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SALINAS, CALIFORNIA

LAGUNA SECA RANCH ESTATES NO. 2

DECLARATION OF

COVENANTS, CONDITIONS & RESTRICTIONS

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DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS
LAGUNA SECA RANCH ESTATES NO. 2

THIS DECLARATION AND ESTABLISHMENT OF PROTECTIVE COVENANTS, RESTRICTIONS AND RESERVATIONS is made this 2nd day of September, 1980, by BISHOP, McINTOSH and McINTOSH, a California Partnership, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of the real property described in Article I; and

WHEREAS, it is the desire and intention of Declarant to sell the property described in Article I and to impose on it mutual, beneficial restrictions under a general plan or scheme of improvement for the benefit of all the real property described in Article I and the future owners of said real property; and

WHEREAS, Declarant intends hereby to make a covenant running with the land;

NOW, THEREFORE, Declarant hereby declares that all of the property described in Article I is held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied, and improved subject to the following limitations, restrictions and covenants, all of which are declared and agreed to be in furtherance of a plan for the subdivision, improvement and sale of said property, and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of said property and every part thereof. All the limitations, restrictions and covenants shall run with the land and shall be binding on all parties having or requiring any right, title or interest in the property described in Article I or any part thereof, and shall inure to the benefit of and be binding upon Declarant, its successors and assigns, and upon each Grantee, and the successors and assigns of each.

ARTICLE I
PROPERTY SUBJECT TO THIS DECLARATION

The property subject to this declaration is known as LAGUNA SECA RANCH ESTATES NO. 2, and is more particularly described as:

"All of the real property described and shown on the Subdivision Map of Laguna Seca Ranch Estates No. 2, filed for record in the Office of the Recorder of Monterey County, California, June 6, 1980, in Volume 14 of Cities and Towns at Page 28".

ARTICLE II
DEFINITIONS

2.01 The terms herein shall have the following meaning unless expressly otherwise provided:

- (a) "Architectural Committee" means the committee described in Article VII of this Declaration.
- (b) "Architectural Committee Rules" means the Rules adopted by the Architectural Committee in accordance with Section 7.01.
- (c) "Articles" means the Articles of Incorporation of the Association as amended from time to time.
- (d) "Assessment" means that portion of the cost of maintaining, improving, repairing, operating and managing the Subdivided Property which is to be paid by each Grantee as determined by the Association.
- (e) "Association" means and refers to the Laguna Seca Ranch Estates No. 2 Homeowners Association, a California nonprofit corporation, its successors and assigns.
- (f) "Board" or "Board of Directors" means the governing body of the Association, selected in accordance with its Bylaws.
- (g) "Bylaws" means the Bylaws of the Association as amended from time to time.
- (h) "Common Area" means all Subdivided Property which is not included within any Residential Lot and which is owned by the

- Association for the common use, benefit and enjoyment of the Association and the members thereof.
- (i) "Declarant" means Bishop, McIntosh and McIntosh, a California Partnership.
 - (j) "Declaration" means this enabling declaration, as the same may be changed, modified or amended from time to time as herein provided.
 - (k) "Expenses" means the actual and estimated expenses of operating the Common Area and Streets, of carrying out the duties and powers of the Association, or any reasonable reserve for such purposes, all as found and determined by the Board, together with all sums designated as expenses by or pursuant to this document.
 - (l) "Grantee" means the purchaser, by virtue of deed or other conveyance, from Declarant with respect to any Residential Lot designated on the Subdivision Map, and the heirs, successors and assigns of such Grantee.
 - (m) "Laguna Seca Homeowners Association Rules" means the Rules adopted by the Association in accordance with Section 6.03.
 - (n) "Member" means a person entitled to membership in the Association as provided herein.
 - (o) "Person" means a natural person, a corporation, a partnership, a trustee or other legal entity.
 - (p) "Residence" means all improvements and appurtenances constructed upon any Residential Lot.
 - (q) "Residential Lot" means each lot shown on the Subdivision Map which may be separately conveyed to a Grantee for residential purposes.
 - (r) "Setback" means the minimum distance between the residence or other structure referred to on a Residential Lot and a given street or line.
 - (s) "Street" means any street, highway or other thoroughfare shown on the Subdivision Map, whether designated thereon as street, avenue, boulevard, place, drive, road, terrace, way, lane, circle, or otherwise.

- (t) "Subdivided Property" means all of the real property described in Article I herein.
- (u) "Subdivision Map" means the map filed for record in the Office of the County Recorder of the County of Monterey, California on June 6, 1980, in Volume 14 of Cities and Towns at Page 28, displaying the development of the Subdivided Property.

ARTICLE III
BASIC RESTRICTIONS

3.01 Use of the Property. No trade, business or profession of any description may be conducted on or from any Residential Lot except such trade, business or profession as is conducted by Declarant or its agents in connection with the conduct of its operations for the development, improvement, subdivision or sale of the Subdivided Property or any Residential Lot or Lots thereon.. A Residential Lot may be used only for the purpose of construction and maintenance thereon of one private single family residence. Declarant, its successors or assigns may use any Residential Lot or Lots owned by it for a model homesite or sites, and display and sales office until such time as the last Residential Lot is sold by Declarant.

3.02 Location of Structures. Construction of any kind must take place only within the setback limits of each Residential Lot. The location and design of each structure upon each Residential Lot must be approved in writing by the Architectural Control Board prior to any construction or preparation for construction thereon, as is more particularly set forth in Article VII of this Declaration.

3.03 Resubdivision of Lots. No Residential Lot shall be resubdivided or split into lots of a lesser size than the size of the original Residential Lot.

3.04 Changing Grade, Slopes and Drainage. No change in the established grade or elevation of the Residential Lots and no change in the established slope or ratio of the cuts and fills which alters established drainage patterns shall be permitted without the prior written consent of the Architectural Control Board and without the prior written approval of the Building Department of the County of Monterey or such other governmental agency or unit that has jurisdiction with regard to such actions on the Subdivided Property. For the purpose hereof, established drainage patterns are defined as the drainage patterns existing at the time the grading of the Subdivided Property was completed in conformity with the grading land heretofore approved by the County of Monterey. Graded surfaces shall be

replanted as soon as possible following completion of grading. Grading shall not take place during any period of rain or high wind.

Declarant hereby reserves the right to make any and all cuts and fills on the Subdivided Property and on the Residential Lots included therein, and to do such grading as in its judgment may be necessary to grade streets and Residential Lots designated or delineated upon the Subdivision Map. Each Grantee covenants to permit free access by Declarant and by Grantees of adjacent Residential Lots to slopes or drainage ways located on said Grantee's property when such access is required for the maintenance or permanent stabilization of said slopes, or maintenance of the drainage facilities or for the protection and use of property other than the Residential Lot on which the slope or drainage way is located.

3.05 Wells and Mines. No mining or quarrying operations of any kind shall be permitted upon or in any Residential Lot, nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon any Residential Lot.

3.06 Nuisance and Nonconformity. No noxious or offensive trade or activity shall be carried on upon the Subdivided Property, nor shall anything be done which may be an annoyance or nuisance to the other owners or occupants of the Subdivided Property, including but not limited to storage of materials which might create an insect or pest control problem, or the poor maintenance of plant or landscape materials. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any Residential Lot. No Residential Lot shall be allowed to become unsanitary, unsightly, offensive or detrimental to any other Residential Lot in the vicinity thereof or to the occupants of any such Residential Lot. No noise or other nuisance shall be permitted on any Residential Lot so as to be offensive or detrimental to any other Residential Lot in the vicinity thereof or to its occupants.

- (a) Livestock. No farm animals, livestock, poultry or fish of any kind shall be raised, bred or kept on any Residential Lot. Dogs, cats or other common household pets may be kept if they are not kept or bred or maintained for any commercial purposes, or in unreasonable quantities, and if they do not become a nuisance to the owners or occupants of any portion of the Subdivided Property. Pets must be kept within the area of the Residential Lot of the owner of said pet, or on a leash or under the direct control of the owner of said pet when out of the area of the Residential Lot of said owner.

- (b) Signs. No signs or other advertising devices for any purpose shall be displayed or maintained on any Residential Lot, except (1) Upon written approval of the Architectural Committee, or (2) Declarant or its agents may erect and maintain on any Residential Lot such signs and other advertising devices as it may deem necessary or proper in connection with the conduct of its operations for the development, improvement, subdivision or sale of the Subdivided Property or any Residential Lot or Lots thereon.
- (c) Poles, Masts and Antennas. No poles, masts or antennas of any type, size or height shall be constructed on any Residential Lot or on the roof of any structure, except that a flag of the United States of America not larger than six feet by eight feet may be properly displayed from a pole no longer than eight feet attached to the side of a Residence, but not extending above the roofline of the Residence.
- (d) Upkeep of Residential Lots. Each Grantee covenants to keep, maintain, water, plant and replant all areas, slopes, banks, rights of way and setback areas located on his Residential Lot so as to prevent erosion and to present an attractive, clean, sightly and wholesome appearance at all times. No improvement, dwelling or structure on any Residential Lot shall be permitted to fall into disrepair. Each improvement, dwelling or structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished by the Grantee. Should the Board, upon ten (10) days written notice to a Grantee and opportunity given to him to be heard, determine that a Grantee is not in compliance with any portion of this Subparagraph (d), the Board shall deliver to that Grantee a written direction to correct any such noncompliance. If the noncompliance has not been corrected within thirty (30) days following the delivery of such written direction, the Board may cause the Association to correct such noncompliance and levy a Special Assessment against that Grantee and his Residential Lot for the full cost and expense to the Association of such correction.

