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WHEN RECORDED RETURN TO:

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OFFICIAL RECORDS  
SONOMA COUNTY CAL  
BERNICE A. PETERSON

SHILOH

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RESTATED  
DECLARATION OF  
COVENANTS, CONDITIONS AND  
RESTRICTIONS

THE RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, (THE "RESTATED DECLARATION") SUPERSEDES THAT CERTAIN DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (THE "PRIOR DECLARATION") RECORDED OCTOBER 25, 1988 AS INSTRUMENT NO. 88-091032, SONOMA COUNTY OFFICIAL RECORDS. UPON RECORDATION OF THE RESTATED DECLARATION, NEITHER THE PRIOR DECLARATION NOR ANY INFORMATION DERIVED THEREFROM SHALL CONSTITUTE CONSTRUCTIVE OR ACTUAL NOTICE OF ANY OF THE MATTERS CONTAINED IN THE PRIOR DECLARATION. ATTACHED HERETO IS THE CONSENT OF THE COUNTY OF SONOMA TO THE ABSOLUTE AND COMPLETE REPLACEMENT OF THE PRIOR DECLARATION AS PROVIDED ABOVE.

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DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS  
FOR SHILOH

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DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
SHILOH

PREAMBLE

This Declaration is made on January 19, 1989, by Shiloh Associates, a California general partnership, as owner of the real property in the County of Sonoma, State of California, described in Exhibit "A" attached hereto and incorporated herein by this reference.

WITNESSETH:

WHEREAS, Shiloh is a planned development possessing great charm and natural beauty which Grantor intends to preserve through the terms of this Declaration and a coordinated plan of development, including the siting of homes and appurtenances within building envelopes so as to minimize view from adjacent property; and

WHEREAS, it is assumed that each future Owner of property in Shiloh will be motivated to preserve these qualities through community cooperation and by enforcing not only the letter but also the spirit of this Declaration, and it is the intention of Grantor in making this Declaration that each covenant, condition and restriction contained herein shall be understood and construed to promote the charm and natural beauty of the area and the value of each Lot therein; and

WHEREAS, Grantor intends to establish for its own benefit and for the mutual benefit of each future Owner of property in Shiloh, and each part thereof, certain easements and rights in, over and upon the property and certain mutually beneficial covenants, conditions, restrictions and obligations with respect to the proper use, conduct and maintenance thereof; and

WHEREAS, Grantor desires and intends that all persons hereafter acquiring any interest in said property, or any part thereof, shall at all times enjoy the benefits of, and shall own, hold, sell and convey their interest subject to the rights, easements, covenants, conditions, restrictions, and obligations hereafter set forth, all of which are hereby declared to be in furtherance of a general plan to promote and protect the coordinated development of Shiloh and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of said real property.

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NOW, THEREFORE, Grantor, as the owner of the real property described in Exhibit "A" hereby declares that said property is and shall be owned, held, conveyed, hypothecated, encumbered, leased, occupied, built upon or otherwise used, improved or transferred in whole or in part, subject to all of the terms, covenants, conditions and restrictions of this Declaration all of which are declared and agreed to be in furtherance of a general plan for the subdivision, improvement and sale of said real property and other property which may be annexed thereto, and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of said real property and every part thereof. The Shiloh Restrictions shall run with said real property and shall be binding upon and inure to the benefit of Grantor, the Association, each Owner and their respective successors in interest. The Restrictions shall also inure to the benefit of, and be enforceable by, the County of Sonoma as a third party beneficiary pursuant to Civil Code section 1559 regardless of whether or not any particular provision herein so provides.

#### ARTICLE I

##### DEFINITIONS

Unless the context otherwise specifies or requires, the terms defined in this Article I shall have the meanings herein specified for all purposes of this Declaration:

Agricultural Area shall mean any Lot classified for use as agricultural land, and any additions thereto by annexation and may include area for Single Family Residential Use.

Architectural Committee or Committee shall mean the committee created pursuant to Article VII.

Architectural Guidelines shall mean the guidelines adopted by the Architectural Committee pursuant to Section 7.04.

Articles shall mean the Articles of Incorporation of the Shiloh Homeowners Association which are or shall be filed in the office of the Secretary of the State of California, as said Articles may from time to time be amended.

Association or Shiloh Homeowners Association shall mean the nonprofit mutual benefit corporation described in Article V, including its successors and assigns.

Beneficiary shall mean a mortgagee under a mortgage as well as a beneficiary under a Deed of Trust.

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Board shall mean the Board of Directors of the Association.

Bylaws shall mean the Bylaws of the Association which are or shall be adopted by the Board, as such Bylaws may from time to time be amended.

Common Area shall mean Parcel "A" as shown on the map and all improvements erected thereon. The Common Area shall not include any Agricultural Area or Single Family Area. Title to the Common Area shall be held by the Association for the use, enjoyment and benefit of the members. The Common Area may be expanded through the annexation of additional properties described in Exhibit "B."

Declaration shall mean this instrument and the covenants, conditions, and restrictions set forth herein, as the same may be amended from time to time.

Deed of Trust or Trust Deed shall mean a mortgage as well as a deed of trust.

Drainage Courses shall mean those areas designed for the conveyance of waters within Shiloh over and upon the Lots and Common Area whether or not so identified in any Subdivision Map.

Family shall mean one or more persons related to the other by blood, marriage or legal adoption, or a group of not more than three (3) persons not all so related, together with their domestic servants who maintain a common household on a Lot.

Final Subdivision Public Report shall mean and refer to a final report issued by the Department of Real Estate of the State of California or any successor state agency pursuant to the California Subdivided Lands Act (section 11018.2 of the California Business and Professions Code) as it may be amended or any similar statute then in effect.

Fiscal Year shall mean the calendar year.

Grantor shall mean Shiloh Associates, a California general partnership, including its successors and assigns, and any other entity which acquires any portion of Shiloh from any of the aforesaid other than as a Public Purchaser.

Improvements shall mean any man-made addition, whether temporary or permanent, constructed on a Lot including, by way of illustration and not limitation, residence, garage, driveways and parking area, porches, and covered and uncovered patios, gazebos, swimming pools, jacuzzis or other whirlpools, tennis courts, stables, fences

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and walls, pools and signs, hedges, windbreaks, plantings, planted trees and shrubs and all other landscaping of every type and kind. Improvements shall also mean any excavation, fill, ditch, diversion dam or other thing or device which affects or alters the natural flow of surface water from, upon or across any Lot, or which affects or alters the flow of any waters in any natural or artificial stream, wash or drainage channel from, upon or across any Lot.

Lot shall mean any parcel of real property on any recorded Subdivision Map pertaining to property which is subject to this Declaration, with the exception of the Common Area.

Member shall mean a person who is a member of the Association pursuant to section 5.02 herein. Each owner or co-owner shall be a Member.

Owner, subject to the following provisions, shall mean the person or persons, including Grantor, holding fee simple title or the beneficial interest (other than as security for the performance of an obligation) in any Lot.

- (a) Owner shall include the purchaser of a Lot under an executory contract for the sale of real property only if it is a real property sales contract as defined in section 2985 of the Civil Code, as said Section may be amended, or any similar statute then in effect.
- (b) For the purposes of Article IV, unless the context requires otherwise, Owner shall include the family, invitees, licensees, and lessees of any Owner together with any other person or persons holding any possessory interest granted by such Owner in any Lot.

Person shall include, but is not limited to, natural persons, associations, firms, partnerships and corporations.

Phase of Development shall mean (a) the property described in Exhibit "A" attached hereto or (b) other real property annexed to Shiloh pursuant to Article III of this Declaration, for which a final Subdivision Public Report has been issued.

Private Roads shall mean the roads designated on the Subdivision Map and any additions thereto by annexation

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connecting each Lot as the private entry to the closest public street which shall be maintained and operated by the Association in the same manner as other Common Areas.

Project Documents shall mean the Declaration, Articles, Bylaws and Restrictions.

Public Purchaser shall mean a person or entity who acquires less than five (5) Lots in Shiloh in any successive twelve (12) month period.

Shiloh shall mean the real property subject to this Declaration as described in Exhibit "A" and such additional property hereafter annexed to Shiloh (including property described in Exhibit "B" attached hereto and incorporated herein by this reference.

Shiloh Restrictions or Restrictions shall mean this instrument and the covenants, conditions and restrictions set forth herein, as the same may be amended from time to time.

Shiloh Rules shall mean those rules adopted by the Board as are in effect, from time to time, pursuant to the provisions of Section 5.05H herein.

Single Family Area shall mean any Lot or group of Lots classified for Single Family Residential Use in Exhibit "A" and any additions thereto by annexation.

Single Family Residential Use shall mean occupation and use of a single family dwelling in conformity with the Shiloh Restrictions, the Shiloh Rules, the Architectural Guidelines, and the requirements imposed by applicable zoning laws or other state or municipal rules and regulations.

Subdivision Map shall mean (a) that subdivision map entitled "Shiloh Unit One" recorded on October 25, 1988, in Book 426 of Maps, Pages 14-26, in the Official Records of Sonoma County; (b) any final map or parcel map within the meaning of the provisions of Division 2 of Title 7 of the California Government Code, or (c) any final record of survey map within the meaning of the provisions of section 8762 et seq. of the California Business and Professions Code, as such provisions may be amended from time to time.

Visible From Neighboring Property shall mean, with respect to any given object on any given Lot, that such object is or would be observable by the naked eye from any Lot contiguous or otherwise or public or private right-of-way.

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ARTICLE II

PROPERTY RIGHTS, EASEMENTS, AND UTILITIES

SECTION 2.01: COMMON AREA

A. USE AND BENEFIT. Shiloh is a planned development of Single Family Areas, Agricultural Areas and Common Area. The Private Roads and other Common Area improvements, including, but not limited to, utilities, equestrian trails and open space shall be designated, constructed and maintained for the use and benefit of each Lot in the development, including each future Phase of Development to be annexed from time to time in accordance with this Declaration. Prior to the time any property designated as future Common Area is conveyed to the Association, Grantor shall be obligated to maintain such property and neither the Association nor any Owner shall have the right to use or occupy such property. Grantor shall have the right to construct and dedicate additional common improvements in the Common Area for the use and benefit of Shiloh including but not limited to, entrance gates, fencing, parking areas, kiosk (or similar guard station) and mail box, and the cost of maintaining the same shall be an obligation of the Association. The Common Area shall be owned by the Association for the use and benefit of the Members. It shall be conveyed to the Association free of money encumbrances prior to or concurrently with the close of escrow of the sale of the first Lot. The Common Area shall be maintained by the Association as provided in Section 5.04 herein.

B. RETAINED RIGHTS. When the Common Area is conveyed by Grantor to the Association, an easement shall be deemed automatically reserved over the Common Area in favor of Grantor for common driveway purposes, drainage and encroachment purposes and for ingress to and egress from the Common Area for the purpose of completing improvements thereon or for the performance of necessary repair work, and for entry onto adjacent property in connection with the development of additional Phases of Development. In order that said work may be completed and said property be established as a fully occupied residential community as rapidly as possible, nothing in this Declaration shall be understood or construed to:

(1) Prevent Grantor or its representatives (including contractors or subcontractors) from obtaining reasonable access over and across the Common Area, or from doing within any Lot or any portion of the property owned by

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it, whatever is reasonably necessary or advisable in connection with the completion of said work and conditions; or

(2) Prevent Grantor or its representatives from erecting, constructing and maintaining on any part or parts of the property, such structures as may be reasonably necessary for the conduct of its business of completing said work and conditions and establishing said property as a residential community and disposing of the same in parcels by sale, lease, or otherwise; or

(3) Prevent Grantor or its representatives from maintaining model homes, sales offices, storage facilities or related such facilities in any area within the property necessary or reasonable in the opinion of Grantor for sale or disposition of the Lots. Grantor shall be entitled to reasonable use of the Common Area for undertaking its sale of the Lots.

(4) Prevent Grantor or its representatives from maintaining such signs within the property as may be necessary for the sale, lease, or disposition of the Lots therein; or

(5) Prevent Grantor or its representatives from conducting said work and conditions and of establishing said property as a resource-residential community and of disposing of said property in parcels or units by sale, lease or otherwise.

The easement described above shall continue for the period of time provided for annexation, plus a reasonable period of time thereafter (not to exceed an additional two years) to complete construction of said improvements. Said easement shall automatically terminate four years after the recordation of this Declaration, or the recordation of any Declaration of Annexation for a subsequent Phase of Development, whichever occurs later. In the event that any proposed Phases of Development are not annexed as provided herein, and the easement reserved by Grantor is terminated automatically as provided above, should any of the property described in Exhibit "B" require access for ingress and egress over Private Roads located within Shiloh or utility easements, said easements shall exist for reasonable vehicular and pedestrian traffic and utilities, provided, however, that the property (and the owners thereof) shall be obligated to pay their equitable share of the cost of maintenance and repair of said Private Roads, and shall be subject to a lien or liens for said maintenance and repair costs.



**SECTION 2.02: EASEMENTS**

In addition to any and all other easements contained in this Declaration, Shiloh shall be subject to the following easements:

**A. OWNER'S EASEMENTS.** Every Owner shall have a right and easement of enjoyment in and to the Common Area, including ingress and egress to and from his Lot (and also for the purpose of maintaining the internal and external telephone wiring made part of the Common Area, subject to the consent of the Association pursuant to applicable law), which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (1) Section 5.02 hereof authorizes the Board to impose monetary penalties, temporary suspensions of an Owner's rights as a member of the Association or other appropriate discipline for failure to comply with the governing instruments provided that the established procedures for notice and hearing which are set forth in Section 12 of the Bylaws are followed with respect to the accused member before a decision to impose discipline is reached.
- (2) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer (other than for utility or sewer purposes) shall be effective unless an instrument signed by two-thirds (2/3) of the Members agreeing to such dedication or transfer has been recorded and the public utility or agency agrees to assume all of the obligations of the Association relating to the Common Area as provided in this Declaration, provided, however, that no such dedication shall impair the ingress and egress to any individual Lot.

