. In the event of litigation arising out of or in connection with the Declaration, the prevailing party shall be entitled to receive costs of suit and such sum for attorneys' fees as the Court deems reasonable.

Section 15.13. No Interference with City Ordinances. No provision in this Declaration and no contract of sale, lease or other written document, shall establish any restriction on the Association or others which would prevent any other person or entity from complying with all applicable provisions of the Governmental Regulations referred to in Article V of this Declaration or any other City ordinances, rules, policies or regulations.

Section 15.14. Conflict of Provisions. In the event of a conflict among the provisions of the Declaration, the Articles and the Bylaws, the provisions of the Declaration shall control. In the event of a conflict between the provisions of the Articles and Bylaws, the provisions of the Articles shall control.

Section 15.15. Drafting Errors. The Board of Directors for the Association shall have the power, via unanimous vote of the Board, to unilaterally further amend this Declaration in order to address any typographical or clerical errors associated with the restatement process and recordation of this 2024 Amended and Restated Declaration. This provision shall not be valid after three (3) years from the date of recordation of this Declaration with the County.

CERTIFICATION

We, the undersigned, do hereby certify:

1. That each of us is an Officer of Canyon Trails II Community Association, a California non-profit mutual benefit corporation; and
2. That we have counted the ballots of the 2024 Amended and Restated Declaration of Covenants, Conditions and Restrictions for Canyon Trails II Community Association, and can confirm and that they have met the necessary number for amending said Declaration.

In Witness Whereof I sign my name this _____ day of _____, 2025.

Canyon Trails II Community Association

By: _____

Print Name: _____

Title: _____

In Witness Whereof I sign my name this _____ day of _____, 2025.

Canyon Trails II Community Association

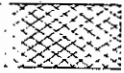
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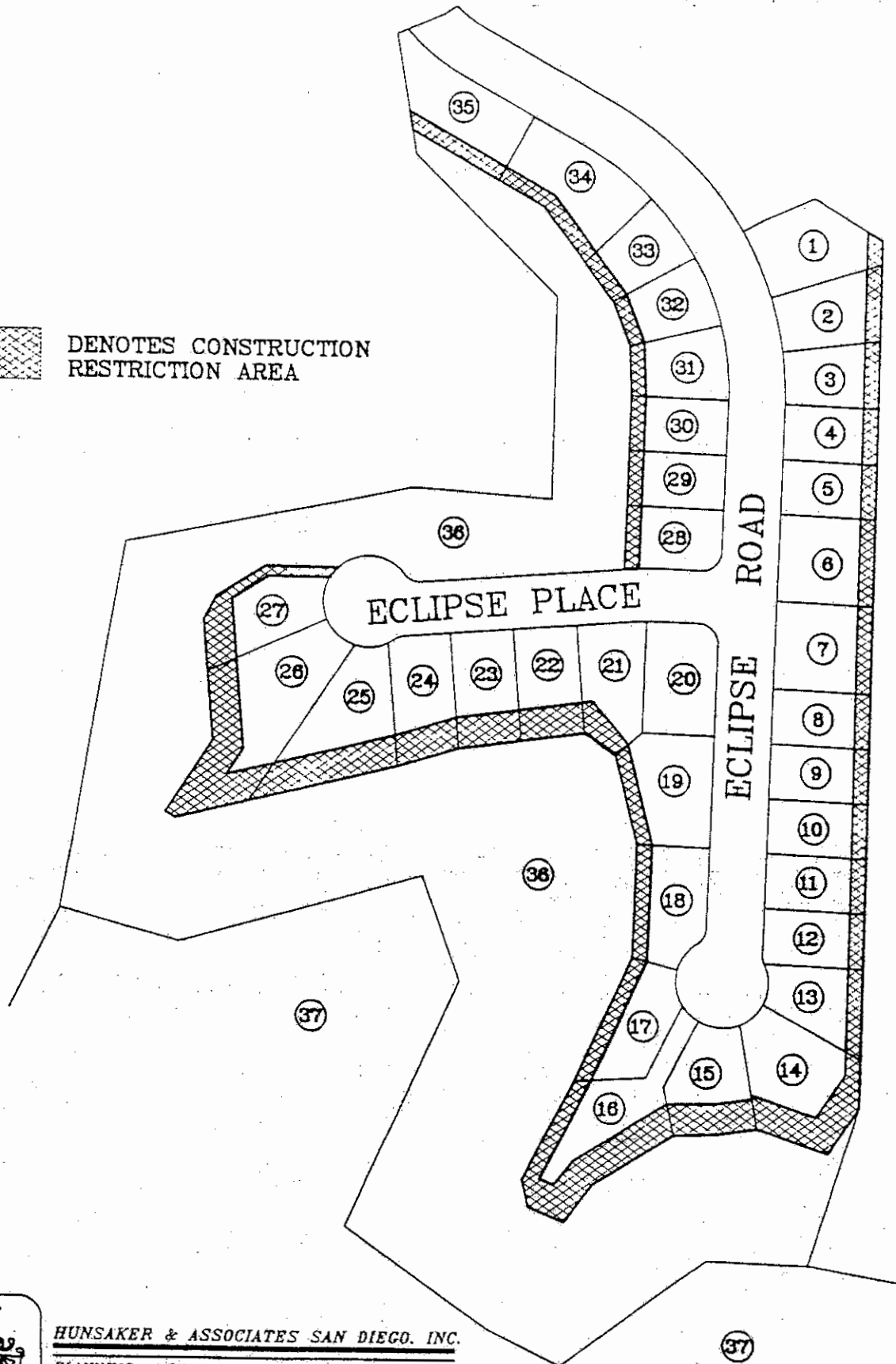
Title: _____