- (e) Storage of Cars, Trailers, Campers, Boats, etc. No house trailer, living trailer, recreational vehicle, boat, boat trailer, motor home, or camper of any type shall be parked on any street or Residential Lot for more than 24 consecutive hours or for any period of time on three or more days in any week, if visible from the street or adjoining lots. No motor vehicle of any kind shall be parked on any street between the hours of 2:00 a.m. and 6:00 a.m. of any day unless a permit to park has been issued by the Board. Such permit may be issued upon application signed by the applicant stating the make, model and license of the vehicle and containing a statement of the necessity and reasons for the permit. If upon investigation by the Board it is found that necessity exists therefor and that the applicant has no reasonable means for night storage of his vehicle during the above-stated hours, the permit shall be granted for a period of seven (7) days, and may be renewed for a maximum of four subsequent seven day periods upon written application submitted to and approved by the Board.
- (f) Improper Residential Use. No boat, trailer, camper, mobil home, motor home, tent, shack, garage, barn nor other out building other than a guest house or servant quarters erected on a Residential Lot may be used for human habitation. No temporary structure may be constructed, placed or erected on any Residential Lot, except temporary structures for the use by Declarant or its agents in connection with the conduct of its operations for the development, improvement, subdivision or sale of the Subdivided Property or any Residential Lot or Lots thereon.
- (g) Use of Garages. No dwelling shall be constructed or maintained on a Residential Lot without a garage large enough to contain two standard size automobiles. Garages shall be used only to park automobiles belonging to the owner or occupants of the Residential Lot and for other purposes not incompatible with such use. The use of carports in place of garages is specifically prohibited. No guest house or servant quarters may be constructed on a Residential Lot unless additional garage space is

provided of adequate capacity to enclose one car per 1,000 square feet of additional living space.

- (h) Unsightly Articles. No unsightly articles shall be permitted to remain on any Residential Lot so as to be visible from any other Residential Lot. Without limiting the generality of the foregoing, no clotheslines or drying yards which are visible from the Streets, other Residential Lots, or any other portion of the Subdivided Property shall be maintained on any Residential Lot; no visible exterior radio or television antenna shall be installed in, on or about any Residential Lot; refuse, garbage and trash shall be kept at all times in a covered, noiseless container and any such container shall be kept within an enclosed structure or appropriately screened from view so as not to be visible from the Streets, other Residential Lots, or other areas within the Subdivided Property; and no lumber, grass, shrub or tree clippings or plant waste, metals, bulk materials or scrap or refuse or trash shall be kept, stored or allowed to accumulate on any Residential Lot except within an enclosed structure or appropriately screened from view from any Street, other Residential Lot, or other area in the Subdivided Property.

3.07 Trees and Shrubs. Trees located upon any Residential Lot shall not be cut or removed without the written consent of the Architectural Committee. The Association shall have the right to enter upon any Residential Lot at any time to inspect and control the plants, trees and seed thereon, and also to inspect for and control insect pests. This right shall be exercised in the following manner. If, after notice to the Grantee from the Association of the existence of infected plants, tree diseases or insect pests, the Grantee fails or neglects to take such measures for the eradication or control of the same as the Association may deem necessary for the protection of the community, the Association may then enter the Residential Lot and, at the expense of the Grantee of said Residential Lot, destroy and remove infected or diseased plants or trees or spray the same, or take such other measures as may be deemed necessary in the opinion of the Association to protect the community from the spread of such infection or pest. In so doing the Association, or any officer or agent thereof, shall not thereby be deemed guilty of any manner of trespass. In the same manner and to the same extent, the Association shall have the right to trim

or cut any trees on any Residential Lot to the extent necessary to prevent such trees from obstructing the view from another Residential Lot, or any other portion of the Subdivided Property.

3.08 Discharge of Firearms. No hunting, shooting or discharge of firearms or air guns of any kind shall be permitted on or from the Subdivided Property.

3.09 Construction Specifications. No residence shall be erected on any Residential Lot having a total ground floor area of the main structure, exclusive of open porches, garages, patios, exterior stairways and landings, of less than 2,000 square feet. No more than 50% of any Residential Lot shall be covered with structures or paving materials. All exterior wood and manufactured surfaces of structures constructed on any Residential Lot, with the exception of brick, shall be painted or stained. No secondhand materials shall be used in the construction of any building or structure without the prior written approval of the Architectural Committee.

ARTICLE IV

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

4.01 Purpose of Association. The Association is a nonprofit California corporation charged with the duties and invested with the powers prescribed by law and set forth in the Articles, Bylaws, and this Declaration, for the benefit, maintenance and improvement of the Subdivided Property and for the benefit of the owners thereof.

4.02. Membership Qualifications. Declarant and every Grantee of a Residential Lot which is subject to Assessment shall be a Member of the Association, and shall remain a Member thereof until such time as his ownership of one or more Residential Lots ceases for any reason, at which time his membership in the Association shall automatically cease. Membership shall be held in accordance with this Declaration and the Articles and Bylaws of the Association.

4.03. Membership Transfer. Membership in the Association shall not be transferred, pledged or alienated in any way, except upon sale, transfer or encumbrance of the Residential Lot to which it is appurtenant, and then only to the purchaser or transferee, in the case of a sale or other transfer, or mortgagee, in the case of an encumbrance of such Residential Lot. A mortgagee does not have membership rights until he becomes an owner by foreclosure or deed in lieu thereof. Any attempt to make a prohibited transfer is void. In the event the Grantee of any

Residential Lot should fail or refuse to transfer the membership registered in his name to the purchaser or other transferee of his Residential Lot, the Association shall have the right to record the transfer upon its books and thereupon any old membership outstanding in the name of the seller shall be null and void.

4.04. Voting Rights. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Grantees and shall be entitled to one vote for each Residential Lot owned. When more than one person holds an interest in any Residential Lot, all such persons shall be Members. The vote for such Residential Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Residential Lot.

Class B. The Class B Member shall be the Declarant who shall be entitled to three (3) votes for each Residential Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earliest:

- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership;
- (b) On the second anniversary date of the original issuance of the Subdivision Public Report for the Subdivided Property.

Any action by the Association which must have the approval of the Members before being undertaken shall require the vote or written assent of at least a majority of each Class of membership during the time that there are two outstanding Classes of membership.

ARTICLE V

COVENANT FOR ASSESSMENTS

5.01 Covenant to Pay. Declarant, for each Residential Lot within the Subdivided Property, hereby covenants, and each Grantee of any Residential Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual Assessments and (2) special Assessments or Charges, which shall be established and collected as hereinafter provided. The annual and special Assessments or Charges, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such Assessment or Charge

is made. Each such Assessment or Charge, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the Member who was the owner of record title to such property at the time when the Assessment fell due. The personal obligation for delinquent Assessments or Charges shall not pass to his successors in title unless expressly assumed by them.

5.02 Assessment Fund. The Board shall establish a fund into which shall be deposited all moneys paid to the Association and from which disbursements shall be made in performing the functions of the Association. Funds of the Association must be used solely for purposes related to those areas and improvements owned by the Association or subject by this Declaration to maintenance and assessment, or for such other purposes as are authorized by this Declaration as it may from time to time be amended.

5.03 Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to a Grantee, the maximum annual Assessment shall be \$404.00 per Residential Lot.

A. From and after January 1 of the year immediately following the conveyance of the first Residential Lot to a Grantee, the maximum annual Assessment may be increased for each calendar year not more than twenty (20%) percent above the maximum Assessment for the previous calendar year by majority vote of the Board.

B. The Board may not, without the vote or written consent of a majority of the voting power of the Association residing in Members other than Declarant, impose a regular annual Assessment which is more than twenty (20%) percent greater than the regular annual Assessment for the immediately preceding fiscal year.

C. The Board of Directors may fix the annual Assessment at an amount not in excess of the maximum. The annual Assessment may not be decreased either by the Board or by the Members, by more than ten (10%) percent in any one year without the approval of fifty-one (51%) percent of the Members.

5.04 Special Assessments. In addition to the annual Assessments authorized above, the Association may levy, in any calendar year, a special Assessment for that year to defray, in whole or in part, the cost of any maintenance, reconstruction, or repair of the Common Area, or for any extraordinary expenses incurred by the Association. If a Special Assessment is greater than five (5%) percent of the budgeted gross expenses of the Association for that fiscal year, the vote or written

consent of a majority of the voting power of the Association residing in Class A Members shall be required for approval. Special Assessments shall be levied on the same basis as regular Assessments.