**B. UTILITIES EASEMENTS.** Easements over and under the Common Area for the installation, repair and maintenance of electric, telephone, water, gas and sanitary sewer lines and facilities, heating facilities, cable or master television antenna lines, drainage facilities, and landscaping as shown on a Subdivision Map, and as may be hereafter required or needed to service Shiloh, are hereby reserved by Grantor and its successors and assigns, including the Association, together with the right to grant and transfer the same.

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C. ENCROACHMENT EASEMENTS. Each Lot is hereby declared to have an easement over all adjoining Lots and the Common Area for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, or any other cause. There shall be valid easements for the maintenance of said encroachments as long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachment; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner if said encroachment occurred due to the willful misconduct of said Owner. In the event a structure is partially or totally destroyed, and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments over adjoining Lots or Common Area shall be permitted and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist.

D. OPEN SPACE EASEMENTS. Easements for open space (i.e., preservation of the area in its natural state) are hereby granted to the Association on, over and across those portions of Lots within Shiloh which are designated as such on a recorded Subdivision Map. Each Owner shall maintain the open space easement within his Lot. If any such Owner fails to do so, the Association shall perform such maintenance and the Owner upon whose property such maintenance is performed shall reimburse the cost thereof to the Association pursuant to Section 6.01(E) herein.

E. COMMON DRIVEWAY EASEMENTS.

(1) Certain of the Lots on Shiloh require the use of driveway areas in common with other Lots as more particularly shown and described on a Subdivision Map or a grant deed conveying fee title to such Lots. It is hereby declared that the Owner of each such Lot, his successors and assigns, shall have the right to use the designated driveway area for ingress, egress and incidental driveway purposes. The easements hereby created shall be perpetual and shall survive any termination of this Declaration. Further, such easements shall not be altered or affected by any modification or amendment of this Declaration unless the Owners of the Lots which benefit from such easements approve said modification or amendment in writing. The location and construction of such driveways shall be subject to review and approval of the Architectural Committee.

(2) Each Owner who is entitled to use a driveway area in common with other Owners shall be jointly responsible with such other Owners for the care and maintenance of such common driveway area including the maintenance of all shrubbery, plantings and landscaping of every kind, and of all paved area of every kind within such area, and the cost of construction, repair and maintenance shall be borne

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equally by the Owner benefitting from such easements. If any common driveway area is not adequately and properly maintained, the Association may provide for the maintenance thereof. The cost of such maintenance shall be assessed to the Owners benefitted thereby pursuant to Section 5.01(E) herein.

F. MAINTENANCE EASEMENTS. The Board may authorize its agents and employees to enter upon any Lot when necessary in connection with any maintenance, landscaping or construction for which the Association is responsible, to effect emergency repairs or to effect necessary repairs which the Owner has failed to perform as required by this Declaration. Such entry shall be made with as little inconvenience to the Owner as practicable and any damage caused thereby shall be repaired by the Board at the expense of the Association. Except in case of an emergency, three (3) days advance notice shall be given to the Owner or occupant. If an Owner of any Lot fails to maintain the Lot and Improvements situated thereon in a manner satisfactory to the Board, after approval by two-thirds (2/3) vote of the Board, the Association shall have the right and power, through its agents and employees, to enter upon and maintain, or provide for the maintenance of, any Lot and Improvement, and to repair, maintain, and restore the Lot and any Improvements erected thereon, which is not maintained by the Owner thereof in accordance with the requirements of these restrictions. Cost of any such repair or maintenance shall be charged to the Owner through an Individual Charge as provided in Section 6.01(E) hereof.

G. LEACH FIELD EASEMENT. In the event a septic system, as designated on a Subdivision Map, is located to any extent within the Common Area, the Owner of the Lot benefitted thereby shall have a perpetual easement for ingress/egress and maintenance as may be required for the property repair and maintenance of such system.

#### SECTION 2.03: WATER SUPPLY

Water will be provided to the residents of Shiloh by the Windsor Water District.

## ARTICLE III

ANNEXATION PROCEDURESSECTION 3.01: ANNEXATION OF OTHER REAL PROPERTY  
BY GRANTOR

Within three (3) years from the date of issuance by the California Department of Real Estate of the original Final Subdivision Public Report for the immediately preceding Phase of Development for any of the property subject to the terms of this Declaration originally or by annexation pursuant to the provisions of this Section, Grantor may annex to Shiloh all or any part of any real property owned by Grantor. Grantor shall be under no obligation to develop or annex said additional phases and real property and Grantor makes no representation with respect to whether or not such additional real property will ever be developed or annexed. This Article shall not be amended without the written approval of Grantor.

A. ANNEXATION PROCEDURE. The annexation of any such property shall become effective, when, and only when, the last of each of the following events occurs:

- (1) A Subdivision Map shall have been filed with respect to the real property to be annexed if required by law.
- (2) Grantor shall have recorded a declaration of annexation, which may consist of more than one document, and which shall, among other things, (a) describe the real property which is to be annexed, (b) set forth or refer to such additional covenants, conditions, restrictions and easements applicable to such property, as provided in Paragraph D below, (c) declare that such property is and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to this Declaration, (d) state the land use classifications under Section 3.04 within the area annexed, (e) designate Common Areas and Lots and (f) state that the provisions of Paragraph B below have been complied with.

B. NO UNREASONABLE BURDEN. Any annexation pursuant to this Section shall not result in an unreasonable diminution of the benefits to, or an unreasonable increase in the burdens upon existing Owners in Shiloh and shall be consistent with the phasing plan presented to the California Department of Real Estate at the time of application for the original Final Subdivision Public Report for the sale of Lots in Shiloh. It is anticipated that the total number of Lots

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either included in the first Phase of Development or hereafter annexed to the Project pursuant to this Section will be approximately 100 Lots.

C. EFFECT OF ANNEXATION. Upon any such annexation becoming effective, the property thereby annexed shall become and constitute a part of the property subject to this Declaration and the Association shall have and shall accept and exercise jurisdiction over such property as a part thereof.

D. LAND CLASSIFICATION AND USE. The declaration referred to in Paragraph A of this Section 3.01 may, with respect to all or any part of the property described in said declaration, provide for any or all of the following:

- (1) Such new land classifications not then provided for in Section 3.04 hereof, and such covenants, conditions, restrictions and easements with respect to the use thereof, as Grantor may deem to be appropriate for the development of such property;
- (2) With respect to the land classifications then provided for in Section 3.04, such additional or different covenants, conditions, restrictions and easements with respect to the use thereof as Grantor may deem to be appropriate for the development of such property.

SECTION 3.02: ANNEXATION OF ADDITIONAL REAL PROPERTY BY OTHERS

Real property partially or wholly owned by persons other than Grantor may be annexed to and become a part of the property subject to this Declaration pursuant to the provisions of this Section.

A. ANNEXATION PROCEDURE. The annexation of any such property shall become effective in accordance with the following procedure:

- (1) All persons owning a fee simple interest or beneficial interest, other than as security for the performance of an obligation, in the property proposed to be annexed shall execute and acknowledge an offer of annexation: (a) describing the subject property, (b) offering annexation, (c) consenting to the application of this Declaration to said property, (d) declaring that said offer of annexation shall be irrevocable for a period of ninety (90) days from the date thereof, (e) showing the land use classification to be applicable to

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said property (including a map or plat thereof), (f) designating Common Areas for the purposes of this Declaration, (g) setting forth in a declaration attached to the offer such additional or different covenants, conditions, restrictions, and easements and land use classification, if any, which shall be applicable to said property, and (h) containing such additional information as the Board may prescribe. Said offer shall be addressed to the Board and shall be presented with the annexation fee prescribed by it which shall not exceed the sum of \$500.00.

- (2) Within fifteen (15) days after receipt of any such application for annexation, the Board shall call a special meeting of the Association to hear and consider the application for annexation. The Owners shall be notified in writing of the date chosen for the meeting which shall not be sooner than fifteen (15) days after the date of the notice. Such notice shall also be sent to the persons who executed the application for annexation. At such special meeting, the Board shall hear and consider the views of any Owner or other interested person.
- (3) After hearing the views of all interested parties and considering the application for annexation, the Board shall consider the proposal and, in its absolute discretion, make its determination upon the basis of the compatibility of the proposed annexation with the other portions of the property subject to this Declaration, the potential effect upon existing Common Area facilities of use by members in the proposed annexation area, the additions to the budget of the Association required to service the additional area in comparison with the revenues which could be raised by assessment thereof, the compatibility of the restrictions proposed for the annexation area with the development which has occurred in the property subject to this Declaration and such other matters as the Board may deem proper. The action of the Board shall be by majority vote.
- (4) In the event the Board approves the proposed annexation, the matter shall be voted upon by the Owners, but excluding those who executed the application for annexation. The election shall be held within thirty (30) days after the special meeting and at least ten (10) days' notice thereof shall be given to the Owners. Three-fourths (3/4) of the Owners voting in said election, other than Grantor, shall be sufficient to approve the

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annexation. In the event the Board disapproves of the proposed annexation, the offer shall be of no further effect.

- (5) Upon conclusion of any such election, the Board shall give written notice of the results thereof to all Owners and to all persons who executed the offer of annexation. If the proposed annexation shall be defeated, no portion of the property involved therein shall be made the subject of any subsequent annexation application for a period of one (1) year from the date of such election. If the annexation is approved, the Board shall record a certificate setting forth the result of the election together with the original offer of annexation. Upon recordation of said documents, the annexation shall become effective.

B. EFFECTS OF ANNEXATION. Upon any such annexation becoming effective, the property annexed thereby shall become and constitute a part of the property subject to this Declaration, and the Association shall have and shall accept and exercise jurisdiction over such property.

SECTION 3.03: PRESUMPTION OF VALID ANNEXATION

As to any person who in good faith acts or refrains from acting in reliance upon the apparent annexation of property pursuant to Section 3.01 or 3.02, as evidenced by the declarations or other documents recorded thereunder, it shall be conclusively presumed that all of the requirements of this Article have been complied with and that such property is properly annexed pursuant and subject to this Declaration.

SECTION 3.04: LAND CLASSIFICATIONS

Except as provided above, all land annexed pursuant to this Article shall be classified as Single Family Area, Agricultural Area or Common Area.

ARTICLE IV

USE AND RESTRICTIONS

SECTION 4.01: SINGLE FAMILY AREAS: PERMITTED USES AND RESTRICTIONS

All Lots within Single Family Areas are subject to all of the following limitations and restrictions:

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A. USE OF LOTS. No Lot, or any portion thereof, shall be occupied and used except for Single Family Residential Use by the Owners, their contract purchasers, lessees, tenants, or social guests. No trade or business or commercial activity shall be carried on or conducted upon any Lot, except that Grantor, its successors or assigns, may use any Lot in the Project owned by Grantor for a model home site and display and sales office to the extent provided above. The provisions of this Section shall not prohibit home occupations so long as they are merely incidental to the use of the Lot as a dwelling, are permitted by local law, are conducted in such a manner as not to adversely affect other Owners' use and enjoyment, and have received prior written approval of the Board, which consent shall not be unreasonably withheld.

B. RIGHT TO LEASE. No Owner shall be permitted to lease or rent his Lot for transient or hotel purposes, which shall include, but not be limited to rental for any period less than thirty (30) days. All leases must be in writing and be expressly subject to the Declaration, and the breach of any provision shall be a default under the lease or rental agreement. Subject to the foregoing restrictions, the Owners of Lots shall have the right to lease the same, provided that the Board is notified of the name of the tenant and the duration of the lease. The Owner shall provide the Lessee with a copy of the Articles, Bylaws, Declaration and any Rules and Regulations of the Association.

C. TEMPORARY OCCUPANCY. No trailer, vehicle, basement of any incomplete building, tent, shack, garage, bar, or temporary building of any kind shall be used at any time for a residence either temporary or permanent, except for on-site security during construction. Temporary storage, office or work structures used during the construction of a dwelling must be approved by the Architectural Committee and shall be removed immediately after the completion of construction or one (1) year after its initial placement, whichever comes first.

D. REPAIR OF BUILDINGS. No structure or other Improvements upon any Lot shall be permitted to fall into disrepair, and each such structure or other Improvements shall at all times be kept in good condition and repair and painted or otherwise finished.

E. ANTENNAS, ROOF PROJECTIONS AND SATELLITE DISHES. No antenna for transmission or reception of radio, television signals or any other form of airwave communications shall be erected, used or maintained, whether attached to a structure or other Improvements or freestanding, if it is Visible From Neighboring Property. Satellite dishes which are not visible from outside of the



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boundaries of the Lot and which are reasonably necessary for the reception of radio and television signals may be permitted by the Architectural Committee pursuant to the Architectural Guidelines, and subject to issuance of any governmental permit, if required.

F. UTILITY SERVICE. All facilities for permanent utility service to any Improvement (except ground mounted pedestal boxes for the communication or transmission of electric current power, including telephone, television and radio signals) shall be constructed, placed underground or concealed in, under or on Structures or other Improvements, all in accordance with all governmental regulations, or generally accepted engineering practice in the absence of such regulations. Nothing herein shall be deemed to forbid the erection and use of temporary power or telephone services incidental to the construction of approved buildings.

G. MACHINERY AND EQUIPMENT. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Lot except such machinery or equipment as is usual and customary in connection with the use, maintenance or construction of a private residence or appurtenant structures in Shiloh.