EXHIBIT "A"

"CONSTRUCTION RESTRICTION AREA"



DENOTES CONSTRUCTION RESTRICTION AREA



HUNSAKER & ASSOCIATES SAN DIEGO, INC.
PLANNING - ENGINEERING - SURVEYING
10179 HUENNEKENS STREET - SAN DIEGO, CA 92121
(619) 558-4600 - FAX (619) 558-1414

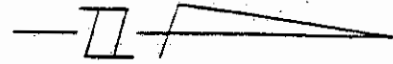
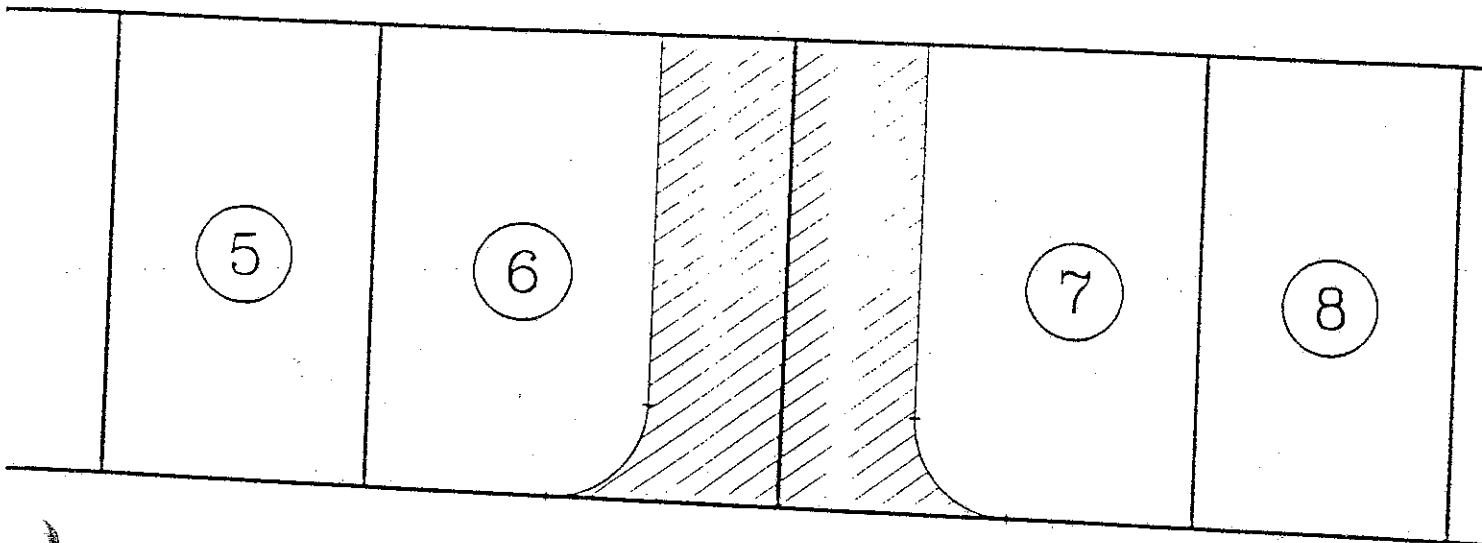
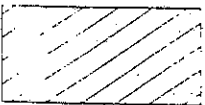
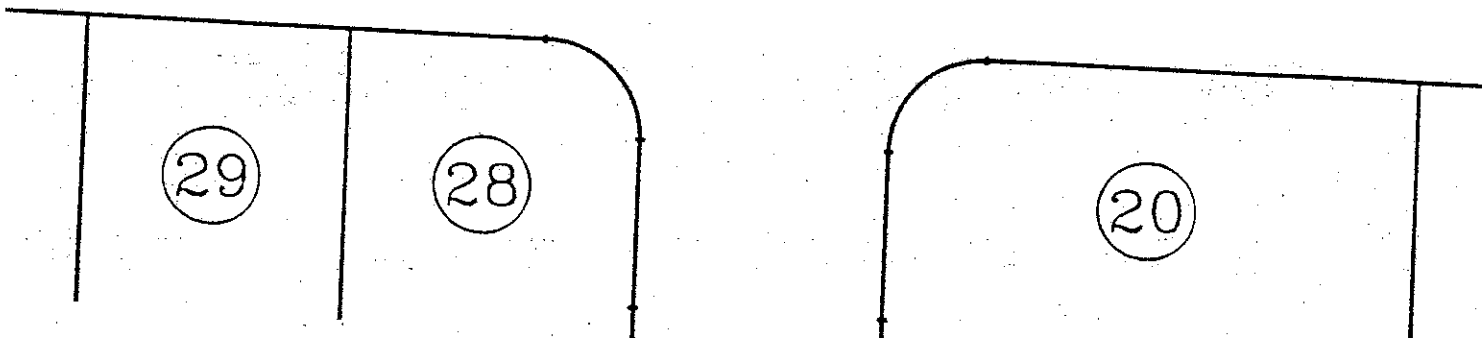