5.05 Notice and Quorum for Any Action Authorized Under Sections 5.03, 5.04. Any action authorized under Sections 5.03 or 5.04 shall be taken at a meeting called for that purpose. Written notice of such meeting shall be sent to all Members not less than ten (10) days in advance of the meeting specifying the place, day and hour of the meeting. In case of special meetings, the nature of the business to be discussed shall be stated in the notice. If the proposed action is favored by a majority of the votes cast at a meeting, but such vote is less than the requisite fifty-one (51%) percent of each class of Members, Members who were not present in person or by proxy may give their assent in writing to appropriate officers of the Association not more than thirty (30) days after such meeting.

5.06 Uniform Rate of Assessment. Both annual and special Assessments must be fixed at a uniform rate for all Residential Lots and shall be due and payable on a monthly or other periodic basis as established by the Board.

5.07 Date of Commencement of Annual Assessments: Due Dates. The annual Assessments provided for herein shall commence as to all Residential Lots on the first day of the month following the conveyance of the first Residential Lot to an individual Grantee. The first annual Assessment shall be prorated according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual Assessment against each Lot at least thirty (30) days in advance of each annual Assessment period. The calendar year is the annual assessment period. Written notice of the annual Assessment shall be sent to every Member subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid, and such a certificate shall be conclusive evidence of such payment.

5.08 Special Charges and Assessments. Special Charges and Assessments may be assessed in accordance with Section 6.02 of this Declaration.

5.09 Effect of Nonpayment of Assessments or Charges: Remedies of the Association. Any Assessment or Special Charge not paid within thirty (30) days after the due date shall bear interest at the higher of ten (10%) percent per annum or the then maximum legal rate from the due date until paid. The Association may bring an

action at law against the Member personally obligated to pay the same, or foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such Assessment or Special Charge. No Member may waive or otherwise escape liability for the Assessments or Special Charges provided for herein by nonuse of the Common Area or abandonment of his Residential Lot.

The Board may temporarily suspend the voting rights of a Member who is in default in payment of any Assessment or Special Charge, after notice and hearing, as provided in the Bylaws.

5.10 Subordination of the Lien to Mortgages. The lien of the Assessments and Special Charges provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust. Sale or transfer of any Residential Lot shall not affect the Assessment or Special Charge lien. However, the sale or transfer of any Residential Lot as the result of the exercise of a power of sale or a judicial foreclosure involving a default under the first mortgage or first deed of trust shall extinguish the lien of Assessments or Special Charges which were due and payable prior to the transfer of the Residential Lot. No sale or transfer of a Residential Lot as a result of a foreclosure or exercise of a power of sale shall relieve the new owner from liability for any Assessments or Special Charges thereafter becoming due or from the lien thereof.

ARTICLE VI

DUTIES AND POWERS OF ASSOCIATION

6.01 Duties. In addition to the duties enumerated in the Bylaws, or elsewhere provided for in this Declaration, and without limiting the generality thereof, the Association shall have the obligation, subject to and in accordance with this Declaration, to perform each of the following duties for the benefit of each Grantee:

- (a) Association Property. To accept and exercise jurisdiction over all property, real and personal, conveyed free and clear of all liens and encumbrances to the Association by Declarant. For purposes of this Section a nonexclusive easement, license or other contractual right of use shall not be deemed a lien or encumbrance.
- (b) Title to Property upon Dissolution. To convey, upon dissolution of the Association, the assets of the Association to an appro-

priate public agency or agencies to be used for purposes similar to those for which the Association was created, or to a nonprofit corporation, association, trust or other organization organized and operated for such similar purposes.

- (c) Operation of Common Area. To operate and maintain, or provide for the operation and maintenance of all Streets, Common Area, street lights, fire hydrants, and all other property of any kind in or outside the Subdivided Property in which it owns easements or other property rights for the benefit of the Association and its members. To keep all Common Area improvements of whatever kind and for whatever purpose from time to time located thereon in good order and repair. To maintain and provide on the Subdivided Property storm drainage, street sweeping silt trap cleaning and all similar acts required to conform to the requirements of the AMBAG 208 Study, pursuant to the conditions to tentative approval of the Subdivision Map imposed by the Board of Supervisors of Monterey County; provided, however, that the Association shall have no duty to provide for storm drainage on and no responsibility for run-off from individual Residential Lots.
- (d) Payment of Taxes. To pay all real property taxes and assessments levied upon any property owned or leased by the Association, to the extent not assessed to the Members thereof. Such taxes and assessments may be contested or compromised by the Association providing they are paid or a bond ensuring payment is posted prior to the sale or other disposition of any property to satisfy the payment of such taxes or assessments.
- (e) Insurance. To Maintain such policy or policies of insurance as shall be deemed from time to time necessary or desirable by the Board.
- (f) Ruling Making. To make, amend and repeal the Laguna Seca Homeowners Association's rules as provided in Section 6.03 hereof.
- (g) Architectural Committee. To appoint and remove members of the Architectural Committee as provided in Article VII hereof, and to insure at all reasonable times there is a duly constituted

Architectural Committee.

- (h) Enforcement of Declaration and Rules. To perform such other acts, whether or not expressly authorized by this Declaration, as may be reasonably necessary to enforce any of the provisions of this Declaration, the Laguna Seca Homeowners Association Rules and the Architectural Committee Rules.
- (i) Other. To carry out the duties of the Association set forth in the Declaration, the Articles and the Bylaws.

6.02 Powers. The Association shall have all of the powers of a California nonprofit corporation, subject only to limitations expressly set forth in the Articles, Bylaws, or the Declaration. It shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under and by virtue of the Declaration, the Articles and the Bylaws, and to do and to perform any and all acts which may be necessary or proper for or incidental to the exercise of any powers of the Association. Without in any way limiting the generality of the foregoing provisions, the Association shall have the power and authority at any time to do the following:

- (a) Assessments. To levy and enforce payment of assessments in accordance with the provisions of Article V.
- (b) Right of Entry and Enforcement. Except in case of an emergency, after 48 hours written notice to the Grantee who then owns fee title and at reasonable hours, to enter, without being liable to any Grantee, on any Residential Lot, to enforce by peaceful means the Declaration, Articles, Bylaws, Laguna Seca Homeowners Association Rules, or Architectural Committee Rules, or to maintain or repair such area if the Grantee fails to maintain and repair such area as required by the Declaration. The Association may in its own name, on its own behalf, or on behalf of any Grantee who consents thereto, commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of the Declaration, the Articles, the Bylaws, the Laguna Seca Homeowners Association Rules, or the Architectural Committee Rules, by mandatory injunctions or otherwise.
- (c) Easements and Rights of Way. To grant and convey easements, rights of way, parcels or strips of land in, on, over or under any

property owned by the Association for constructing, erecting, operating or maintaining (1) roads, streets, walks, driveways, parkways, and park areas, (2) overhead or underground lines, cables, wires, conduits, or other devices for the transmission of electricity for lighting, heating, power, telephone and other purposes (3) sewers, stormwater drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes, and (4) any similar public or quasi-public improvements or facilities.

- (d) Repair and Maintenance of Association Property. To paint, maintain, and repair all property owned by the Association and all improvements constructed thereon.
- (e) Manager. To the extent deemed advisable by the Board to retain and pay for the services of persons or firms to manage the property owned by the Association ("Manager"), as well as such other personnel as the Board shall determine shall be necessary or proper for the operation of the Association. The Association and the Board may delegate any of their duties, powers or functions to the Manager, provided that any such delegation shall be revocable upon notice by the Association or the Board.
- (f) Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association, or in performing any of the other duties or rights of the Association.
- (g) Special Assessments and Charges. To levy upon any Member (1) a Special Assessment to reimburse the Association for any materials or services provided by the Association to or for the benefit of a Residential Lot during the time said Member is the legal owner thereof if the materials or services were provided by the Association in the exercise of any of its powers under this Declaration; or (2) a Special Charge as a fine or monetary penalty assessed against said Member for violation of the Declaration, Articles, Bylaws, Laguna Seca Homeowners Association Rules, or Architectural Committee Rules. No Special Charge shall be assessed unless written notice and an opportunity to be heard is given to said Member by the Board with respect to the alleged violations, in the manner set forth in the Bylaws. A

Special Assessment or Special Charge shall be due and payable to the Association 30 days after the date of delivery of notice to the Member of the assessment of such against him. Each Special Charge or Special Assessment together with interest, costs and reasonable attorneys fees, shall be the personal obligation of the Member as to whom it is assessed. The personal obligation for delinquent Special Charges and Special Assessments shall not pass to his successors in title unless expressly assumed by them. A Special Assessment shall also be a charge on the land and a continuing lien upon the Residential Lot owned by the Member as to whom such Special Assessment is made. The provisions of Section 5.09 concerning the nonpayment of assessments and Section 5.10 concerning the subordination of the lien to mortgages shall apply to each such Special Assessment.