H. NUISANCES. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot, and no odors shall be permitted to exist so as to render any Lot or portion thereof unsanitary, unsightly, offensive, or detrimental to the comfortable occupancy, for residential purposes, of other property in the vicinity thereof. Without limiting any of the foregoing, no exterior speakers, horns, whistles, bells or other sound devices except security devices used exclusively for security purposes, shall be located, used, or placed on any Lot. Lights shall be located wherever possible to limit beams to such Owner's Lot and shall not be of an intensity which unnecessarily illuminates any area which is Visible From Neighboring Property.

I. TRAILERS, BOATS AND MOTOR VEHICLES. No mobile home, trailer of any kind, tent or similar structure, and no commercial truck, camper, other recreational vehicles designed for sleeping or feeding human beings, (other than pickups and similar multi-use vehicles), tractor or boat, shall be kept, placed, maintained, constructed or repaired, nor shall any motor vehicle be constructed or repaired, upon any Lot or street, public or private, within any Single Family Area where Visible From Neighboring Property; provided, however, that the provisions of this paragraph shall not apply to emergency vehicle repairs of reasonable duration or temporary construction shelters or facilities approved by the Architectural Committee to be maintained during, and used exclusively in connection with, the

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construction of any work or improvement approved by the Architectural Committee.

J. FENCING. In order to maintain the open space characteristics in Shiloh, no fencing shall be permitted except fencing enclosing swimming pools and spas, kennels and equestrian impounds, and deer fencing where vineyards have been approved; all fencing shall be subject to the prior written approval of the Architectural Committee.

K. ANIMAL REGULATIONS.

- (1) It is the express intent to regulate domestic and agricultural animals such that there is no disruption or harassment of wildlife and that the soil and vegetation resources of Shiloh are conserved and not eroded, disrupted or destroyed.
- (2) Domestic animals defined as dogs, cats or other typically accepted domesticated animals or pets shall be subject to the regulations cited below.
  - (a) In no event shall a dog be allowed to roam uncontrolled from an Owner's Lot. The first time a dog is found roaming uncontrolled from its Owner's Lot and complaint is made to the Association, the Association shall warn the animal's Owner of the regulations concerning animals. The second time an animal is found so roaming and complaint is made to the Association, the Association shall levy a One Hundred Dollar (\$100.00) fine against the animal's Owner. The third time an animal is found so roaming and complaint is made to the Association, the Association shall levy a Two Hundred Dollar (\$200.00) fine. Subsequent offenses shall be remedied at the discretion of the Association. Such remedies may include, but are not limited to, a requirement that the animal be confined to a dog run, a requirement that the animal be attached to a leash at all times the animal is outside the confines of a building or a requirement that the animal be disposed of by the Owner. These provisions shall be enforced pursuant to notice and hearing as provided in the Bylaws.
  - (b) Domestic animals must be kept within either an enclosure or an enclosed yard, or on a leash being held by an individual capable of controlling the animal.

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Furthermore, an Owner shall be absolutely liable to every other of the Owners, and his family, guests, lessees, tenants, licensees and invitees, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon Shiloh by an Owner or by members of such Owner's family, guests, lessees, tenants, licensees or invitees.

- (c) No animal may be kept where such animal, in the sole discretion of the Association, constitutes a nuisance or annoyance to other Owners. Any such nuisance or annoyance shall be corrected at the Owner's expense. Should the Owner not comply with the requirements of the Association, such correction shall be made under the Association's direction and billed to the Owner.
  - (d) No dogs shall be permitted in the Common Areas unless under the control of the Lot Owner or his designee.
- (3) No agricultural animals defined as livestock or poultry (including, but not limited to, ducks, geese, chickens or roosters) of any kind shall be raised, bred, or kept on any Lot except as provided below.
- (a) Horses may be raised, bred and kept for personal recreational use (but not commercial purposes) on those Lots designated for such purpose by Grantor. The maximum number of horses permitted on such designated Lots shall be determined by the Grantor and applicable local regulations. The Grantor may designate one or more Lots in the Project for commercial horse boarding, subject to applicable local regulations.
  - (b) Any Owner wanting horses kept, bred, or maintained on a Lot designated for that purpose shall first, and before placement of any horse on said Lot, receive written approval by the Association. Any Owner maintaining horses as provided herein shall be responsible for preventing over-grazing or excessive ground disruption. Grass height shall not be reduced to less than three (3) inches.

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- (i) The Owner shall provide a shelter for the horses and related functions (storage of feed and the like) the location and appearance of said shelter to be approved by the Architectural Committee.
  - (ii) The Owner shall submit a plan for the fencing of the Owner's horses that is in conformance with the Shiloh Rules.
  - (iii) It shall be within the authority and discretion of the Architectural Committee to modify an Owner's fencing proposal should the Architectural Committee determine that there is an overriding necessity for fire protection or protection of view, vista, and open space to keep said area unfenced.
  - (iv) Horses kept on any designated Lot shall not be permitted access to any Common Area for grazing or other purposes (except for recreational riding).
  - (v) Manure and other waste from horses shall be disposed of regularly and in a manner to be approved by the Board, and consistent with any regulations enforced by any public agency.
- (4) For purposes of fire protection, the Association may, from time to time as it deems necessary, enter into leases or agreements for purposes of grazing of cattle in the Common Area.
- (5) Contained within Shiloh or surrounding land is a diversity and abundance of wildlife. It is the express intent of the Grantor to preserve and protect this wildlife so that it can remain as an important component of the Shiloh ecology. To this end, the following regulations apply to all persons living, residing, or visiting Shiloh.
- (a) No hunting of wildlife is allowed by any means including firearms, bow or cross-bows, traps or other devices.

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- (b) No person shall place or cause to be placed any poisons, toxic substances, or material which could be injurious to any wildlife.
- (c) No person shall feed or attempt in anyway to change the natural habitat of any wildlife.
- (d) No person shall deliberately or intentionally cause harm or injury to any wildlife.
- (e) Should an Owner desire to control any wildlife for purposes of protecting his Lot or Improvements, the Owner shall first receive written approval from the Board. The Board should it determine it necessary, may consult with the local farm advisor, agricultural commissioner and/or California Department of Fish and Game for advice and recommendations.

L. EROSION CONTROL. It is the express intent of the Grantor to prevent erosion of soils, and to this end, the following regulations and limitations apply to all Lots and area within the Shiloh.

- (1) No excavation or disturbance to soil shall occur unless written authority is granted by the Architectural Committee prior to any work.
- (2) All applicable permits shall be obtained from the appropriate governmental entities, departments or agencies.
- (3) All excavations or disturbances to soil shall be performed and completed between May 1 and October 1 of the year in which the excavation or disturbance is commenced.
- (4) All excavations or disturbances shall be controlled to prevent erosion by methods of reseedling, hydro-mulching, straw matting, culvert rocking, energy reducers, and any other recognized methods which may be required by the Architectural Committee; said erosion prevention methods shall be completed prior to October 1st of the year in which the excavation is commenced.
- (5) It shall be the responsibility of the Owner of the Lot upon which the excavation is occurring to assure that these above-cited erosion prevention measures are fulfilled and implemented. In the case of access or driveway excavation within a designated easement, it is the responsibility of

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the Owner of the Lot to which the access road is being excavated to assure the implementation of these measures.

- (6) No streambed, creek, drainage course, or drainage way shall be disrupted, disturbed, excavated, or crossed without first receiving written authority from the Architectural Committee and any applicable governmental entities, agencies, or departments.
- (7) No streambed, creek, or drainage way shall be disturbed except for crossings of access roads and/or driveways, for the diversion of surface waters around Improvements, or other necessity to permit the authorized development of the Lot.
- (8) Ponds or other impoundments of water shall not be permitted within Shiloh unless written authority is granted by the Architectural Committee prior to commencement of any work and subject to the approval of applicable governmental entities, agencies and departments. Plans for any such impoundment shall first be submitted to and approved by the Architectural Committee. The Committee shall have the authority, at the reasonable expense of the applicant requesting the impoundment, to seek advice and recommendations from recognized authorities to assure the impoundments structural integrity, and identify potential effects on the waterway, area, wildlife, or vegetation. The Committee shall have the authority to refuse approval of any impoundment plans should the Committee determine that the impoundment will result in any negative or adverse affect.
- (9) The Owner, or his authorized representative, shall submit an erosion control plan with house construction plans submitted to the Architectural Committee. Said erosion plan shall address and offer mitigation measures for any soil disturbance due to house construction or driveway construction. After Committee approval, implementation of mitigation measures shall be undertaken in accordance with the standards and directions contained within this Section and applicable governmental entities, agencies or departments.
- (10) The Association shall be responsible for ongoing operation and maintenance of any sedimentation and storm runoff detention basins.

**M. MAINTENANCE OF SLOPES, LAWNS, AND PLANTINGS.**

Improved areas within Lots which are not part of an animal storage or activity area approved by the Architectural Committee shall be landscaped according to plans approved by the Committee. Each Owner shall keep all shrubs, trees, grass and plantings of every kind on his Lot, and all planted areas and graded slopes within his Lot, if any, neatly trimmed, properly cultivated and free of trash, weeds and other unsightly material. Brush clearance shall comply with the requirements of the Sonoma County Fire Code. Cleared areas shall be replaced with fire retardant and drought resistant materials, preferably native species. Irrigation systems shall be required until growth is established to the satisfaction of the County of Sonoma Planning Department. The Board and its authorized agents shall have the right to enter upon any Lot, at any reasonable time, after appropriate notice to the Owner of said Lot, for the purpose of correcting any violation of the requirements of this Paragraph without liability for trespass or other damages necessarily caused as a part of such corrective activity. The cost of such corrective work shall be collected as a Reimbursement Assessment as provided in Section 6.01(E) herein.

**N. TREE PROTECTION.** It is the express intent of Grantor to preserve and protect the trees on Shiloh for their contribution to the visual character and wildlife habitat.

- (1) No trees having a diameter at breast height of six (6) inches or greater shall be cut, harvested, or in any other way removed without the written authority from the Architectural Committee.
  - (a) Upon authority from the Architectural Committee, trees may be removed for purposes of construction of homes, garages, and/or other accessory buildings or improvements to the Lot. However, trees identified as Designated Trees as illustrated on a Subdivision Map which provide significant wildlife value, shall specifically not be cut, removed, or damaged without the express written approval of the Architectural Committee.
  - (b) Upon authority from the Architectural Committee, trees may be cut that pose a clear and present hazard to people and/or Improvements.
  - (c) There shall be no cutting of trees for firewood purposes unless expressly authorized in writing by the Architectural Committee. No

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Firewood cutting for commercial or resale use shall be allowed. The cutting of deciduous oaks may only be allowed as set forth in section (b).

- (d) Dead trees, or snags, shall not be cut or removed unless they pose a clear and present danger to people and/or improvements. Snags provide shelter and habitat to a variety of wildlife, and are, therefore, considered valuable and requiring protection.
  - (e) Any trees having a diameter at breast height of six (6) inches or greater which are removed with the consent of the Architectural Committee shall be replaced on a one to one basis by coast live oak and blue oak. The replacements shall be one gallon container grown stock of that season, no more than six (6) months old. The Owner shall be obligated to provide reasonable irrigation of such replacements and shall replace any replacement which dies within one (1) year after planting.
- (2) The Architectural Committee, in its review and approval of improvement plans, shall consider the retention of trees as a high priority and shall make every reasonable and practical effort to this end. Should the Architectural Committee deem it necessary, a forester or arborist may be employed by the Committee at the expense of the Owner to review any damage to trees done in the course of construction; the Committee may require at its discretion that any or all recommendations of the forester or arborist be implemented at the expense of the Owner.
- (3) As a general guide, Owners shall follow the regulations cited below:
- (a) During construction, equipment such as bulldozers, backhoes, heavy trucks, and similar equipment shall avoid operations within the dripline of trees to be preserved.
  - (b) If operation by equipment within the driplines of oak trees is unavoidable, no grading of earth shall occur within the driplines. Once equipment operation is completed any disturbed areas within the driplines of oak trees shall be lightly spaded by hand to loosen soil. Leaf litter and understory vegetation shall be retained in areas of equipment operation.



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(c) Natural drainage on the Lot shall not be changed unless approved by the Architectural Committee and is necessary for construction of access or Improvements.

(d) Roof and deck drainage shall be provided which carries water away from oak trees; impounded or retained water shall not be allowed to stand within the driplines of any oak trees; and no irrigation shall occur within a 4-foot radius of any oak tree having a diameter at breast height of twelve (12) inches or greater.

O. DISEASES AND INSECTS. Reasonable efforts shall be made to prevent any thing or condition to exist upon a Lot which induces, breeds, or harbors infectious plant diseases or noxious insects.

P. TRASH CONTAINERS AND COLLECTION. All garbage and trash shall be placed and kept in covered containers of a type and style which will prevent such garbage or trash from being dispersed by wind conditions or interference by animals. In no event shall such containers be maintained where they would be Visible From Neighboring Property except when necessary to make the same available for rubbish collection and then only for a maximum of twenty-four (24) hours. Garbage and trash shall be placed for pick up as required by the disposal service and any rules adopted by the Association.

Q. CLOTHES DRYING FACILITIES. Outside clotheslines or other outside clothes drying or airing facilities shall be maintained exclusively within a fenced service yard or otherwise concealed so that they are not Visible From Neighboring Property. Further, no clothes washers, clothes dryers, refrigerators or freezers may be kept stored or operated on any balcony, patio, porch or other exterior area Visible From Neighboring Property.

R. SIGNS. No signs whatsoever (including, but without limitation, commercial, political and similar signs) which are Visible From Neighboring Property shall be erected or maintained on any Lot except:

- (1) Such signs as may be required by legal proceeding.
- (2) A sign designed for the purpose of locating or identifying a residential area.
- (3) During the time of construction of any residence or other improvement.