EXHIBIT "B"

"RESTRICTED AREA ON LOTS 6 AND 7"



ECLIPSE ROAD



DENOTES
RESTRICTED AREA



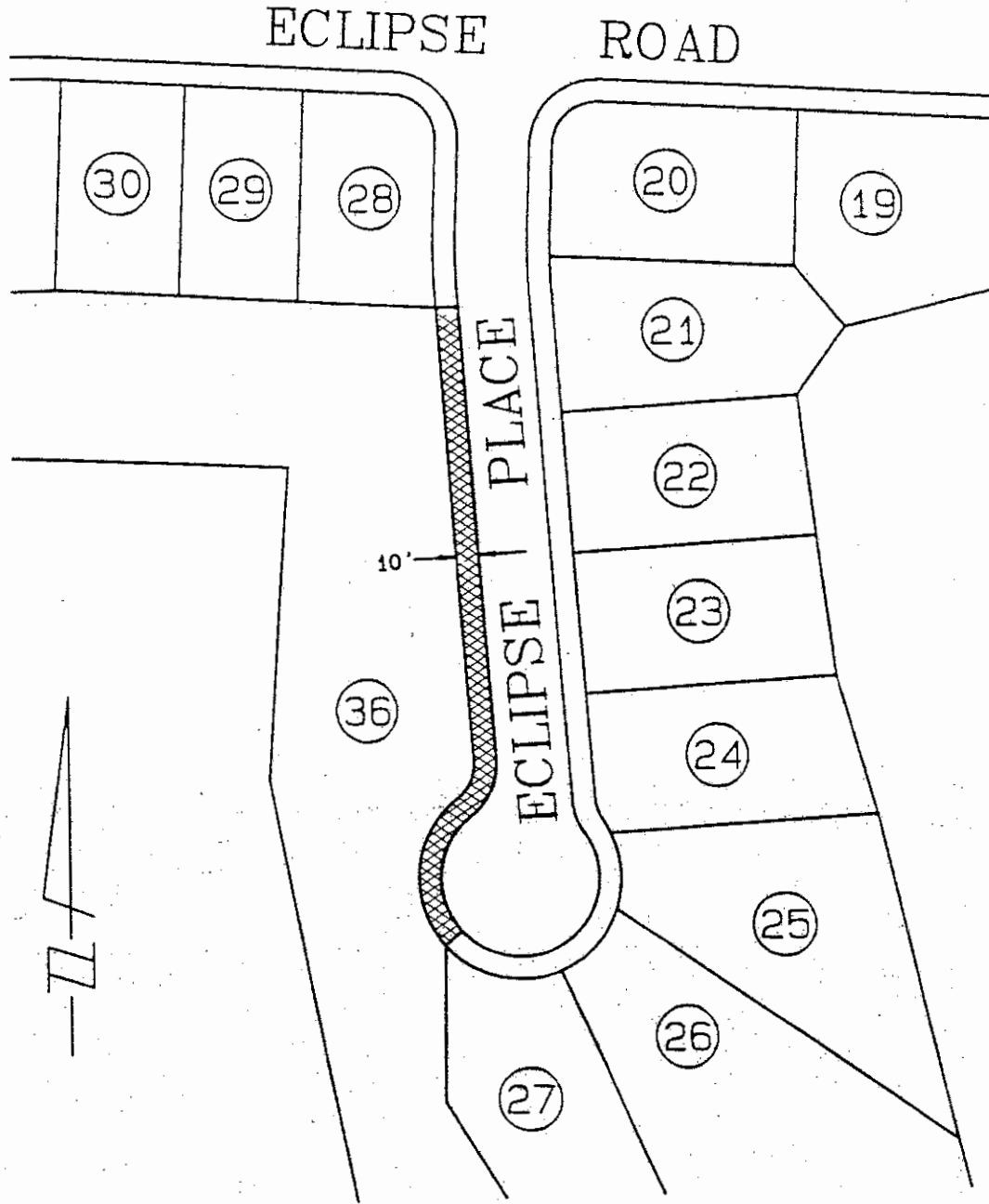
HUNSAKER & ASSOCIATES SAN DIEGO, INC.