- (h) Suspension of Voting Rights. The Association may suspend the voting rights of any Member as a penalty for the violation of any portion of the Declaration, Articles, Bylaws, Laguna Seca Homeowners Association Rules, or Architectural Committee Rules. The penalty shall be imposed following notice and an opportunity to be heard by the Board given in accordance with the Bylaws. Duration of a suspension shall be established by the Board in each case.
- (i) Contracts. The Association may contract for goods and services for the Common Area, Streets, Subdivided Property, or the Association; provided, however, that no contract shall be entered into for a term longer than one year except as otherwise set forth in the Bylaws.
- (j) Annexation. The Association may participate in mergers and consolidations with other nonprofit corporations organized for the same or similar purposes, or annex additional Residential Property and Common Areas, provided that any merger, consolidation or annexation shall have the assent by vote or written consent of two-thirds of each class of Members.

6.03 Rules. The Board may adopt such rules as it deems proper and as are permitted by law for the use and occupancy of the Subdivided Property ("Laguna Seca

Homeowners Association Rules"). A copy of the Laguna Seca Homeowners Association Rules, as they may from time to time be adopted, amended or repealed, may but need not be mailed or otherwise delivered to each Grantee, or recorded. Upon such mailing, delivery or recordation, said rules shall have the same force and effect as if they were set forth in and were a part of the Declaration. In addition, as to any Grantee having actual knowledge of any given rules, such rules shall have the same full force and effect and may be enforced against such Grantee.

6.04 Liability of Board Members and Manager. Neither any member of the Board nor the Manager shall be personally liable to any Grantee, or to any other party, for any damage, loss or prejudice suffered or claimed on account of any act or omission of the Association, the Board, the Manager or any other representatives or employees of the Association or the Architectural Committee, provided that such Board member or the Manager has, on the basis of such information as may be possessed by him, acted in good faith.

ARTICLE VII ARCHITECTURAL COMMITTEE

7.01 Members of Committee. The Architectural Committee shall consist of three members. The term of each member of the Committee shall be three years, except that upon initial appointment of the Committee one member shall be appointed to a one year term and one member shall be appointed to a two year term. If a member of the Architectural Committee resigns, is removed, or otherwise ceases to be a member at any time during his term, his replacement shall be appointed for the period of time necessary to complete the term of the member whom he is replacing.

7.02 Appointment of Committee Members. Declarant shall appoint all of the initial members of the Architectural Committee, and all replacements, until the first anniversary of the issuance of the original public report for the Subdivided Property. Thereafter, until such time as ninety (90%) percent of the Residential Lots have been sold, or until the fifth anniversary date of the original issuance of the final public report for the Subdivided Property, whichever occurs first, Declarant shall appoint such members of the Committee as are necessary for Declarant to at all times have appointed a majority of the members of the Committee, and the remaining members shall be appointed by the Board. From and after such time as ninety (90%) percent of the Residential Lots have been sold, or on the fifth anniversary date of the original issuance of the final public report for the Subdivided

Property, whichever occurs first, all members of the Architectural Committee shall be appointed by the Board. Members appointed to the Architectural Committee by the Board shall be members of the Association. Members appointed to the Architectural Committee by Declarant need not be members of the Association.

7.03 Rules. The Architectural Committee shall adopt, amend and repeal rules and regulations to implement and interpret its purposes as set forth herein ("Architectural Committee Rules"). The Architectural Committee Rules shall be enforceable in the manner and in accordance with the powers set forth in the Declaration.

7.04 Review of Construction. No residence, septic tank, fence, access road, building or other improvement of any kind whatsoever including landscaping or the like shall be erected, placed, altered or refinished on any Residential Lot until such action has been approved in writing by the Architectural Committee. The review by the Architectural Committee shall be for the purpose of examining appearance and design compatibility, and such factors as size, design, view, effect on other property owners, disturbance of existing terrain and vegetation, location with respect to designated setback requirements, color and matters of similar import shall be considered.

7.05 Action by Architectural Committee. The Architectural Committee shall either approve, conditionally approve, or disapprove any submission to it. Except as otherwise herein stated, all actions of the Architectural Committee shall be by vote of a majority of the members of the Architectural Committee. In the event the Architectural Committee fails to approve, conditionally approve, or disapprove a submission which has been made in accordance with the Architectural Committee Rules within thirty (30) days from the date of said submission to the Architectural Committee, approval shall not be required and the related covenants herein shall be deemed to have been complied with; provided, however, that the Architectural Committee may extend the time for such approval for no longer than ninety (90) days from the date of submission by majority vote of those Architectural Committee members in attendance at the meeting at which such vote is taken, and a quorum shall not be required for such action.

7.06 Conditional Approval. The Architectural Committee may conditionally approve any submission by imposing reasonable conditions upon its approval to the extent such conditions are reasonably related to the review purposes set forth herein. Upon imposition of such conditions to approval, the applicant approval shall, within thirty (30) days of notice of conditional approval, execute a written agreement with

the Association accepting and agreeing to perform each of the conditions established by the Architectural Committee. Upon execution and delivery of such an agreement by the applicant to the Association, the applicant's submission shall be deemed approved. In the event the applicant fails to execute and deliver such agreement to the Association within the thirty day period, his submission shall be deemed disapproved.

7.07 Building Permit. No application for a building permit with respect to any Residential Lot shall be made until a submission receives approval from the Architectural Committee.

7.08 Format of Submission. The Architectural Committee shall specify in the Architectural Committee Rules the format of and documents required for a submission for approval. The Architectural Committee may require that a submission for approval be accompanied by a reasonable fee, which shall be set by the Architectural Committee.

7.09 Completion of Work. In the event work has not begun within one year from the date of a submission's approval, said approval shall be deemed revoked. The Architectural Committee may in its sole discretion grant an extension beyond one year for good cause and upon written application.

7.10 Nonliability. Neither the Architectural Committee nor any member thereof, nor the Board nor the Association shall be liable to any owner or any Grantee for any damage, loss or prejudice suffered or claimed on account of (1) the approval of any plans, drawings and specifications, whether or not defective, (2) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications, or (3) the development or manner of development of any property.

7.11 Completion of Construction. All construction, including landscaping, shall be completed within one year from the date of the issuance of the building permit for such construction. The Architectural Committee may in its sole discretion grant an extension beyond one year for good cause and upon written application.

7.12 Nonoccupancy. No Residential Lot shall be occupied until all structures thereon have been completed in accordance with the submission approved by the Architectural Committee.

7.13 Architectural Variances. The Architectural Committee may grant an architectural variance from any condition contained herein, or in the Architectural Committee Rules, for the purpose of saving significant trees, avoiding unnecessary cuts and fills, or because of a design, which though desirable and compatible, is so

unique in concept that it is beyond the scope of these conditions and the Architectural Committee Rules. The person who applies for such variance has the burden of proof and shall offer evidence in support of his application. An architectural variance shall not be granted unless the Architectural Committee finds that the variance is appropriate to the location, the lot, and the neighborhood; the variance is consistent with the goals of the Declaration, Articles, Bylaws and Architectural Committee Rules; and, the variance will not adversely affect the character of the neighborhood. Each applicant for an architectural variance shall submit the following information:

1. Name and address of the applicant;
2. Location of subject property;
3. A written explanation of the facts supporting the applicant's request; and
4. All other information requested by the Architectural Committee to properly evaluate the application.

7.14 Enforcement of Architectural Committee Rulings. If a Grantee fails to comply with any notice of noncompliance, directive or order from the Architectural Committee, the Architectural Committee or the Board may after reasonable notice, perform the subject matter of such directive or order, and the cost of the such performance shall be charged to such Grantee, and may be recovered by the Association in an action at law. In addition, this Declaration hereby vests the Architectural Committee or the Board, acting in the name of the Association and for the benefit thereof, with the right to bring a proceeding in equity to enforce the declaration and the Architectural Committee Rules adopted pursuant thereto.

ARTICLE VIII **COMMON INTERESTS**

Declarant and each Grantee shall have a right and easement of enjoyment in and to the Common Area and the Streets which shall be appurtenant to and shall pass with the title to every Residential Lot, subject to the following provisions:

- (a) The right of the Association, following notice and opportunity to be heard by the Board given in accordance with the Bylaws, to suspend the voting rights and right to use the Common Area by a Grantee or Declarant for any period during which any assessment against his Residential Lot remains unpaid; and for a period as established by the Board for any infraction of the Laguna Seca

Homeowners Association Rules or the Architectural Committee Rules.

- (b) The right of the Association to dedicate or transfer all or any part of the Common Area and Streets to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members.

ARTICLE IX
SCOPE AND DURATION

All of the covenants and restrictions contained in the Declaration are imposed upon the property described in Article I for the direct benefit thereof and of the owners thereof as a part of a general plan of improvement and development, and shall run with the land and bind all of the owners of said property, and all persons claiming under them, and continue in full force and effect for a period of fifty (50) years from the date this Declaration is recorded. After said fifty year period, the covenants and restrictions shall be automatically extended for successive periods of ten (10) years each, unless an instrument, signed by three-fourths (3/4) of the then owners of record of said property has been recorded, agreeing to amend this Declaration in whole or in part or to terminate this Declaration.