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- (4) Not more than one sign of customary and reasonable dimensions advertising a Lot for sale, lease, rent or exchange displayed from a Lot; provided, however, that if, at the time of any such desired use, the Association is providing or requiring a specific design of "for sale" or "for rent" signs for the use of Owners, the sign provided or required by the Association must be used.

The Board may cause to be removed any unauthorized sign remaining on any Lot more than twenty-four (24) hours after notice to the Owner without liability for trespass or otherwise, and the Owner shall reimburse all costs so incurred. Size, color and other design characteristics shall be set by the Architectural Committee in its Guidelines.

S. MINERAL EXPLORATION. No Lot shall be used in any manner to explore for or to remove any water, oil or other hydrocarbons, minerals of any kind, gravel, earth or any earth substance or other mineral of any kind.

T. RESTRICTION ON FURTHER SUBDIVISION. No Lot in Single Family Areas shall be further subdivided into additional parcels for sales and development.

U. TENNIS COURTS. Tennis, paddle ball or other similar game or recreation improvements may be lighted only with lights twelve (12) feet or less from the surface and Owners are encouraged to locate the court surfaces so that they are not visible from neighboring property.

V. WELLS AND APPARATUS. No well, windmill, energy generator, water tank, tower or other structure used for furnishing or storing energy or water shall be constructed or maintained on any Lot except with the express written consent of the Architectural Committee.

W. FIREARMS. No hunting or discharge of firearms shall be allowed on any Lot or in the Common Area except under special permit approved by the Association and any applicable governmental agency.

X. MAILBOXES. Grantor shall have the option to supply mailboxes for each Lot which may be located at a central location in Shiloh or at such other location as may be approved by the applicable governmental agency. No other form of mailbox shall be erected or maintained on any Lot.

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SECTION 4.02: AGRICULTURAL AREAS: PERMITTED USES  
AND RESTRICTIONS

In order to further the purposes of maintaining Shiloh as rural residential combined in part with agricultural activity(ies), the following provisions shall, to the extent consistent with other provisions of this Declaration, control Agricultural Lots designed as suitable for husbandry of general types. It is the intent of this Declaration that, to the extent such uses are not specifically described and permitted herein, the Board shall exercise its discretionary powers to encourage and permit such agricultural uses on Agricultural Lots.

A. VINEYARDS. No vineyard development, including without limitation, clearing, ripping, plowing, or construction of vineyard related structures, shall take place until the Architectural Committee has reviewed and approved in writing a comprehensive development plan drafted by the Owner's agricultural advisor. Provided that the Owner can develop and maintain a vineyard on an Agricultural Lot, as a viable economic activity and in compliance with all pertinent County of Sonoma and other governmental rules and regulations, such a use is permitted and encouraged. Consistent therewith, all usual and customary vineyard agricultural practices are permitted and they shall include, but not be limited to, the following:

- (1) Plowing, planting, staking, husbandry and harvest of grapevines;
- (2) Fertilizing, spraying and fumigation of fields by any usual and lawful method;
- (3) Employment of non-resident labor;
- (4) Frost protection systems but not including: smudge or overhead airplane engine-type fans;
- (5) Access to the vineyard on Private Roads by all vehicles including tractors, trucks, and trailers as are customary to such farming;
- (6) Fencing as may be desirable to protect the vineyard area from deer and other animals; and
- (7) The like -- such list not being exclusive of other appropriate practices.

B. STRUCTURES. Owner may erect such structures as are necessary for the storage and repair of equipment and vehicles necessary and related to the vineyard. The design of such structures shall be subject to the provisions of Article VIII.

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C. OTHER RESTRICTIONS. To the extent compatible with other provisions of this Section, the right of an Owner to construct, refinish, alter, or maintain any improvement upon, under, or above any Agricultural Lot, or to make any change in the natural or existing surface drainage thereof, or to install any utility line (wire or conduit) thereon or thereover, or destroy or remove any tree therefrom, shall be subject to all of the limitations and conditions of Lots in Single Family Areas.

D. DISPUTE RESOLUTION. In the event of a dispute between the Owner and the Board as to the provisions of Paragraphs B and C above, the question shall be submitted to the County of Sonoma Agricultural Advisor whose decision shall be final.

E. WATER. Spring water may not be diverted for domestic or agricultural use. Owners of Agricultural Lots shall be allowed to purchase water from the subdivision water system so long as such water is available after provision for domestic needs of Single Family Area Lots. Subject to all local and state governmental regulations applicable thereto, the Owner may drill private wells and construct and maintain such independent water supply systems as are necessary for the agricultural uses permitted on Agricultural Lots. Further, private wells may be drilled and independent water supply systems constructed and maintained on those Lots in subsequent phases or other property annexed to Shiloh which are determined by Grantor to have agricultural potential and are so designated in the annexation document.

#### SECTION 4.03: FIRE PROTECTION

A. ASSOCIATION RESPONSIBILITY. The Association shall implement or cause to be implemented the following:

- (1) Prior to the Architectural Committee's review of proposed house plans on any Lot, the Committee shall require a review of the Lot's building site by the Rincon Valley Fire District to determine if fire (vegetation) clearance or modification is necessary for fire protection of the home. Any recommendations regarding fuel by the fire district shall be incorporated into the proposed house plans and shall be included as a part of the Architectural Committee's approval of house plans. The Association shall provide a list of these fire protection/prevention measures to each Owner at the time of sale of the Lot. These measures include but are not limited to the following:

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exterior siding materials, chimney screens,  
overhang enclosures, outdoor BBQ's,  
residential sprinklers, access/turnaround.

The Association shall also provide each Lot Owner with the name, location and phone number of the Rincon Valley Fire District and advise the Lot Owners that additional information regarding fire protection measures can be obtained from such district.

- (2) The Architectural Committee shall not approve any wood shake or wood shingle roofs, whether treated or not with fire retardant material. This standard shall apply to all buildings. A minimum Class C rated roof shall be required on all dwellings.
- (3) The Association shall keep all vegetation trimmed and cleared a minimum of ten (10) feet from utility lines.
- (4) The Association shall keep all vegetation trimmed and cleared a minimum of sixteen (16) feet vertical clearance on all roadways.
- (5) The Association shall keep in usable and driveable year-round condition the ten (10) foot wide emergency access road from the Minor Road serving proposed Phase 9 to Shiloh's north property line nearest to Leslie Road. The Association shall keep in operating condition the fire gate at the end of this emergency access road.
- (6) The Association shall require of all Owners a clearly visible address number to be located at the entry to the driveway serving each Lot. The Association has the authority to design or create the standard for address numbers.
- (7) The Association shall have the authority to enter into and maintain cattle grazing leases for the purpose of keeping potential fuel levels (grasses and shrubs) minimized so long as oak tree stumps are protected from grazing and shall have the authority to establish the number of cattle, areas to be grazed and length of grazing lease.
- (8) The Association shall allow, by its vested authority, access by any fire agency to all bodies of water such as lakes or ponds which may be located within Common Areas or Agricultural Lots.
- (9) The Association shall act as a liaison body to all fire agencies in representing the interests of the Owners on fire-related issues. While this authority is not

to usurp any rightful or legal interest of any Owner, the Association, as the collective representative of all Owners, has a responsibility to maintain a fire-safe environment within the Shiloh.

B. OWNER'S RESPONSIBILITY. Owners shall implement or cause to be implemented the following:

- (1) All owners, prior to the time of submission of plans for construction to the Architectural Committee, shall request a site inspection by the Rincon Valley Fire District to determine if fuel (vegetation) clearance or modification around the building site is necessary for fire protection. Any such fuel clearance/modification and any other fire protection measures required by law or these Restrictions shall be incorporated into said plans.
- (2) All Owners shall maintain a minimum of thirty (30) foot clearance from structures of flammable vegetation described by section 4291 of the California Public Resources Code and shall otherwise comply with such provisions as may be amended from time to time.
- (3) No Owner shall be allowed to start or maintain any fire except a barbeque fire enclosed within a typically acceptable container unless specifically approved by the Board and/or local fire district.
- (4) Any swimming pool, constructed at the time of home construction or subsequent thereto, shall have a connection approved by the local fire district for emergency diverting of water, and the water supply from said pool shall be made available to any authorized fire agency or personnel upon request.

#### SECTION 4.04: RIPARIAN VEGETATION MANAGEMENT

A. POLICY STATEMENT. There are located within Shiloh streams, watercourses and drainage areas (seasonal or otherwise) which, together with the banks adjacent thereto, shall remain in a natural condition and be protected from any form of man-made development which could alter their natural riparian characteristics.

B. RESTRICTIONS. The restrictions set forth below shall apply regardless of whether such riparian areas are located within the Common Area or Lots.

- (1) There shall be no building, structure, foundation or other Improvement placed within any riparian area.

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- (2) There shall be no use made of any riparian area which would injure, scar, disturb or disrupt the vegetation, topography or drainage characteristics thereof.
- (3) There shall not be any disturbance, cutting, harvesting or removal of any plant or type of vegetation within any riparian area.
- (4) There shall be no domestic animals permitted within any riparian area except when accompanied by and under the control of the Owner to whom they belong.

ARTICLE V

SHILOH HOMEOWNERS ASSOCIATION

SECTION 5.01: ORGANIZATION AND MEMBERSHIP

A. THE ASSOCIATION. The Association is a nonprofit mutual benefit corporation charged with the duties and invested with the powers set forth herein. It is created by the Articles, and its affairs are governed by the Articles and Bylaws which shall not for any reason be amended or otherwise changed or interpreted so as to be inconsistent with these Restrictions. The Association acts through its Board of Directors and, except where action of Owners is specifically required, the Board only shall exercise any powers granted to the Association in this Declaration.

B. DISTRIBUTION OF PROPERTY UPON DISSOLUTION. The Association is organized and operated exclusively for the purpose of managing, protecting, preserving and developing Shiloh and the Improvements thereon for the benefit of its members, for their pleasure, recreation and other nonprofit purposes. No part of the net earnings or assets of the Association on dissolution or otherwise, shall inure to the benefit of any member, officer or director. In the event of dissolution or winding up of the Association, its assets other than real property, shall vest in and be distributed to a nonprofit unincorporated association consisting of the members of the Association, which unincorporated association shall succeed to all of the rights and obligations of the Association without further action or notice. Immediately prior to dissolution, real property held by the Association shall be conveyed to an independent corporate trustee, to hold such property in trust for the benefit of said unincorporated association and its members.

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C. SUCCESSOR ASSOCIATION. In the event of dissolution of said unincorporated association, all of its assets and real property held in trust shall be conveyed to a charitable institution devoted to recreational purposes exempt from income taxation under Internal Revenue Code section 501(c)(3) as amended. The affairs of said unincorporated association shall be governed by the laws of the State of California, and, to the extent not inconsistent therewith, by the Articles and Bylaws as if they were created for the purpose of governing the affairs of an unincorporated association. Any successor in interest shall assume the obligations of the Association set forth in this Declaration.

SECTION 5.02: MEMBERSHIP

A. OWNER MEMBERS. Each Owner, by virtue of being an Owner and for so long as he is an Owner, shall be a member of the Association, or, in the event of its dissolution, a member of the unincorporated association succeeding to the Association, as provided in Paragraph 5.01B. The membership of an Owner shall not be transferred, pledged or alienated in any way except upon transfer of title to the Owner's Lot and then only to the transferee of title to such Lot. Any attempt to make a prohibited transfer is void.

B. MEMBER'S RIGHTS AND DUTIES. The rights, duties, privileges and obligations of an Owner as a member of the Association, or its succeeding unincorporated association, shall be those set forth in, and shall be exercised and imposed in accordance with, the provisions of these Restrictions, the Articles and Bylaws.

C. SUSPENSION OF MEMBERS. The rights and privileges of an owner, including the right to vote or to use Common Areas, may be suspended, after reasonable notice to the owner and hearing before the Board, for a period not to exceed thirty (30) days for any single infraction of any rule or regulation adopted by the Board or for any violation of these restrictions other than payment of any assessment levied by the Association; provided that any such suspension shall be made only after the minimum requirements of section 7341 of the California Corporations Code are followed, which are set forth in Section 12 of the Bylaws.

SECTION 5.03: VOTING

A. NUMBER OF VOTES. The Association shall have two (2) classes of voting membership:



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Class A: Class A members are all Owners, with the exception of Grantor. Each Class A member shall be entitled to one (1) vote for each Lot in which he owns an interest.

Class B: The Class B members shall be the Grantor who shall be entitled to three (3) votes for each Lot owned in any Phase of Development, including the first Phase, which has been annexed to this Declaration, and with respect to which either a subsidization plan has been approved by the California Department of Real Estate or assessments are then being levied by the Association. The Class B membership shall cease and be converted to Class A membership on the happening of one of the following events, whichever occurs earlier:

- (1) On the fourth anniversary of the issuance of the original Final Subdivision Public Report for the first Phase of Development of the property subject to this Declaration.
- (2) On the second anniversary of the issuance of the original Final Subdivision Public Report for the most recent Phase of Development of the property subject to this Declaration.

As long as two (2) classes of members in the Association exist, no action by the Association that must have the prior approval of Owners or the Association members shall be deemed approved by the Owners or members unless approved by the appropriate percentage of both classes of Owners or members, except as provided in Section 5.05J of this Declaration.

B. JOINT OWNER DISPUTES. The vote for each Lot must be cast as a unit, and fractional votes shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner or Owners cast a vote representing a certain Lot, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of any other Owners of the same Lot.

C. CUMULATIVE VOTING. Every Owner entitled to vote at any election of the members of the Board may cumulate his votes and give one candidate or divide among the candidates a number of votes equal to the number of directors to be elected multiplied by the number of Lots owned by the Owner.