PLANNING - ENGINEERING - SURVEYING
10779 HUENNEKENS STREET - SAN DIEGO, CA 92121
(619) 558-4500 - FAX (619) 558-1414



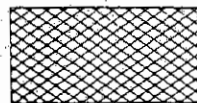
EXHIBIT "C"

"OFF-SITE COMMON MAINTENANCE AREA"



HUNSAKER & ASSOCIATES SAN DIEGO, INC.

PLANNING - ENGINEERING - SURVEYING
10779 HUENNEKENS STREET - SAN DIEGO, CA 92121
(619) 558-4500 - FAX (619) 558-1414



DENOTES
MAINTENANCE AREA

AMENDED ARTICLES OF INCORPORATION
OF
CANYON TRAILS II COMMUNITY ASSOCIATION

ARTICLE I

The name of this corporation is CANYON TRAILS II COMMUNITY ASSOCIATION (“Association”).

ARTICLE II

The principal office for the transaction of business of the Association is located in San Diego County, State of California.

ARTICLE III

The Association is a Nonprofit Mutual Benefit Corporation organized pursuant to the Nonprofit Mutual Benefit Corporation Law. The purpose of the Association is to engage in any lawful act or activity for which a corporation may be organized under such Law. More specifically, the Association is formed to manage a common interest development pursuant to the Davis-Stirling Common Interest Development Act and will provide for the management, administration, maintenance and preservation of a common interest development project within the real property located in The City of San Diego, County of San Diego, California which is more particularly described as:

Lots 1 through 36, inclusive of VISTA ALEGRE according to Map thereof No. 13309 filed in the Office of the County Recorder of San Diego County, California, on March 13, 1996.

The Association will fix, levy, collect and enforce payment of all charges and assessments of the Association pursuant to the Declaration (hereinafter defined) and will promote the health, safety and welfare of all of its members.

ARTICLE IV

The Association shall have the power to perform all of the duties and obligations of the Association set forth in the Declaration of Covenants, Conditions and Restrictions for Canyon Trails II (“Declaration”) applicable to the property, the owners of which are required by the Declaration to be members of the Association, and recorded or to be recorded in the Office of the County Recorder of San Diego County, California. The Association shall have and exercise all the powers granted to a nonprofit mutual benefit corporation as set forth in California Corporations Code §7140. In addition, the Association may exercise the powers granted to the Association by California Code of Civil Procedure §383 and the Davis-Stirling Common Interest Development Act (California Civil Code §§1350-1372, inclusive).

Notwithstanding any of the above statements of purposes and powers, the Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of the Association.

ARTICLE V

The name and address in this state of the Association's current agent for service of process and current business address can be found on the latest Statement of Information found filed with the California Secretary of State. As of December 2024, the current agent for service of process is HOA Nexus LLC, 4901 Morena Blvd Ste 101, San Diego, California 92123. The current business address of the Association is HOA Nexus LLC, 4901 Morena Blvd Ste 101, San Diego, California 92123. The common interest development is located at the intersection of Eclipse Road and Dormouse Road, San Diego, California 92129.

ARTICLE VI

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot (as defined in the Declaration) which is subject to covenants of record to assessment by the Association, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE VII

Amendment to these Articles of Incorporation shall require the assent (by vote or written consent) of (1) a bare majority of the Board of Directors of the Association (more than 50%), and (2) seventy-five percent (75%) or more of the total voting power of the members of the Association. Notwithstanding the above provisions, the percentage of voting power necessary to amend a specific clause or provision in these Articles of Incorporation shall not be less than the percentage of affirmative votes necessary for action to be taken under that clause or provision.