ARTICLE X
AMENDMENTS

Prior to close of escrow on the sale of the first Residential Lot, Declarant may amend this Declaration by a written instrument recorded in the Office of the County Recorder of the County of Monterey, State of California. After sale of the first Residential Lot, this Declaration may be amended only by the affirmative vote in person or by proxy or by written consent of Members representing a majority of the total voting power of the Association which shall include a majority of the votes of Members other than Declarant or where two-class voting structure is still in effect a majority of each class of membership. However, the percentage of voting power necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any such amendment must be recorded in the office of the County Recorder of the County of Monterey, State of California.

ARTICLE XI
INTERPRETATION OF RESTRICTIONS

REEL 1431 PAGE 573

All questions of interpretation or construction of any of the terms or restrictions in this Declaration shall be resolved by the Board or by Declarant, and its decision shall be final, binding and conclusive upon all parties affected.

ARTICLE XII
BREACH

12.01 Injunction. These covenants shall operate as covenants running with the land. Declarant, the Association, or any Grantee, in the event of a breach of any of said Restrictions and Covenants, or a continuance of any such breach, may by appropriate legal proceedings take steps to enjoin, abate or remedy the same.

12.02 Nuisance. Every act or omission whereby any of the Covenants contained in this Declaration are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable and may be exercised by Declarant, the Association, or any Grantee.

12.03 Cumulative. The remedies herein provided for breach of the Covenants contained in this Declaration shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

12.04 Nonimpairment of Liens. A breach of these Covenants shall not affect or impair the lien or charge of any bona fide mortgage or deed of trust made in good faith and for value on any Residential Lot; provided, however, that any subsequent Grantee of such property shall be bound by said covenants, whether such Grantee's title was acquired by foreclosure or in a Trustee sale or otherwise. A lender who acquired title by foreclosure or deed in lieu of foreclosure or Trustee sale shall not be obligated to cure any breach of the covenants which occurred prior to such acquisition of title but shall be bound by said covenants.

12.05 Attorneys Fees. In the event of any action for enforcement of any covenants or restrictions contained in this Declaration, or the Articles, Bylaws, Laguna Seca Homeowners Association Rules, or Architectural Committee Rules, the prevailing party shall be entitled to recover reasonable attorney's fees from the other party to such action, which shall be taxed by the court as part of the costs. No action brought or judgment rendered thereon shall be construed as a bar to any action for succeeding breaches.

ARTICLE XIII
MISCELLANEOUS

REEL 1431 PAGE 574

13.01 Right to Enforce. The provisions contained in the Declaration shall inure to the benefit of and be enforceable by Declarant, its successors or assigns, the Association, or any Grantee and each of their legal representatives, heirs, successors or assigns. The failure to enforce any of such covenants or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter. Any right reserved by Declarant herein is also reserved to Declarant's successors and to the Association.

13.02 Severability. In the event that any of the provisions of this Declaration are held to be invalid or unlawful by final judgment of a court of competent jurisdiction, such invalidity or illegality shall not affect the validity of any of the other provisions hereof.

13.03 Protection for Mortgagees and Title Insurance Companies. The Association shall furnish to any Grantee, the owner of any encumbrance for value on any portion of the Subdivided Property, or any corporation insuring the lien of such encumbrance, within thirty (30) days after demand a certificate specifying whether any condition of default of this Declaration exists with respect to the Residential Lot of the requesting Grantee or the portion of the Subdivided Property subject to the encumbrance of the owner or insured by the corporation. In case a default does exist, the Association shall specify the nature thereof. Such certificate shall be conclusive as to all persons who rely thereon in good faith.

13.04 Annexation of Additional Property. If at any time the owner of real property contiguous, adjacent or within reasonable distance of the Subdivided Property shall agree to hold, sell and convey his property subject to a declaration identical to this Declaration as it is then of record, except for the description of subdivided property therein, and such declaration has been executed by said owner and recorded in the Office of the County Recorder of Monterey County, and if before the recording of such declaration not less than two-thirds (2/3) of the total votes residing in Association members other than the Declarant shall have approved, by vote or written consent, the annexation to this Association of the subdivided property described in that owner's declaration, upon recording of the owner's declaration the property described therein shall be annexed to this Association and this Association shall then and thereafter have the powers and duties set forth in that owner's declarations and shall grant to said owner and his assigns membership in this Association.

13.05 Interpretation. Wherever in this Declaration the context so requires

the singular shall include the plural and the masculine the feminine. All captions and titles used in this Declaration are intended solely for convenience or reference and shall not affect that which is set forth in any of the provisions hereof.

13.06 Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, the notice shall be deemed to have been delivered seventy-two (72) hours after a copy of the notice has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the residence of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.

ARTICLE XIV CONDEMNATION OR DESTRUCTION

In the event of an award for the taking of any Residential Lot in the project by eminent domain, the Grantee of such Residential Lot, or the Declarant if there is no Grantee, shall be entitled to receive the award for such taking and after acceptance thereof he and his mortgagees shall be divested of all interest with respect to said Residential Lot upon vacating his Residential Lot as a result of such taking. If necessary, the remaining portion of the project shall be resurveyed, and the Declaration shall be amended to reflect such taking and to adjust proportionately the percentages of undivided interest of the remaining Grantees and Declarant. In the event of the taking by eminent domain of any part of the Common Area or the Streets, the Association shall determine the use of the proceeds of condemnation. In the event of inverse condemnation, any award shall be allocated fairly and proportionately among the Association, Declarant, and the Grantees of Residential Lots involved. In the event of destruction or extensive damage to the Common Area, any insurance proceeds or damages payable to the Association shall be used by the Association to repair or rebuild the Common Area or the Streets, to the extent it is possible to do so.

ARTICLE XV

TRANSFER OF COMMON AREA

REEL 1431 PAGE 576

Declarant shall transfer title to the Common Area to the Association on or before the date of the close of escrow for the sale of the first Residential Lot.

IN WITNESS WHEREOF, BISHOP, McINTOSH and McINTOSH has caused this instrument to be executed on the day and year hereinabove written.

BISHOP, McINTOSH & McINTOSH

By [Signature]

By [Signature]

By Constance H Bishop

STATE OF CALIFORNIA,

County of MONTEREY

} ss.

On this 5th day of September in the year one thousand nine hundred and 80 before me, Virginia I. Smith

a Notary Public, State of California, duly commissioned and sworn, personally appeared

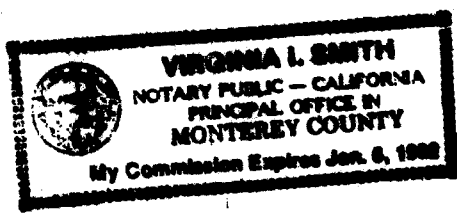
Henry P. McIntosh, IV and Leonard H. McIntosh and Constance H. Bishop

known to me to be among the partners of the partnership that executed the within instrument, and acknowledged to me that such partnership executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal, in the Monterey County of Monterey the day and year in this certificate first above written.

Virginia I. Smith
Notary Public, State of California.

My Commission Expires January 6, 1982




Cowdry's Form No. 29—(Acknowledgment—Partnership)
(C. C. Sec. 1189) (Printed 1/15/70) 0471-0475

CONSENT AND SUBORDINATION

Bank of America NT and SA
 _____ as Beneficiary under the Deed
 of Trust made by Bishop, McIntosh and McIntosh A Partnership
 _____ dated June 11, 1980 recorded June
12, 1980 Series Number G 21442, of Official Records
 of Monterey County, hereby consents to the execution of and also
 subordinates all the right, title, interest and lien which they now
 have to that of the forgoing Declaration, dated Sept. 2, 1980
 as if and as though said Declaration has been made, executed, and recorded
 prior to execution and recordation of said Deed of Trust.

Bank of America NT and SA

As Beneficiary

BY: 
 Richard A. Gistelli
 Assistant Vice President
 BY: _____

END OF DOCUMENT

800741

Recording Requested by:

REEL 1431 PAGE 578
RECORDED AT REQUEST OF

FOUNDERS TITLE COMPANY
1437 N. MAIN STREET
SALINAS, CALIF. 93906

G 33749

FOUNDERS TITLE COMPANY
SEP 11 9 04 AM '80

15

OFFICE OF RECORDER
COUNTY OF MONTEREY
SALINAS, CALIFORNIA

When Recorded Return to:

FOUNDERS TITLE COMPANY
1437 N. MAIN STREET
SALINAS, CALIF. 93906

ROAD MAINTENANCE COVENANT

This Agreement is made this 4 day of ~~SEPTEMBER~~ 1980 by and between BISHOP, McINTOSH & McINTOSH, a partnership ("Grantor") and LAGUNA SECA RANCH ESTATES NO. 2 HOMEOWNERS ASSOCIATION ("Grantee") who agree as follows.