D. TRANSFER OF VOTING RIGHT. The right to vote may not be severed or separated from the Lot ownership to which it is appurtenant, and any sale, transfer or conveyance of such Lot to a new Owner or Owners shall operate to

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transfer the appurtenant vote without the requirement of any express reference thereto.

E. RIGHT TO VOTE. The right to vote based on ownership of a Lot shall not vest until levy of assessments has commenced upon such Lot.

SECTION 5.04: DUTIES OF THE ASSOCIATION

The Association through its Board shall have the obligation and duty, subject to and in accordance with the Shiloh Restrictions, to do and perform the following for the benefit of the Owners and for the maintenance and improvement of Shiloh:

A. COMMON AREAS.

- (1) As to all Common Areas, to accept, prior to or coincident with the first transfer or conveyance of a Lot by Grantor, on a parcel-by-parcel basis, all open space, Private Roads, street lights, fire hydrants and other Common Areas conveyed, leased or otherwise transferred to it by Grantor or by any other person or organization pursuant to the terms of the Shiloh Restrictions, whether or not such areas are within Shiloh (except to the extent such facilities are conveyed to a public utility, mutual water company or similar entity), subject to any or all of the following:
  - (a) The lien of property taxes and assessments not delinquent;
  - (b) Such easements and rights of way on, over or under all or part thereof as may be reserved to Grantor or granted to any Owner or other person;
  - (c) Such easements and rights of way on, over or under all or any part thereof as may be reserved to Grantor for maintenance or Improvements of any Common Area, or for maintenance or improvement of real property contiguous to such areas;
  - (d) Such easements and rights of way on, over or under all or any part thereof as may be reserved to Grantor or granted to or for the benefit of any person, governmental entity, private or public corporation or other organization or any Lot, for the purpose of constructing, erecting, operating and maintaining thereon, therein, and thereunder, at that time or any any time in the future:

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- (1) roads, streets, walks, driveways, equestrian trails, parkways and park areas;
  - (2) underground wires, conduits and other necessary attachments for the transmission of electricity for lighting, heating, power, telephone, television and other purposes;
  - (3) public sewers, sewage disposal systems, storm water drains, land drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes and any and all equipment in connection therewith;
  - (4) any other public or quasi-public facility or improvement deemed by Grantor to be necessary or desirable for the comfort, convenience or safety of the residents of Shiloh.
- (e) Obligations imposed, directly or indirectly, by virtue of any statute, law, ordinance, resolution or regulation of the United States of America, the State of California, the County of Sonoma, or any other political subdivision or public organization having jurisdiction over such property;
- (f) Any other lien, encumbrance (including Deeds of Trust) or defect of title of any kind whatsoever which would not materially prejudice the Owners in their use and enjoyment of such property; and
- (g) With respect to any area designated as open space on any Subdivision Map or plan, the conveyance to the Association shall be subject to a condition subsequent requiring conveyance of all or a portion of such open space area or areas to a public agency or nonprofit entity requesting such conveyance, provided such agency or entity agrees to thereafter maintain such open space so acquired at its cost and assumes all other obligations related to ownership of such real property.
- (h) Any leach field or similar septic system serving an adjacent Lot and located in the Common Area.

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- (2) Specifically with respect to conveyances by Grantor from time to time of real property over which natural water runoff is channeled, to accept such Drainage Courses as situated, subject to:
- (a) the right of adjoining and upstream landowners to permit natural water runoff to drain into these Drainage Courses,
  - (b) the right of all governmental agencies exercising appropriate jurisdiction to enter said Drainage Courses from time to time,
  - (c) easements for ingress and egress between the immediately adjacent public street and Lots bordering such Drainage Courses where necessary to create legal access,
  - (d) such other matters of record and rights which do not materially interfere with the use of such real property for surface water runoff or the rights and obligations of the Association under this Declaration to use and maintain such property for that purpose.

The Association shall keep such Drainage Courses in good repair and in conformance with maintenance standards established by the County of Sonoma or other appropriate governmental agency. In the absence of specific standards, maintenance shall be performed as required in order to assure that the Drainage Courses convey surface water runoff without flooding of adjacent lands and that the slopes are not permitted to erode.

B. OPERATION OF COMMON AREAS. To operate and maintain, or to annually (unless extended by the vote or written assent of a majority of the Owners other than Grantor), contract for the furnishing of goods and services for the operation and maintenance of Common Areas, consisting of but not necessarily limited to, the open space, Private Roads, street lights, fire hydrants, landscaped areas and private entry gate equipment, if any, and related appurtenances conveyed, leased or otherwise transferred to it, and to keep all Improvements of whatever kind and for whatever purpose from time to time located thereon in good order and repair for the purpose intended.

C. PAYMENT OF TAXES. To pay all real property taxes and assessments levied upon any property conveyed, leased or otherwise transferred to the Association, to the extent not assessed to the Owners. Such taxes and assessments may be contested or compromised by the

Association; provided, however, that they are paid or a bond insuring the payment is posted prior to the sale or other disposition of any property to satisfy the payment of such taxes.

D. INSURANCE. To obtain, from generally accepted insurance carriers, and maintain in force at all times the following policies of insurance at common expense subject to approval by vote or written assent of a majority of Owners other than Grantor of any prepaid casualty and/or liability insurance policies exceeding three (3) years duration and/or precluding short-rate cancellation by the Association:

- (1) Fire and extended coverage insurance on all Improvements under the control of the Association, the amount of such insurance to be not less than ninety percent (90%) of the aggregate full insurable value, (i.e., actual replacement value exclusive of the cost of excavations, foundations, and footings);
- (2) Bodily injury liability insurance with limits of not less than \$500,000.00 per person and \$1,000,000.00 per occurrence, and property damage liability insurance with a deductible of not more than \$1,500.00 and a limit of not less than \$500,000.00 per accident, insuring against liability for bodily injury and property damage arising from the activities or inactivities of the Association or ownership of properties, whether by fee or easement;
- (3) Such faithful performance and fidelity bonds as are required by the Board to insure the Association against any loss from malfeasance or dishonesty of any employee or other person charged with the management or possession of any Association funds or other property; and if commercially available, officer's and director's liability insurance covering the Board of Directors and the Architectural Committee against errors and omissions; and
- (4) Such other insurance, including indemnity and other bonds, as the Association shall deem necessary or expedient to carry out its functions as set forth in this Declaration, the Articles and the Bylaws. The liability insurance referred to above shall name as separately protected insureds, Grantor, the Association, the Board, the Architectural Committee, and their representatives, members and employees, and the Owners (as a class) with respect to any liability arising out of the maintenance and use of any Common Areas, or Drainage Courses under the jurisdiction of the Association for maintenance or control, whether or not owned by the Association. Such policy or policies shall protect each of the insureds as if each were separately insured under separate policies provided, however, that

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such policy or policies shall not require the insurers to pay any amount in excess of the maximum limits stated therein. Every policy of insurance obtained by the Association, whether or not required to be obtained pursuant to the provisions of these Restrictions, shall expressly waive any and all rights of subrogation against Grantor, its representatives and employees, and all Owners.

E. ARCHITECTURAL COMMITTEE. To appoint and remove members of the Architectural Committee subject to the limitations of Section 7.01E, and to insure that at all reasonable times there is available a duly constituted and appointed Architectural Committee.

F. RECORDS. To keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by five percent (5%) or more of the total voting power of the Association; keep adequate and correct books and records of account, minutes of proceedings of its Members, Board and committees, and a record of its Members giving their names and addresses and classes of membership.

G. TAXES AND ASSESSMENTS. Each Owner shall be obligated to pay any taxes or assessments levied by the County Assessor against his Lot and personal property. To the extent not assessed to or paid directly by the Owners, the Association shall pay all real and personal property taxes and assessments levied upon any portion of the Common Area or other property owned by the Association. The Association shall prepare and file annual tax returns with the federal government and the State of California and make such elections as may be necessary to reduce or eliminate the tax liability of the Association.

H. DISCHARGE OF LIENS AND EXPENSES The Association shall discharge by payment, if necessary, any lien against the Common Area, and assess the cost thereof to the Owners responsible for the existence of said lien. The Association shall pay all expenses and obligations incurred by the Association in the conduct of its business including, without limitation, all licenses, taxes or governmental charges levied or imposed against the property of the Association.

I. SEWER DISPOSAL SYSTEMS. To monitor, maintain and repair all leach fields and similar sewer disposal systems whether located on Lots or Common Area, provided, however, that the cost of maintenance and repair shall be paid by the Owner benefitting therefrom.

J. OTHER. To carry out the duties of the Association set forth in other sections of this Declaration, the Articles and the Bylaws.

**SECTION 5.05: POWERS AND AUTHORITY OF THE ASSOCIATION**

The Association shall have:

- (a) All powers of a nonprofit mutual benefit corporation organized under the laws of the State of California, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws and the Shiloh Restrictions;
- (b) 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 this Declaration, and to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers of the Association or for the peace, health, comfort, safety or general welfare of the Owners; and
- (c) Without in any way limiting the generality of the foregoing, the following specific powers and duties.

A. ASSESSMENTS. To levy and collect assessments, in equal installments, from the Owners of Lots on a pro rata Lot basis, and to enforce payment of such assessments, all in accordance with the provisions of Article VI hereof.

B. RIGHT OF ENTRY AND ENFORCEMENT. To enter upon any Lot in Single Family Areas or Agricultural Areas, without liability for trespass or otherwise to any Owner (except for property damage), for emergency repairs or for the purpose of ascertaining whether or not the provisions of the Shiloh Restrictions have been or are being complied with, and performing any of its duties, including maintaining Drainage Courses and established drainage, or for the purpose of maintaining and repairing any such area if for any reason whatsoever the Owner thereof fails to maintain and repair such area as required by said Restrictions, or enforcing any of the provisions of the Shiloh Restrictions; provided, that the Association first shall give such Owner three (3) days written notice of any such failure (except in the case of a true emergency); and provided, further, that the Association immediately shall repair any damage to property by reason of such entry. The Association shall also have the power and authority from time to time in its own name, on its own behalf or on the behalf of any Owner or Owners who consent

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thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of the Shiloh Restrictions and to enforce, by mandatory injunction or otherwise, all of the provisions of said Restrictions. In the event litigation is commenced to enforce this provision, the prevailing party shall be entitled to recover from the other party costs of suit including attorney fees as determined by the court.

C. EASEMENT AND RIGHTS OF WAY. To grant and convey to any third party, subject to Section 8.02B, easements, rights of way, parcels or strips of land, in, on, over or under any Common Areas conveyed, leased or otherwise transferred to it or under its jurisdiction, for the purpose of constructing, erecting, operating or maintaining thereon, therein and thereunder:

- (1) Roads, streets, walks, driveways, equestrian trails, parkways and park areas;
- (2) Underground wires and conduits or other devices for the transmission of electricity for heating, lighting, power, telephone and other purposes;
- (3) Public sewers, storm water drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes; and
- (4) Similar public or quasi-public Improvements or facilities.

D. TRANSFER, DEDICATION AND ENCUMBRANCE OF THE COMMON AREA. To sell, transfer or encumber all or any portion of the Common Area, and any other portion of the project owned by the Association, to a person, firm or entity, whether public or private; provided that if the aggregate fair market value of said property to be sold in any fiscal year exceeds five percent (5%) of the budgeted gross expenses of the Association for that fiscal year, the vote or written assent of a majority of Owners other than Grantor shall first be obtained; and, provided further, that leach fields and similar septic disposal systems serving adjacent Lots, together with access thereto for repair and maintenance shall be specially reserved from any such transfer or encumbrance.

E. EMPLOYMENT OF AGENTS AND INDEPENDENT CONTRACTORS. To employ the services of a manager or other employees or independent contractors to manage and carry out the affairs of the Association or to advise the Board concerning such matters, provided that any such contract shall not exceed a one-year term renewable by the parties for successive one-year periods and shall provide for the right of the Association to terminate the same at the first annual



meeting of the members of the Association, to terminate the same for cause on 30-days written notice, and either party may terminate without cause and without payment of a termination fee on 60-days written notice or longer period with the vote or written assent of a majority of the Owners other than Grantor, and to the extent not inconsistent with the laws of the State of California and upon such conditions as are otherwise deemed advisable by the Association, to delegate to the manager any of its powers.

F. PUBLIC SERVICE. To contract with a public utility, if rates thereunder are regulated by the public Utilities Commission; provided, that the term of such contract shall not exceed the shortest term for which such utility will contract at such regulated rates. To provide (to the extent adequate services are not provided by a public authority) police and fire protection, refuse disposal, street light maintenance and such other services, facilities and maintenance of a public or quasi-public nature as may be deemed necessary or desirable for the effectuation of the purposes of the Shiloh Restrictions. In connection with the provisions of such facilities and services, the Association may contract with or assign its duties to any public authority, governmental body or special assessment or other district.

G. ADOPTION OF RULES. The Association may from time to time and subject to the provisions of the Shiloh Restrictions, adopt, amend, and repeal rules and regulations governing, among other things, use of any Common Areas under the jurisdiction of the Association. The Shiloh Rules may restrict and govern the conduct by Owners within Common Areas as deemed necessary by the Board to achieve the desired use thereof; provided, however, that with respect to use of such Areas, the Rules may not discriminate among Owners. Said Rules may also include parking restrictions and limitations, limitations upon vehicular travel, restrictions on the type or types of vehicles which may be permitted to use such Common Areas, and restrictions on the maintenance of landscaping or other Improvements on any property which obstruct the vision of motorists or which create a hazard for vehicular, equestrian or pedestrian traffic.

H. DISTRIBUTION OF RULES. A copy of the said Rules, as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner, and may at the sole discretion of the Board, be recorded. Upon such 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 Shiloh Restrictions.