1. **RECITALS.** This Agreement is made with reference to the following facts and objectives:

A. Grantor is the owner of a certain parcel of property described in Exhibit "A" attached hereto and incorporated herein by this reference as though fully set forth, commonly known as the Laguna Seca Golf Course ("Golf Course").

B. The Golf Course is subject to a Lease, a Memorandum of which was recorded in Reel ~~142~~ Page ~~120~~ Office of the Recorder, County of Monterey, on AUGUST 4, 1980 ("Golf Course Lease").

C. Together with the execution and recordation of this Agreement Grantor has granted to Grantee a nonexclusive easement for road and utility purposes over that certain parcel of property described in Exhibit "B" attached hereto and incorporated herein by this reference as though fully set forth ("York Road").

D. Grantor and Grantee desire to provide for the operation and maintenance of York Road which constitutes an easement for the benefit of Grantee and its members.

E. Pursuant to the provisions of the Golf Course Lease, Grantor has entered into a similar agreement with the tenant thereof, and Grantor and Grantee desire

further to provide that the obligations created herein shall be consistent with said provisions and enforceable by said tenant.

2. ROAD MAINTENANCE. Grantee agrees that from and after the date of this Agreement Grantee shall share in the cost of the maintenance of York Road with the tenant under the Golf Course Lease and such other contributors to said maintenance as there may be, and that the allocation of the cost of maintenance between Grantee, the Tenant under the Golf Course Lease, and such other parties, shall be in proportion to the extent that each party uses the York Road.

3. DETERMINATION OF USE. The determination of the use by each party of York Road shall be made on the following basis. The use of York Road made by Grantee shall be considered to be the use made by each vehicle which uses York Road for the purpose of coming on to or departing from that certain parcel of property described and shown on the Subdivision Map of Laguna Seca Ranch Estates No. 2, filed for record in the Office of the Recorder, Monterey County, California, June 6, 1980, in Volume 14 of Cities and Towns at Page 28. The use of York Road made by the tenant under the Golf Course Lease shall be considered to be the use made by each vehicle which uses York Road for the purpose of coming onto or departing from the Golf Course. The use of York Road made by each other party who is a contributor to the maintenance thereof shall be considered to be the use made by each vehicle in coming onto or departing from real property owned by said party. In the event the parties are unable to agree on the proportion of use made by each party, a traffic engineer shall be selected by the parties to determine the proportion of use of York Road by each party and to allocate costs accordingly. If the parties are unable to agree on the selection of a traffic engineer, the selection shall be made upon petition by any party by the then presiding judge of the Superior Court of the County of Monterey. The amount of use by each party shall be established as the usage which is generally prevailing at the time the determination of the amount of usage is required.

4. EXPRESS BENEFICIARIES. The Tenant under the terms of the Golf Course Lease, and any subsequent tenant of the Golf Course, together with each other person, firm or corporation which is a contributor to the cost of maintenance of York Road, is and shall be an express third party beneficiary of this Agreement with the right to enforce the terms of this Agreement for its benefit against Grantee.

5. SUBSEQUENT CONTRIBUTORS. The parties acknowledge that Grantor may in the future develop portions of its other property within the area generally known as Laguna Seca Ranch, which property may be served by York Road. Grantor agrees that at the time of development of any such property which is served by York Road it shall

provide by appropriate agreement with any purchaser of any subdivided or unsubdivided land or any homeowners association or other similar entity that each such purchaser or entity shall share in the cost of maintenance of York Road with Grantee, the Tenant under the Golf Course Lease, and such other contributors as there may be, and that the allocation of the cost of maintenance as between said purchaser or entity, Grantee and said Tenant shall be in accordance with the terms of this Agreement.

6. CONSTRUCTION OF AGREEMENT. It is the intention of each of the parties hereto that each covenant and condition contained herein shall run with each parcel of land hereinbefore described. This Agreement supersedes any prior agreement and contains the entire agreement of the parties with respect to the matters covered herein. This Agreement shall not be amended or modified except by a written agreement executed by all of the owners of record of the parcels of land hereinbefore described, and recorded in the office of the Recorder of Monterey County, California. This Agreement is expressly for the benefit of and to bind the successors in interest of the parties to this Agreement and each successive owner of an easement in York Road shall be bound hereby for the benefit of Grantor, the Golf Course, and each successive owner thereof.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the day and year first above written.

BISHOP, McINTOSH & McINTOSH

By [Signature]

By [Signature]

By Constance H Bishop

LAGUNA SECA RANCH ESTATES NO. 2
HOMEOWNERS ASSOCIATION

By [Signature]
President

By [Signature]
Secretary

STATE OF CALIFORNIA,
County of MONTEREY

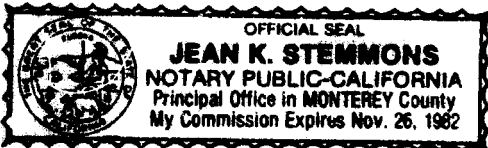
REEL 1431 PAGE 581

On this 4TH day of September in the year one thousand nine hundred and 80 before me, Jean K. Stemmons, a Notary Public, State of California, duly commissioned and sworn, personally appeared

HENRY P. McINTOSH and LEONARD McINTOSH

^{TWO}
known to me to be ~~one~~ of the partners of the partnership that executed the within instrument, and acknowledged to me that such partnership executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal, in the County of Monterey the day and year in this certificate first above written.



Jean K. Stemmons

Jean K. Stemmons

Notary Public, State of California.

Cowdry's Form No. 29—(Acknowledgment—Partnership)
(C. C. Sec. 1189) (Printed 1/15/70) 0471-0475

My Commission Expires Nov. 26, 1982

Copy
(C. C.)

Good
(C. C.)

STATE OF CALIFORNIA,
MONTEREY

REEL 431 PAGE 582

County of _____

On this 4th day of September in the year one thousand nine
hundred and 80 before me, Virginia I. Smith
a Notary Public, State of California, duly commissioned and sworn, personally appeared

Constance H. Bishop

known to me to be one of the partners of the partnership that executed the within instrument,
and acknowledged to me that such partnership executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal,
in the _____ County of Monterey _____ the day and year in this
certificate first above written.

Virginia I. Smith

Notary Public, State of California.

My Commission Expires January 6, 1982

VIRGINIA I. SMITH
NOTARY PUBLIC — CALIFORNIA
PRINCIPAL OFFICE IN
MONTEREY COUNTY
My Commission Expires Jan. 6, 1982

Notary's Form No. 29—(Acknowledgment—Partnership)
(C.C. Sec. 1189) (Printed 1/15/70) 0471-0475

Cow
C.C.

STATE OF CALIFORNIA

County of MONTEREY

On this 11th day of September in the year one thousand nine hundred and 80 before me, Virginia I. Smith

A Notary Public, State of California, duly commissioned and sworn, personally appeared Hallie C. Halverson and Gary L. Tavernetti

known to me to be the Secretary & President of the corporation described in and that executed the within instrument, and also known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the County of Monterey the day and year in this certificate first above written.

Virginia I. Smith
Notary Public, State of California
My Commission Expires January 6, 1982

VIRGINIA I. SMITH
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
MONTEREY COUNTY
Commission Expires Jan. 6, 1982

EXHIBIT "A"

PARCEL 1:

CERTAIN REAL PROPERTY SITUATE IN THE RANCHO LAGUNA SECA, COUNTY OF MONTEREY, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT ENGINEER'S STATION 421 + 64.15 P.O.T., ON THE CENTER-LINE OF THE SALINAS TO MONTEREY STATE HIGHWAY, 80 FEET WIDE, AS CONVEYED BY THOMAS J. FIELD, ET AL, TO COUNTY OF MONTEREY, BY DEED DATED APRIL 29, 1929, RECORDED IN BOOK 190 OF OFFICIAL RECORDS, AT PAGE 91, MONTEREY COUNTY RECORDS; THENCE FROM SAID POINT OF BEGINNING N. 50° 50' E., 143.00 FEET TO A POINT ON THE PROPOSED NORTHERLY LINE OF THE NEW STATE HIGHWAY TO THE TRUE POINT OF BEGINNING; AND RUNNING THENCE FROM SAID TRUE POINT OF BEGINNING