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I. ENFORCEMENT OF BONDED OBLIGATIONS. If Common Area Improvements to be provided by Grantor have not been completed in any Phase of Development prior to the issuance by the California Department of Real Estate of a Final Subdivision Public Report for such Phase, and the Association is the obligee under a bond or other arrangement to secure performance of Grantor's completion obligation, then the Association shall have the power and authority to enforce the obligation of Grantor and of any surety, as follows:

- (1) Any such bond or other arrangement shall include a statement by the Grantor of the scheduled completion date of each Improvement covered thereby, which dates may be changed only by written extensions given by the Board for reasonable periods of time not to exceed ninety (90) days in each case, when reasonably required. If a Notice of Completion has not been filed for an Improvement within sixty (60) days after the appropriate scheduled completion date, or within thirty (30) days after expiration of all applicable extensions, whichever last occurs, the Board shall consider and vote whether or not to enforce the obligations under such bond or other arrangement.
- (2) If the Board should vote not to enforce the obligations described in subparagraph (1) above with respect to an Improvement, or should fail to consider and vote on the question, a special meeting of members shall be called by the Board, to be held not less than thirty-five (35) days nor more than forty-five (45) days after receipt by the Board of a petition requesting such meeting and signed by members representing five percent (5%) or more of the total voting power of the Association.
- (3) At any such special meeting, a vote of a majority of the voting power of the Association, excluding the vote of Grantor, to take action to enforce the obligations described in subparagraph (1) above with respect to an improvement, shall be deemed the decision of the Association, and the Board shall initiate and pursue appropriate action in the name of the Association.

SECTION 5.06: RESTRICTIONS OF THE BOARD

A. PROHIBITED ACTS. The Association, through its Board, shall be prohibited from taking any of the following actions, except with the vote or written assent of a majority of the voting power of the Association residing in members other than the Grantor:

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- (1) Enter into a contract with a third person wherein the third person will furnish goods or services for the Common Area or the Association for a term longer than one (1) year with the following exceptions:
  - (a) a management contract, the terms of which have been approved in writing by the Federal Housing Administration or the Veterans Administration.
  - (b) 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 shall not exceed the shortest term for which the supplier will contract at the regulated rate.
  - (c) Prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration provided that the policy permits short rate cancellation by the insured.
  - (d) Agreements for cable television services and equipment of not to exceed five (5) years duration; provided that the supplier is not an entity in which the Grantor has a direct or indirect ownership interest of 10% or more.
- (2) Incur aggregate expenditures for capital improvements to the Common Area in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.
- (3) Sell during any fiscal year property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.
- (4) Pay compensation to members of the Board or to officers of the Association for services performed in the conduct of the Association's business; provided, however, that the Board may cause a member or officer to be reimbursed for expenses incurred in carrying on the business of the Association.

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- (5) Fill a vacancy on the Board created by the removal of a Director, except as otherwise provided by law, and then only in accordance with the Bylaws and this Declaration.

B. ACTION REQUIRING CONSENT. The Board shall take the following actions only upon obtaining consents of Members as follows:

- (1) The consent of three-fourths (3/4) of the voting power of the Association residing in Members other than the Grantor so long as the Grantor holds or directly controls at least 25% of the voting power of the Association, and after the Grantor no longer controls 25% or more, the consent of two-thirds (2/3) of the voting power of all Members shall be necessary to do the following:
- (a) Borrow money, and only with the assent (by vote or written consent) of three-fourths (3/4) of members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.
- (b) Dedicate, sell or transfer all of or any part of any interest it may have in the Common Area (other than easements as provided herein) to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members; provided that no such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of the Members agreeing to such dedication, sale or transfer, and any sale of all or substantially all of the Association's assets must be in compliance with applicable laws and regulations and the provisions hereof relating to such sale.

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- (c) Participate in mergers and consolidations with other nonprofit corporations organized for the same purpose or annex additional residential property in addition to the property described in Exhibit "B," provided that any merger, consolidation or such annexation shall have the assent by vote of three-fourths (3/4) of Members or by the written consent of such Members, excluding Grantor.
- (2) The consent of one hundred percent (100%) of the members shall be required so long as there is any lot, parcel or area which the Association is obligated to provide management, maintenance, preservation or control for the Association to do the following:
- (1) Transfer all or substantially all of its assets; or
  - (2) File a certificate of dissolution.

**SECTION 5.07: LIABILITY OF MEMBERS OF BOARD**

No member of the Board shall be personally liable to any Owner or to any other person, including Grantor, for any error or omission of the Board or Association, its representatives and employees, or the Architectural Committee if such member has acted in good faith based upon such information as may be possessed by him.

**SECTION 5.08: AMENDMENT**

The provisions of Sections 5.01, 5.02 and 5.03 shall not be amended without the vote or written consent of a four-fifths (4/5) majority of all of the Owners.

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SECTION 5.09: COMMENCEMENT OF ASSOCIATION'S  
DUTIES AND POWERS

Upon incorporation of the Association, all duties and powers of the Association as described herein, including all rights of consent and approval, shall be and remain the duties and powers of Grantor. From and after the date of incorporation of the Association, the Association shall assume all duties and powers, and Grantor shall be relieved of any further liability therefor.

ARTICLE VI

FUNDS AND ASSESSMENTS

SECTION 6.01: OPERATION AND MAINTENANCE ASSESSMENTS

A. AGREEMENT TO PAY; PERSONAL OBLIGATION.

Grantor, and his successor in interest, if any, for each Lot owned by it, and each Owner, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association:

(1) Regular Annual Assessments and (2) Special Assessments for capital improvements or unusual expenses to be established and collected as hereinafter provided (collectively "Assessments"), and (3) Individual Charges levied against an individual Owner, to be established and collected as provided in this Declaration and in the other Project Documents. All Assessments and Individual Charges, together with any late charges, interest, collection costs and reasonable attorney fees incurred in collecting delinquent Assessments and Individual Charges, shall be the personal obligation of the Owner of such Lot at the time when the Assessments or Individual Charges fell due. If more than one person or entity was the Owner of a Lot at the time the Assessments or Individual Charges fell due, the personal obligation to pay each Assessment and Individual Charge shall be joint and several. The personal obligation for delinquent Assessments and Individual Charges shall not pass to any transferee unless expressly assumed by him. No Owner may exempt himself from liability for his Assessments or Individual Charges obligation by waiver of the use or enjoyment of any of the Common Area.

B. PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively for paying the costs of and creating reserves for the costs of improving, operating and maintaining the Common Area, including the Private Roads and other obligations which the Association is authorized or obligated to perform as described in this Declaration.

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C. REGULAR ANNUAL ASSESSMENTS. The purpose of Regular Annual Assessments is to defray expenses attributable to the ownership, operation and maintenance of common interests by the Association.

Until January 1 of the year immediately following the first conveyance of a Lot to an Owner, the Regular Annual Assessment for each Lot shall be prescribed by the Board. Thereafter, the Board may not, without the vote or written assent of the Owners constituting a quorum casting a majority of votes at a meeting or election, impose a Regular Annual Assessment which is more than twenty percent (20%) greater than the Regular Annual Assessment for the immediately preceding fiscal year. A quorum is defined as more than fifty percent (50%) of the Owners (including Grantor) of the Association. Assessment increases are not limited in the case of emergency situations, which are any of the following:

- a. An extraordinary expense required by court order.
- b. An extraordinary expense necessary to repair or maintain the Common Area, or any part of it for which the Association is responsible where a threat to safety of persons is discovered.
- c. Repairs to or maintenance of the Common Area that could not have been reasonably foreseen in preparing the budget. Prior to imposition of the assessment, the Board would be required to make written findings, distributed to the Members, as to the necessity of the expense and why it could not have been foreseen.

Not less than ninety (90) days before the beginning of each fiscal year, the Board shall prepare or cause to be prepared, and distribute to each Owner, a proposed pro forma operating statement (budget) for the forthcoming fiscal year. Any Owner or Beneficiary may make written comments to the Board with respect to said pro forma operating statement. The pro forma operating statement shall be prepared consistently with the prior fiscal year's operating statement and shall include adequate reserves for contingencies and for maintenance, repair and replacement of the Common Area and Association personal property likely to need maintenance, repair or replacement in the future.

Not more than ninety (90) days nor less than forty-five (45) days before the beginning of each fiscal year, the Board shall meet for the purpose of establishing the Regular Annual Assessment for the forthcoming fiscal year. At such meeting the Board shall review the proposed pro forma operating statement or budget, any written comments received and any other information available to it and, after making any adjustments that the Board deems appropriate,

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shall establish the Regular Annual Assessment for the forthcoming fiscal year.

Not less than forty-five (45) days and not more than sixty (60) days before the beginning of each fiscal year the Board shall distribute to each Owner a final copy of the pro forma operating statement or budget for the forthcoming fiscal year. Regular Annual Assessments shall be payable in equal monthly installments, due on the first day of each month, unless the Board adopts some other basis for collection.

D. SPECIAL ASSESSMENTS. The Board may levy, in any assessment year, a Special Assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, or for extraordinary expenses incurred by the Association. Notwithstanding the foregoing, if the Special Assessment exceeds in the aggregate five percent (5%) of the budgeted gross expenses of the Association for that fiscal year, the vote or written assent of the Owners constituting a quorum casting a majority of votes at a meeting or election shall be required to approve such assessment. A quorum is defined as more than fifty percent (50%) of the Owners (including Grantor) of the Association. Assessment increases are not limited in the case of emergency situations, which are any of the following:

a. An extraordinary expense required by court order.

b. An extraordinary expense necessary to repair or maintain the Common Area, or any part of it for which the Association is responsible where a threat to safety of persons is discovered.

c. Repairs to or maintenance of the Common Area that could not have been reasonably foreseen in preparing the budget. Prior to imposition of the assessment, the Board would be required to make written findings, distributed to the Members, as to the necessity of the expense and why it could not have been foreseen.

E. INDIVIDUAL CHARGES. Individual Charges may be levied against a Member as follows:

(1) As a monetary penalty imposed by the Association as a disciplinary measure for the failure of a Member to comply with the Project Documents, or



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(2) As a means of reimbursing the Association for costs incurred by the Association for the repair of damage to Common Areas and facilities for which the Member was responsible, or to otherwise bring the Member and his Lot into compliance with the Project Documents. Such Individual Charges (other than reasonable late charges, interest, costs of collection and reasonable attorney fees related to the collection of Assessments) are not enforceable through the lien provisions of the Project Documents. All Individual Charges shall comply with California Civil Code section 1365(c) to the extent that it is applicable.

F. EQUAL DIVISION OF REGULAR AND SPECIAL ASSESSMENTS. Regular and Special Assessments shall be levied against each Lot (and its Owner) equally, based on a fraction, the numerator of which is one and the denominator of which is the total number of Lots in Shiloh for which a Subdivision Map has been approved.

G. COMMENCEMENT OF ASSESSMENTS AND INDIVIDUAL CHARGES. The right to levy Special Assessments and Individual Charges shall commence as to all Lots in a Phase of Development on the close of escrow for the first sale of a Lot in that phase. Regular Annual Assessments shall commence as to all Lots in a Phase of Development on the first day of the month following the first conveyance of a Lot in that phase under authority of a Final Subdivision Public Report. Thereafter, Regular Annual Assessments shall be levied on the first day of the month.

H. DELINQUENT ASSESSMENTS. Regular Annual Assessments and Special Assessments levied pursuant to this Declaration are delinquent fifteen (15) days after the date they become due.

I. CREATION OF THE ASSESSMENT LIEN. Each Assessment or instalment, together with any late charge (not exceeding ten percent (10%) of the delinquent assessment or \$10.00, whichever is greater, or such greater amount as may be allowed by law), interest, collection costs and reasonable attorney fees, shall be a charge and a continuing lien upon the Lot against which each Assessment is made, the lien to become effective upon recordation of a Notice of Delinquent Assessment. All late charges, interest charges and costs of collection shall comply with California Civil Code section 1365(c) to the extent that it is applicable.

#### SECTION 6.02: ENFORCEMENT OF RESTRICTIONS

A. GENERAL. The Association, any Owner or the County of Sonoma shall have the right to enforce compliance with the Project Documents in any manner provided by law or in equity, including without limitation, the right to enforce

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the Project Documents by bringing an action for damages, an action to enjoin the violation or to specifically enforce the provisions of the Project Documents, to enforce the liens provided for herein (except that no Owner shall have the right to enforce independently of the Association any Assessment, Individual Charge or assessment lien created herein) and any statutory lien provided by law, including the foreclosure of any such lien and the appointment of a receiver for an Owner and the right to take possession of the Lot in the manner provided by law. In the event the Association, any Owner or the County of Sonoma shall employ an attorney to enforce the provisions of the Project Documents against any Owner, the prevailing party shall be entitled to reasonable attorney fees and costs in addition to any other amounts due as provided for herein. All sums payable hereunder by an Owner shall bear interest at the maximum rate permitted by law from the due date, or if advanced or incurred by the Association or any other Owner pursuant to authorization contained in the Project Documents, commencing 15 days after repayment is demanded. All enforcement powers of the Association shall be cumulative. Failure by the Association, any Owner or the County of Sonoma to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

B. SPECIFIC ENFORCEMENT RIGHTS. In amplification of, and not in limitation of, the general rights specified in Section 1 above, the Association, or its authorized representative, shall have the following rights:

(1) Enforcement by Sanctions.

(a) Limitation. The Association shall have no power to cause a forfeiture or abridgment of an Owner's right to the full use and enjoyment of his Lot on account of a failure by the Owner to comply with provisions of the Project Documents except where the loss or forfeiture is the result of the judgment of a court or a decision arising out of arbitration or on account of a foreclosure or sale under a power of sale for failure of the Owner to pay Assessments levied by the Association.