- (1) ALONG THE SAID PROPOSED NORTHERLY LINE OF THE NEW STATE HIGHWAY N. 59° 00' W., 396.00 FEET; THENCE
- (2) N. 44° 50' W., 132.00 FEET; THENCE
- (3) N. 68° 05' W., 494.70 FEET; THENCE
- (4) N. 78° 00' W., 490.00 FEET; THENCE
- (5) S. 88° 00' W., 488.00 FEET; THENCE
- (6) S. 73° 40' W., 642.00 FEET; THENCE
- (7) S. 88° 20' W., 278.00 FEET; THENCE
- (8) S. 84° 35' W., 414.00 FEET; THENCE
- (9) S. 88° 45' W., 358.00 FEET; THENCE
- (10) N. 87° 10' W., 160.00 FEET; THENCE
- (11) N. 76° 30' W., 231.00 FEET; THENCE LEAVING SAID PROPOSED NORTHERLY LINE OF THE NEW STATE HIGHWAY
- (12) N. 1° 56' 18" W., 173.00 FEET TO A POINT ON THE SOUTHERLY LINE OF LOT 41, BLOCK 1, LAGUNA SECA RANCH ESTATES, AS SAID MAP IS SHOWN IN VOLUME 7 OF CITIES AND TOWNS AT PAGE 58; THENCE ALONG THE EASTERLY LINE OF LAGUNA SECA RANCH ESTATES SUBDIVISION
- (13) 118.29 FEET ALONG THE ARC OF A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 178 FEET THROUGH A CENTRAL ANGLE OF 37° 10' TO THE SOUTHEAST CORNER OF SAID LOT 41, BLOCK 1; THENCE
- (14) N. 50° 53' 42" E. (LAGUNA SECA RANCH ESTATES MAP N. 52° 50' E.), 149.37 FEET TO THE EASTERLY CORNER OF LOT 40, BLOCK 1; THENCE
- (15) N. 24° 26' 18" W. (LAGUNA SECA RANCH ESTATE MAP N. 22° 30' W.), 165.88 FEET TO THE NORTHERLY CORNER OF SAID LOT 40, BLOCK 1; THENCE

ORDER NO. 11 22222 00

~~EX-005, 11-1-52~~

- (16) N. 78° 03' 42" E. (LAGUNA SECA RANCH ESTATES MAP N. 80° 00' E.), 110.00 FEET TO THE SOUTHERLY CORNER OF LOT 30, BLOCK 1; THENCE
- (17) N. 14° 33' 42" E. (LAGUNA SECA RANCH ESTATES MAP N. 16° 30' E.), 415.00 FEET TO THE EASTERLY CORNER OF LOT 27; BLOCK 1; THENCE
- (18) N. 18° 26' 18" W., (LAGUNA SECA RANCH ESTATES MAP N. 16° 30' W.), 105.83 FEET TO THE NORTHERLY CORNER OF SAID LOT 27, BLOCK 1; THENCE LEAVING SAID EASTERLY LINE OF LAGUNA SECA RANCH ESTATES SUBDIVISION
- (19) N. 42° 15' E., 110.00 FEET; THENCE
- (20) N. 81° 36' E., 170.00 FEET; THENCE
- (21) S. 56° 00' E., 160.00 FEET; THENCE
- (22) N. 81° 35' E., 180.00 FEET; THENCE
- (23) S. 50° 40' E., 225.00 FEET; THENCE
- (24) N. 89° 15' E., 900.00 FEET; THENCE
- (25) N. 69° 55' E., 190.00 FEET; THENCE
- (26) N. 1° 48' 40" W., 1349.37 FEET; THENCE
- (27) N. 58° 20' W., 130.00 FEET; THENCE
- (28) ... 43° 00' W., 390.00 FEET; THENCE
- (29) N. 4° 20' E., 420.00 FEET; THENCE
- (30) N. 79° 15' E., 270.00 FEET; THENCE
- (31) S. 28° 30' E., 100.00 FEET; THENCE
- (32) N. 34° 10' E., 140.00 FEET; THENCE
- (33) N. 14° 50' E., 375.00 FEET TO A POINT ON THE NORTHERLY LINE OF RANCHO LAGUNA SECA; THENCE
- (34) N. 76° 05' E., 520.00 FEET ALONG THE SAID NORTHERLY LINE OF RANCHO LAGUNA SECA; THENCE LEAVING SAID NORTHERLY LINE OF RANCHO LAGUNA SECA
- (35) S. 29° 20' E., 280.00 FEET; THENCE
- (36) N. 88° 35' E., 210.00 FEET; THENCE
- (37) S. 23° 00' E., 270.00 FEET; THENCE
- (38) S. 55° 15' W., 160.00 FEET; THENCE
- (39) S. 29° 40' W., 250.00 FEET; THENCE
- (40) S. 33° 00' E., 220.00 FEET; THENCE

- (41) S. 32° 00' W., 390.00 FT; THENCE
- (42) N. 73° 40' W., 230.00 FEET; THENCE
- (43) S. 56° 40' W., 190.00 FEET; THENCE
- (44) S. 5° 40' E., 360.00 FEET; THENCE
- (45) S. 62° 30' E., 470.00 FEET; THENCE
- (46) N. 82° 30' E., 680.00 FEET; THENCE
- (47) S. 58° 41' 36" E., 548.50 FEET; THENCE
- (48) S. 2° 40' W., 231.74 FEET; THENCE
- (49) S. 51° 30' W., 340.00 FEET; THENCE
- (50) S. 10° 47' 40" E., 522.61 FEET; THENCE
- (51) S. 36° 50' E., 190.00 FEET; THENCE
- (52) S. 13° 50' W., 730.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 2:

CERTAIN REAL PROPERTY SITUATE IN THE RANCHO LAGUNA SECA, COUNTY OF MONTEREY, STATE OF CALIFORNIA, PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT ENGINEER'S STATION 421 + 64.13 P.O.T., ON THE CENTER-LINE OF THE SALINAS TO MONTEREY STATE HIGHWAY, 80 FEET WIDE, AS CONVEYED BY THOMAS J. FIELD, ET AL, TO COUNTY OF MONTEREY, BY DEED DATED APRIL 29, 1929, RECORDED IN BOOK 198 OF OFFICIAL RECORDS, AT PAGE 91, MONTEREY COUNTY RECORDS; THENCE FROM SAID POINT OF BEGINNING N. 13° 50' E., 14.00 FEET TO A POINT ON THE PROPOSED NORTHERLY LINE OF THE NEW STATE HIGHWAY TO THE TRUE POINT OF BEGINNING; AND RUNNING THENCE FROM SAID TRUE POINT OF BEGINNING

- (1) ALONG THE WESTERLY LINE OF C. B. LIVESTOCK COMPANY PROPERTY, N. 13° 50' E., 730.00 FEET; THENCE LEAVING SAID WESTERLY LINE OF C. B. LIVESTOCK COMPANY PROPERTY
- (2) S. 36° 50' E., 470.00 FEET; THENCE
- (3) S. 74° 0' E., 360.00 FEET; THENCE
- (4) N. 60° 00' E., 220.00 FEET; THENCE
- (5) N. 77° 00' E., 466.01 FEET; THENCE
- (6) S. 16° 10' E., 183.05 FEET; THENCE
- (7) S. 23° 30' E., 250.00 FEET; THENCE
- (8) S. 5° 43' 30" W., 199.76 FEET TO A POINT ON THE SAID PROPOSED NORTHERLY LINE OF THE NEW STATE HIGHWAY; THENCE WESTERLY ALONG SAID PROPOSED NORTHERLY LINE OF THE NEW STATE HIGHWAY

- [REDACTED]
- [REDACTED]
- (9) S. 67° 30' W., 60.00 FEET; THENCE
 - (10) S. 69° 05' W., 120.00 FEET; THENCE
 - (11) 81° 00' W., 230.00 FEET; THENCE
 - (12) S. 86° 40' W., 155.00 FEET; THENCE
 - (13) N. 88° 05' W., 155.00 FEET; THENCE
 - (14) N. 84° 10' W., 160.00 FEET; THENCE
 - (15) N. 78° 45' W., 150.00 FEET; THENCE
 - (16) N. 77° 00' W., 160.00 FEET; THENCE
 - (17) N. 72° 15' W., 160.00 FEET; THENCE
 - (18) N. 63° 10' W., 290.00 FEET TO THE SAID TRUE POINT OF BEGINNING.
- [REDACTED]

Exhibit "A" (4 of 5)

EXHIBIT "A" (5 of 5)



1961-70 500⁰⁰ ACRES
 1970-71 500⁰⁰ ACRES x 11,500

1983-70 500⁰⁰ ACRES
 1984-71 500⁰⁰ ACRES x 11,500

Sub B of Lot 1 North of Road

Sub A of Lot 1 North of Road

GENERIC EASEMENT
 Assessable Area
 173-477-17

Tracy Ave E

205-01

83 Ac. ± (15)

(17)

(18)

(19)

(20)