(b) Disciplinary Action. The Association may impose monetary penalties, temporary suspensions of a reasonable duration (not to exceed 30 days per violation) of an Owner's rights as a Member of the Association or other appropriate discipline for failure to comply with the Project Documents. Notwithstanding the foregoing, the Association shall have no right to interfere with an Owner's right of ingress to or egress from his Lot. Before disciplinary action authorized herein may be imposed by the Association, the Owner against whom such action is proposed to be taken shall be given notice and the opportunity to be heard in

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accordance with section 7341 of the Corporations Code, as set forth in Section 12 of the Bylaws.

(2) Suit to Collect Delinquent Assessments or Individual Charges. A suit to recover a money judgment for unpaid Assessments or unpaid Individual Charges, together with late charges, interest, costs and reasonable attorney fees shall be maintainable by the Association. In the case of unpaid Assessments, such suit shall be maintainable without foreclosing or waiving the lien securing such unpaid Assessments.

(3) Enforcement of Lien. If there is a delinquency in the payment of any Assessment or assessment installment on a Lot, any amounts that are delinquent, together with the late charges, costs of collection, reasonable attorney fees, and interest on all of the foregoing sums (at the maximum rate permitted by law) shall be a lien against that Lot upon the recordation in the office of the County Recorder of a Notice of Delinquent Assessment as provided in California Civil Code section 1367. Each Owner, including Grantor, hereby appoints the person or entity designated by the Association as the "trustee" in the Notice of Delinquent Assessment, or such substitute trustee as is designated pursuant to California Civil Code section 2934(a), as his trustee, and each Owner empowers such trustee to enforce the lien and to foreclose the lien by the private power of sale provided in section 1367(d) of the California Civil Code, as that statute may be revised, amended or altered from time to time, or by judicial foreclosure. Each Owner further grants to such trustee the power and authority to sell the Lot of any defaulting Owner to the highest bidder to satisfy such lien. The Notice of Delinquent Assessment shall be signed by an authorized representative of the Association and shall state the amount of the delinquent Assessment and other sums imposed in accordance with California Civil Code section 1367, a description of the Lot assessed, the name of the record Owner(s), and the name and address of the trustee authorized by the Association to enforce the lien.

The Notice of Delinquent Assessment shall not be recorded unless and until the Board or its authorized representative has delivered to the delinquent Owner, not less than fifteen (15) days before the recordation of the Notice of Delinquent Assessment, a written demand for payment, and unless the delinquency has not been cured within said 15-day period.

Not less than fifteen (15) days after the recording of the Notice of Delinquent Assessment, the Board or its authorized representative may record a notice of default and may cause the Lot with respect to which a notice of default has been recorded to be sold in the same manner as a sale is

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conducted under California Civil Code sections 2924-2924h, or through judicial foreclosure. However, as a condition precedent to the holding of any such sale under section 2924-2924h, appropriate publication shall be made. In connection with any sale under section 2924-2924h, the Board is authorized to appoint its attorney, any officer or director, or any title insurance company authorized to do business in California as trustee for purposes of conducting the sale. If a delinquency including Assessments and other proper charges is cured after recordation of the Notice of Delinquent Assessment but before sale, or before completing a judicial foreclosure, the Board or its authorized representative shall cause to be recorded in the office of the County Recorder a certificate setting forth the satisfaction of such claim and release of such lien. The Association, acting on behalf of the Owner, shall have the power to bid upon the Lot at foreclosure sale and to acquire, hold, lease, mortgage and convey the Lot.

(4) Transfer by Sale or Foreclosure. In a sale or transfer of a Lot, the personal obligation for delinquent Assessments or Individual Charges shall not pass to the transferee unless expressly assumed by him. The sale or transfer of any Lot shall not affect the assessment lien, nor the right of the Association to impose a lien for Assessments which became due prior to such sale or transfer. However, the sale or transfer of any Lot pursuant to the exercise of a power of sale or judicial foreclosure involving a default under a first Trust Deed shall extinguish the lien and right to lien for Assessments which became due prior to such sale or transfer. No transfer of the Lot as the result of a foreclosure or exercise of a power of sale shall relieve the new Owner, whether it be the former Beneficiary of the First Trust Deed or another person, from liability for any Assessments or Individual Charges thereafter becoming due or from the lien thereof.

(5) Waiver of Homestead Benefits. Each Owner to the extent permitted by law, waives, to the extent of any liens created pursuant to the Project Documents, the benefit of any homestead or exemption laws of California in effect at the time any Assessment becomes due.

C. STATEMENT OF POLICIES AND PRACTICES. A statement describing the Association's policies and practices in enforcing lien rights or other legal remedies for default in payment of its assessments against its members shall be annually delivered to the Members during the sixty (60) day period immediately preceding the beginning of the Association's fiscal year.

D. AMENDMENTS. No amendments of this Section 6.02 shall be effective without the vote or written consent of at least seventy-five percent (75%) of the Owners

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and their respective Beneficiaries holding a first Trust Deed.

SECTION 6.03: BUDGETS AND FINANCIAL STATEMENTS

A. BUDGET. A pro forma operating statement for each fiscal year shall be distributed to each Owner not less than forty-five (45) days and not more than sixty (60) days before the beginning of each fiscal year consisting of at least the following information:

- (1) Estimated revenue and expenses on an accrual basis.
- (2) The amount of the total cash reserves of the Association currently available for replacement or major repair of common facilities and for contingencies.
- (3) An itemized estimate of the remaining life of, and the methods of funding to defray the costs of repair, replacement or additions to, major components of the Common Areas and facilities for which the Association is responsible.
- (4) A general statement setting forth the procedures used by the Board in the calculation and establishment of reserves to defray the costs of repair, replacement or additions to major components of the Common Areas and facilities for which the Association is responsible.

B. INTERIM OPERATING STATEMENT. A balance sheet as of an accounting date which is the last day of the month closest in time to six (6) months from the date of closing of the first sale of a Lot and an operating statement for the period from the date of the first closing to this accounting date shall be distributed within sixty (60) days after the accounting date. This operating statement shall include a schedule of assessments received and receivable identified by the Lot number and the name of the person or entity assessed.

C. ANNUAL REPORT. An annual report consisting of:

- (1) A balance sheet as of the last day of the Association's fiscal year;
- (2) An annual operating statement reflecting income and expenditures of the Association during the fiscal year;
- (3) A statement of changes in financial position for the fiscal year; and

- (4) Any information required to be reported under Corporations Code section 8322 as it may be amended;

shall be distributed to each Owner within one hundred twenty (120) days following the end of the fiscal year. For any fiscal year in which the gross income to the Association exceeds \$75,000.00, a copy of the review of the annual report shall be prepared in accordance with the generally accepted accounting principles by a licensee of the California State Board of Accountancy.

If the report referred to above is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized officer of the Association that the statement was prepared from the books and records of the Association, without independent audit or review.

#### SECTION 6.04: BANK ACCOUNTS

The Association shall deposit all funds collected from Owners pursuant to the Section herein entitled "Assessments" and all other amounts collected by the Association as follows:

A. GENERAL. All funds shall be deposited in a separate bank account ("General Account") with a bank located in California. The Association shall keep accurate books and records regarding such account. Funds deposited in such account may be used by the Association only for the purposes for which such funds have been collected.

B. RESERVE. Funds which the Association shall collect for reserves for capital expenditures relating to the repair and maintenance of the Common Area, and for such other contingencies as are required for good business practice shall, within ten (10) days after deposit in the General Account, be deposited into an interest bearing account with a bank or savings and loan association selected by the Association, or invested in Treasury Bills or Certificates of Deposit or otherwise prudently invested, which shall collectively be referred to as the "Reserve Account." Funds deposited into the Reserve Account shall be held in trust and may be used by the Association only for the purposes for which such amounts have been collected.

#### SECTION 6.05: MORTGAGEE PROTECTION

A. MORTGAGES PERMITTED. Any Owner may encumber his Lot with Trust Deed.

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B. PRIORITY OF MORTGAGE. Notwithstanding any other provision of this Declaration, it is hereby provided that a breach of any of the conditions contained in the Project Documents by any Owner or of any reentry by reason of such breach, shall not defeat or render invalid the lien of any Trust Deed made in good faith and for value as to said Lot or any part thereof. Any lien which the Association may have on any Lot for the payment of common expense assessments attributable to such Lot will be subordinate to the lien or equivalent security interest of any first Trust Deed on the Lot recorded prior to the date any such common expense assessments became due.

C. PAYMENT OF TAXES OR PREMIUMS BY MORTGAGEES. Beneficiaries may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area, unless such taxes or charges are separately assessed against the Owners, in which case the rights of Beneficiaries shall be governed by the provisions of their Trust Deed. Beneficiaries may, jointly or singly also pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for the Common Area and Beneficiaries making such payments shall be owed immediate reimbursement therefore from the Association. Entitlement to such reimbursement shall be reflected in an agreement in favor of any Beneficiary who requests the same to be executed by the Association.

D. EFFECT OF BREACH. No breach of any provision of this Declaration shall invalidate the lien of any Trust Deed made in good faith and for value, but all of the covenants, conditions and restrictions shall be binding on any Owner whose title is derived through foreclosure sale, trustee's sale, or otherwise.

E. MORTGAGEE'S RIGHTS. The holder of a first Trust Deed shall have the following rights:

(1) Upon written request, to receive written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

(2) To furnish information to the Board concerning the status of any Trust Deed.

(3) The Association shall make available to Owners, prospective purchasers and holders of first Trust Deed, at reasonable cost, current copies of the Project Documents and the books, records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours.

In addition, if the project contains fifty (50) or more units, the Association must provide an audited financial

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statement for the immediately preceding fiscal year if the holder of a first Trust Deed submits a written request for it. Said financial statement shall be furnished by the Association within a reasonable time following such request. If the project contains fewer than fifty (50) units and there is no audited financial statement available, any holder of a first Trust Deed should be allowed to have an audited financial statement prepared at its own expense.

F. NO RESTRICTIONS ON OWNER'S RIGHT TO INGRESS AND EGRESS. There shall be no restriction upon any Owner's right of ingress and egress to his Lot, which right shall be perpetual and appurtenant to his Lot ownership.

G. NOTICE TO MORTGAGEES. Upon written request to the Association, the holder of a first Trust Deed shall be entitled to timely written notice of the following:

(1) Any proposed amendment to the Project Documents effecting a change in:

(a) The boundaries of any Lot or the exclusive use rights appurtenant thereto, if any;

(b) The interests in the general or exclusive use Common Areas, if any, appurtenant to any Lot or the liability for common expenses appurtenant thereto;

(c) The number of votes in the Association appurtenant to any Lot; or

(d) The purposes to which any Lot or the Common Area are restricted.

(2) Any proposed termination of the legal status of Shiloh as a planned development.

(3) Any condemnation or casualty loss which affects either a material portion of Shiloh of any Lot on which there is a first Trust Deed held, insured or guaranteed by such requesting party.

(4) Any 60-day delinquency in the payment of Assessments or Individual Charges owned by an Owner subject to a first Trust Deed held, insured or guaranteed by such requesting party.

(5) Any default in the performance by the affected Owner of any obligation under the Project Documents which is not cured within sixty (60) days.

(6) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.



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(7) Any proposed action which requires the consent of a specified percentage of Beneficiaries as provided herein.

H. AMENDMENT. No amendment to this Section 6.05 shall affect the rights of the holder of any such Trust Deed recorded prior to recordation of such amendment who does not join in the execution thereof.

## ARTICLE VII

### ARCHITECTURAL COMMITTEE

#### SECTION 7.01: ORGANIZATION, POWER OF APPOINTMENT AND REMOVAL OF MEMBERS

There shall be an Architectural Committee of the Board organized as follows:

A. COMMITTEE COMPOSITION. The Architectural Committee shall consist of three (3) persons:

- (1) Members appointed to the Committee by Grantor need not be members of the Association.
- (2) Members appointed to the Architectural Committee by the Board shall be from the membership of the Association.

B. ALTERNATE MEMBERS. There shall be two (2) alternate members who shall act in the place and stead of a member in the event of absence or disability of such member. Committee member No. 4 shall be the first alternate member and Committee member No. 5 shall be the second alternate member, and they shall act as substitutes for members in that order.

C. TERMS OF OFFICE. The terms of office for the initial members or members appointed by Grantor to replace any or all of them shall be until the first anniversary of the issuance of a Final Subdivision Public Report for Shiloh. Thereafter the terms of all Architectural Committee members appointed shall be three (3) years.

Any new member appointed to replace a member who has resigned or been removed shall serve such member's unexpired term. Members who have resigned, been removed or whose terms have expired may be reappointed.

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D. APPOINTMENT AND REMOVAL. Grantor may appoint all of the original members of the Committee and all replacements until the first anniversary of the issuance of a Final Subdivision Public Report for the subdivision for the first Phase. After one (1) year from the date of the sale of the first Lot to a Public Purchaser, the Board shall have the power to appoint one (1) member and Grantor shall have the right to appoint a majority of the members to the Architectural Committee until ninety percent (90%) of all Lots in the overall development of Shiloh have been sold. Thereafter, the Board shall have the power to appoint all of the members of the Architectural Committee. If and when Grantor waives or no longer has the right to appoint and remove members of the Committee, said right shall be vested solely in the Board; provided, however, that no member or alternate member once appointed may be removed from the Architectural Committee except by the vote or written consent of four-fifths (4/5) of the members of the Board. Exercise of the right of appointment or removal, as set forth herein, shall be evidenced by a Board resolution available to all members identifying each Committee member appointed or removed.

E. RESIGNATIONS. Any member or alternate member of the Architectural Committee may at any time resign from the Committee upon written notice delivered to Grantor or to the Board, whichever then has the right to appoint members.