19

08

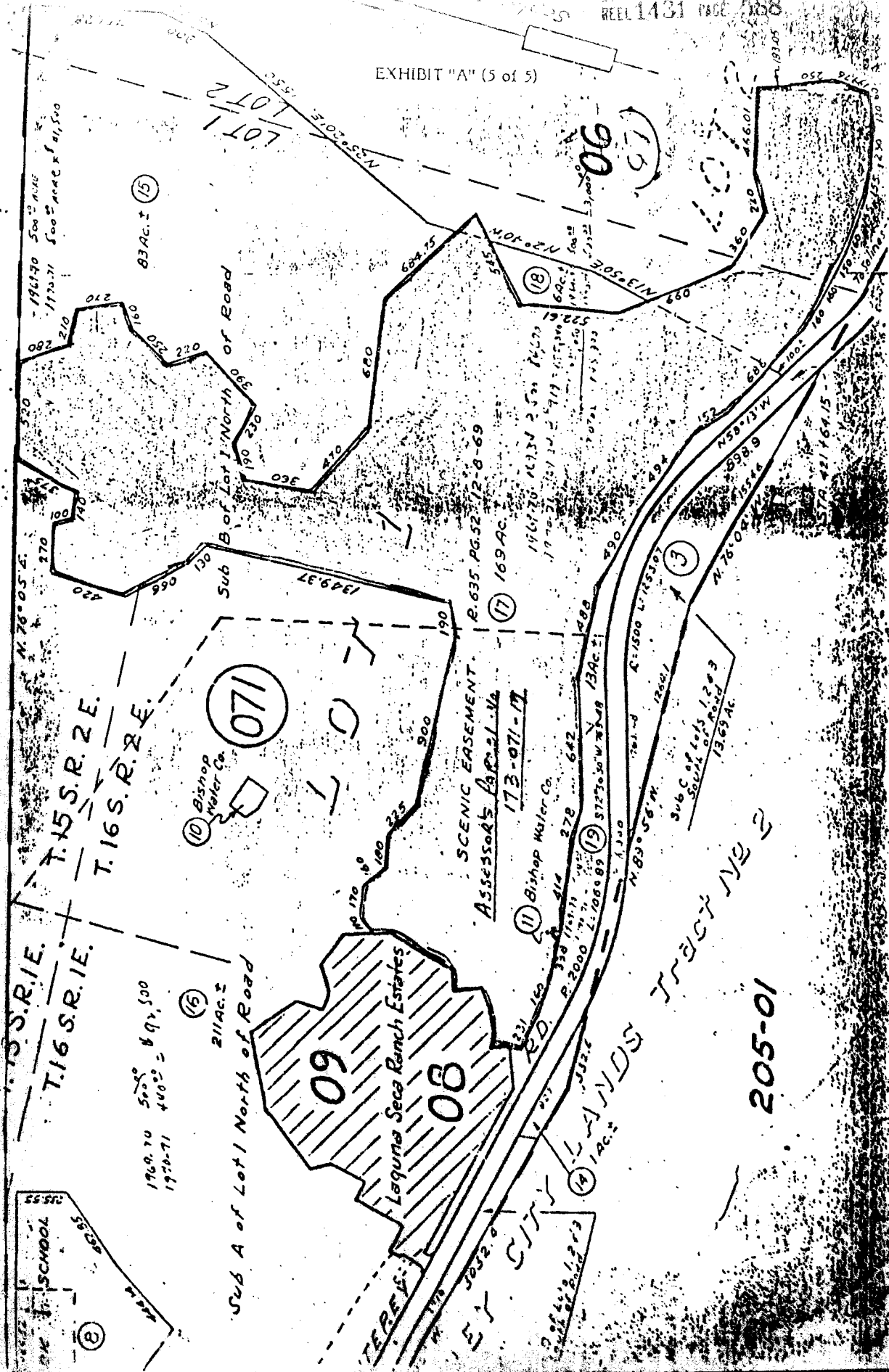
08

LOT 1
 LOT 2

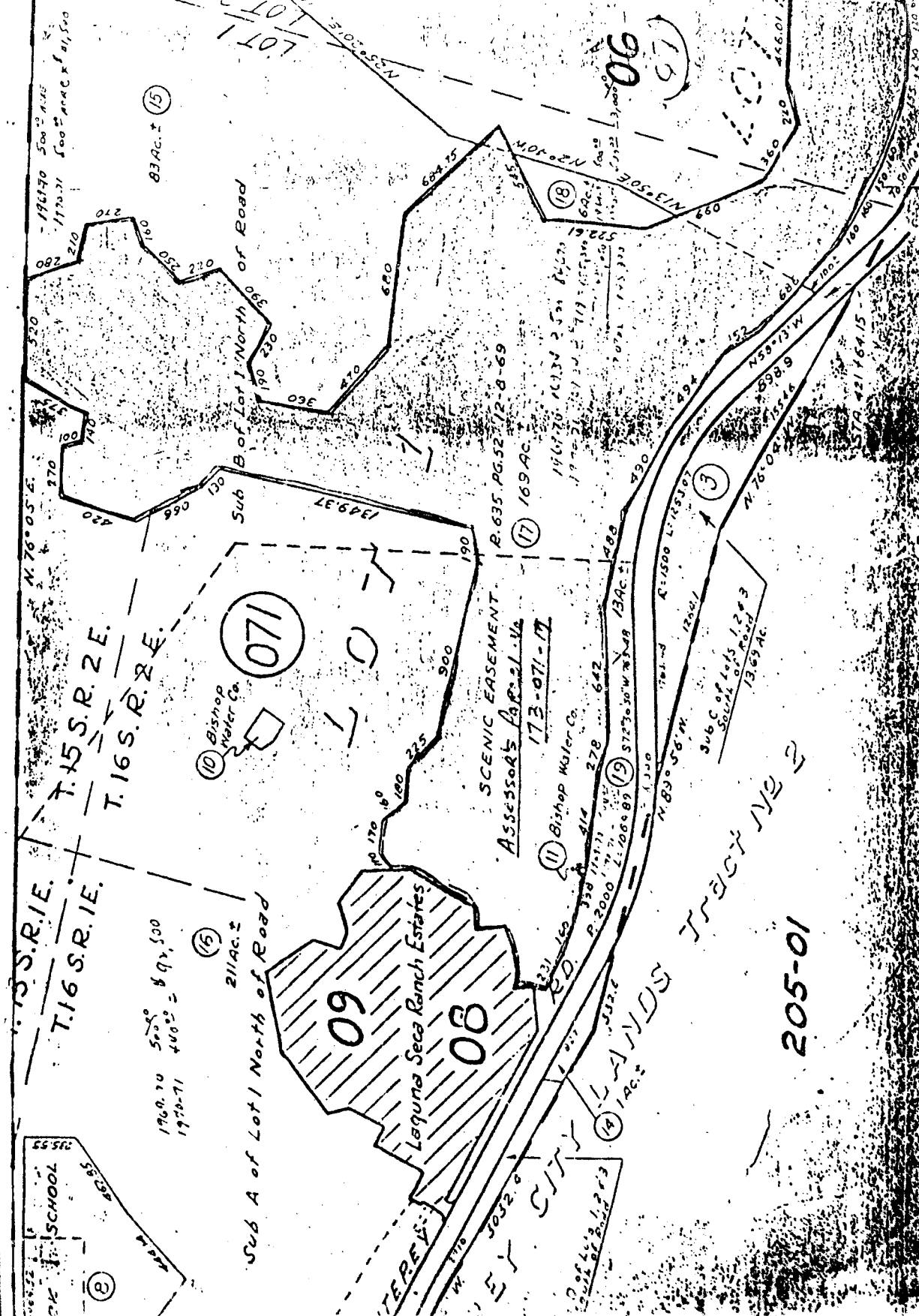
TIGERIE

Tracy Ave E

EXHIBIT "A" (5 of 5)



205-01



205-01

YORK ROAD

EXHIBIT "B" (1 of 2)

DESCRIPTION

REEL 1431 PAGE 589

A portion of that property acquired by the United States of America as a military reservation known as Fort Ord situated in the County of Monterey, State of California, said portion being an area within that 15,609.5 acre tract conveyed by David Jacks Corporation to the United States of America by deed dated 4 August 1917 and recorded in Volume 151 of Deeds, page 40, Official Records of said Monterey County, and an area known as "Tract D" as conveyed by T. A. Work, et ux. to the United States of America by deed dated 29 July 1941 and recorded 31 March 1942 in Volume 764, page 19 of Official Records of said Monterey County, said portion being described as follows:

Beginning at a granite monument, marked L. S. 8 - S. 4, marking the corner common to said 15,609.5 acre tract, the Rancho Saucito and the Rancho Laguna Seca, as patented, this is also an angle point on the Southerly boundary of Fort Ord;

THENCE, (1) S $0^{\circ} 15'$ E, 1529.46 feet along the line common to said Ranchos Saucito and Laguna Seca to the centerline of the Salinas-Monterey Highway, 80 feet wide, as it existed in 1941;

THENCE, (2) N $76^{\circ} 32' 30''$ W, 72.05 feet along said centerline;

THENCE, (3) N $0^{\circ} 15'$ W, 1567.60 feet parallel with and 70 feet Westerly, at 90° , from said line common to Ranchos Saucito and Laguna Seca, to the Southwesterly line of said Fort Ord;

THENCE, (4) continuing N 0° 15' W, 160 feet in Fort Ord;

THENCE, (5) N 72° 10' E, 100 feet;

THENCE, (6) S 62° 22' 33" E, 350.57 feet to the Southeasterly
line of Fort Ord;

THENCE, (7) S 76° 05' W, 345 feet along said Southeasterly line
to the point of beginning, and containing 3.80 acres,
more or less.

END OF DOCUMENT