#### SECTION 7.02: DUTIES

It shall be the duty of the Architectural Committee to carry out all duties imposed upon it by the Shiloh Restrictions, to adopt Architectural Committee Guidelines, and to perform other duties delegated to it by the Board.

#### SECTION 7.03: MEETINGS AND COMPENSATION

The Architectural Committee shall meet from time to time as necessary to properly perform its duties hereunder. The vote or written consent of any two (2) members shall constitute an act by the Committee unless the unanimous decision of its members is otherwise required by the Shiloh Restrictions. The Committee shall keep and maintain for three (3) years a record of all actions taken by it at such meeting or otherwise. Members of the Architectural Committee shall receive such compensation for services rendered as may be fixed by the Board at its discretion, provided, however, that no Board member who is also a member of the Architectural Committee shall participate in determining such compensation. All members of the Committee shall be entitled to reimbursement for reasonable expenses incurred by them in the performance of any Architectural Committee function.

**SECTION 7.04: ARCHITECTURAL COMMITTEE GUIDELINES**

THE BOARD SHALL APPROVE THE INITIAL ARCHITECTURAL GUIDELINES ADOPTED BY THE ARCHITECTURAL COMMITTEE. THE COMMITTEE MAY, FROM TIME TO TIME IN ITS SOLE DISCRETION, AMEND SAID GUIDELINES IF DONE BY UNANIMOUS VOTE, OTHERWISE, BOARD APPROVAL SHALL BE REQUIRED OF ANY AMENDMENT. SAID GUIDELINES SHALL INTERPRET AND IMPLEMENT THE PROVISIONS HEREOF BY SETTING FORTH THE SPECIFIC STANDARDS AND PROCEDURES FOR ARCHITECTURAL COMMITTEE REVIEW AND THE GUIDELINES FOR ARCHITECTURAL DESIGN, PLACEMENT OF BUILDINGS, LANDSCAPING, COLOR SCHEMES, EXTERIOR FINISHES, AND MATERIALS AND SIMILAR FEATURES WHICH ARE RECOMMENDED FOR USE IN SHILOH; SAID GUIDELINES SHALL BE CONSISTENT WITH THE PURPOSES OF THE SHILOH RESTRICTIONS AND SHALL HAVE THE SAME FORCE AND EFFECT AS THE RESTRICTIONS AND MAY BE SIMILARLY ENFORCED. THESE GUIDELINES SHALL BE AVAILABLE FOR REVIEW AT THE OFFICES OF THE ASSOCIATION AND THE ARCHITECTURAL COMMITTEE AS PROVIDED IN SECTION 9.05 HEREOF.

**SECTION 7.05: WAIVER**

The approval by the Architectural Committee of any plans, drawings or specifications for any work done or proposed, or for any other matter requiring the approval of the Architectural Committee under the Shiloh Restrictions, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval.

**SECTION 7.06: ESTOPPEL CERTIFICATE**

Within thirty (30) days after written demand is delivered to the Architectural Committee by any Owner, and upon payment to the Association of a reasonable fee (as fixed from time to time by the Association), the Architectural Committee shall execute an estoppel certificate by any two (2) of its members, certifying, with respect to any Lot of said Owner, that as of the date thereof either:

- (a) All Improvements made and other work done upon or within said Lot comply with the Shiloh Restrictions;  
or
- (b) Such Improvements or work do not so comply in which event the certificate shall also identify the noncomplying Improvements or work and set forth with particularity the basis of such noncompliance. Any purchaser from the Owner, or from anyone deriving any interest in said Lot through him, shall be entitled to rely on said certificate with respect to the matters

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therein set forth, such matters being conclusive as between the Association, Grantor and all Owners and such persons deriving any interest through them.

**SECTION 7.07: LIABILITY**

Neither the Architectural Committee nor any member thereof shall be liable to the Association or to any Owner for any damage, loss or prejudice suffered or claimed on account of:

- (a) The approval or disapproval of any plans, drawings and specifications, whether or not defective;
- (b) The construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications;
- (c) The development of any property within Shiloh; or
- (d) The execution and filing of an estoppel certificate pursuant to Section 7.06, whether or not the facts therein are correct, if such member has acted in good faith on the basis of such information as may be possessed by him.

**ARTICLE VIII**

**APPROVAL OF IMPROVEMENTS BY ARCHITECTURAL COMMITTEE**

**SECTION 8.01: SINGLE FAMILY AREAS: CONSTRUCTION AND ALTERATION OF IMPROVEMENTS**

A. IMPROVEMENTS AND ALTERATIONS. No improvement, excavation, grading, construction of Structures or other work which in any way alters the exterior appearance of any Lot or the Improvements located thereon from its natural or improved state existing on the date such Lot was first conveyed in fee by Grantor to an Owner, and no sprinkler systems and no grading work which materially alters natural flows, and no modification of any previously approved improvement, shall be made, installed or performed without the prior written approval of the Architectural Committee, which approval will not be unreasonably withheld, pursuant to the terms of this Section, unless specifically authorized by other provisions herein and the County of Sonoma.

BEFORE COMMENCEMENT OF ANY ALTERATION OF IMPROVEMENTS APPROVED BY THE ARCHITECTURAL COMMITTEE, THE OWNER SHALL COMPLY WITH ALL APPROPRIATE GOVERNMENTAL LAWS AND REGULATIONS. APPROVAL BY THE ARCHITECTURAL COMMITTEE DOES

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NOT SATISFY THE APPROVALS THAT MAY BE REQUIRED BY ANY GOVERNMENTAL ENTITY WITH APPROPRIATE JURISDICTION.

B. APPLICATION FOR APPROVAL OF IMPROVEMENTS. Any Owner, except the Grantor and its designated agents, proposing to perform any work of any kind whatever which requires the prior approval of the Architectural Committee shall apply to such Committee for approval by notifying the Architectural Committee of the proposed work, said notification to be delivered with the following information in duplicate or as directed by the Architectural Committee:

- (1) A plot plan of the Lot, including a topographic survey of the building site including all trees six (6) inches in diameter or greater and one (1) foot contours, showing the location of all existing and proposed Improvements and depicting any restrictive use areas within the Lot;
- (2) Floor plans;
- (3) Drawings showing all elevations;
- (4) A description of exterior material and color with color samples if required by the Architectural Committee; and
- (5) The Owner's proposed construction schedule.

The Architectural Committee may require that the application for approval in connection with any Improvement to be constructed be accompanied by an inspection fee as set forth in the Architectural Guidelines and such other documents as it may reasonably require to properly review the application.

Water conservation devices, such as low-flow faucets shall be installed in all homes, and the application shall specify what devices will be utilized.

In the event a prehistoric archaeological site is located on a Lot, it shall be subjected to investigation (testing/evaluation). Investigation programs shall be tailored to each site and designed to obtain data needed to evaluate its research potential and the magnitude of loss in the event it were destroyed. Based on these results, measures to reduce project impact shall be incorporated. Identified historic stone fences and charcoal features shall not be disturbed by Improvements; where such features cannot be left undisturbed additional investigation by qualified archaeologists shall be undertaken.

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To the extent possible, houses shall be designed and oriented to take advantage of solar exposure. Window areas on north-facing walls shall be minimized and windows on south-facing walls shall be maximized. Solar heating shall be used where possible. Landscaping with deciduous trees shall be used along south-facing walls to shade south walls during the summer and to permit solar heating in the winter. The application shall specify in what manner the foregoing policy shall be complied with. The site location of residences and out buildings within prescribed building envelopes shall be subject to the approval of the Architectural Committee, which approval shall not be unreasonably withheld.

C. BASIS FOR APPROVAL OF IMPROVEMENTS. The Architectural Committee shall grant the requested approval only if:

- (1) The Owner has strictly complied with the provisions of Paragraph B above; and
- (2) The Architectural Committee determines that:
  - (a) the Improvement conforms to the Shiloh Restrictions, particularly to the purposes of this Declaration as set forth in the Preamble, to the Architectural Guidelines which are in effect at the time such plans were submitted to it, and to the policies, conditions, and standards set forth in Resolution No. 87-0261 of the Sonoma County Board of Supervisors approving the Shiloh subdivision, all of which shall run with the land and bind the Owner of each Lot within Shiloh, and are incorporated into this Declaration and the Architectural Guidelines by this reference. Copies of said Ordinance and the policies, conditions, and standards are available for review at the County of Sonoma Planning Department;
  - (b) the Improvement otherwise is of a quality of workmanship and materials as similar Improvements in Shiloh and of a design and character which is harmonious with existing Improvements and with natural topography in the immediate vicinity, considering the location thereof with respect to topography and other Improvements and finished grade elevation, the nature of other improvements in the area, other land uses in the area, the adequacy of site dimensions and all other criteria which should be evaluated in making

such determination, including siting within those portions of building envelopes so as to minimize view from other Lots and Common Area in Shiloh;

(c) the overall effect is such that Improvements will blend with and will not be set apart from the natural topography; and

(3) With respect to a sprinkler system, the Architectural Committee determines, in its sole discretion, that the proposed system and Drainage pattern is designed to minimize the quantity of water sprayed or deposited in the area between the trunks of oak trees and the outermost extremities of all the limbs of these trees, which are within the range of the sprinkler system.

D. FORM OF APPROVAL. All approvals given under Paragraph C above shall be in writing and a copy of such approval shall be filed with the County of Sonoma Planning Department; any request for approval which has not been approved within thirty (30) days from the date of submission thereof to the Architectural Committee shall be deemed disapproved. One (1) set of plans as finally approved shall be retained by the Architectural Committee as a permanent record.

E. PROCEEDING WITH WORK. Upon receipt of approval from the Architectural Committee pursuant to Paragraph C above, the Owner shall satisfy, as soon as practicable, all conditions thereof and secure all necessary permits from governmental agencies required prior to commencement of construction. After commencement of the work, Owner shall diligently complete all construction, reconstruction, refinishing, alterations and excavations pursuant to said approvals and permits. If said commencement does not occur within six (6) months from the date of Architectural Committee approval, said approval shall be deemed revoked unless the Architectural Committee, upon written request of the Owner made prior to the expiration of said period described below extends the time for such commencement. No such extension shall be granted except upon a finding by the Architectural Committee that there has been no change in the circumstances upon which the original approval was granted.

F. FAILURE TO COMPLETE WORK. The Owner must complete the construction, reconstruction, refinishing, or alteration of any such Improvement within one (1) year after commencing construction thereof, except only for so long as such completion is rendered impossible or would result in great financial hardship to the Owner due to strikes, fires,

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national emergencies, natural calamities or other supervening forces of God or nature beyond the control of the Owner or his agents. If Owner fails to comply with this Paragraph F, the Architectural Committee shall notify the Association of such failure, and the Association may proceed in accordance with the provisions of Paragraph G below as though the failure to complete the Improvement were a noncompliance with approved plans.

G. INSPECTION OF WORK. Inspection of work and correction of defects therein shall proceed as follows:

- (1) Upon the completion of any construction or reconstruction or the alteration or refinishing of the exterior of any Improvements, or upon the completion of any other work for which approved plans are required under this Article, the Owner shall give written notice thereof to the Architectural Committee.
- (2) Within sixty (60) days thereafter the Architectural Committee, or its duly authorized representative, may inspect such Improvement. If the Architectural Committee finds that such construction, reconstruction, alteration or refinishing was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such noncompliance within such sixty (60) day period, specifying particulars of noncompliance, and shall require the Owner to remedy such noncompliance.
- (3) If upon the expiration of thirty (30) days from the date of such notification or such reasonable extension as fixed by the Architectural Committee, the Owner shall have failed to remedy such noncompliance, the Architectural Committee shall notify the Board in writing of such failure. The Board shall then set a date on which a hearing before the Board shall be held regarding the alleged noncompliance. The hearing date shall be not more than thirty (30) days nor less than fifteen (15) days after notice of the noncompliance is given to the Board by the Architectural Committee. Notice of the hearing date shall be given at least ten (10) days in advance thereof by the Board to the Owner, the Architectural Committee and, in the discretion of the Board, to any other interested party.
- (4) At the hearing, the Owner, the Architectural Committee, and, in the Board's discretion, any other interested person may present information relevant to the question of the alleged



noncompliance. After considering all such information the Board shall determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a noncompliance exists, the Owner shall remedy or remove the same as directed by the Board within a period of not more than forty five (45) days from the date of the Board ruling. If the Owner does not comply with the Board ruling within such period or within any extension of such period as the Board may grant, the Board, at its option, may either remove the noncomplying Improvement or remedy the noncompliance and the Owner shall reimburse the Association for all expenses incurred in connection therewith upon demand. If such expenses are not promptly repaid by the Owner to the Association, the Board shall levy a Reimbursement Assessment against such Owner pursuant to Section 6.01(E) hereof and the Owner's rights to use the Common Area and to vote may be suspended until such assessment is paid, as provided in Section 5.02C.

- (5) If for any reason the Architectural Committee fails to notify the Owner of any noncompliance within sixty (60) days after receipt of said notice of completion from the Owner, the Improvement shall be deemed to be in accordance with said approved plans.

**H. APPLICATION FOR PRELIMINARY APPROVAL.** Any Owner proposing to construct Improvements requiring the prior approval of the Architectural Committee may apply to the Committee for preliminary approval by submission of preliminary drawings of the proposed Improvements in accordance with the Architectural Guidelines. The purpose of the preliminary approval procedure is to allow an Owner proposing to make substantial Improvements an opportunity to obtain guidance concerning design consideration before expending substantial sums for plans and other exhibits required to apply for final approval. Applications for preliminary approval shall be considered and disposed of as follows:

- (1) Within thirty (30) days after proper application for preliminary approval, the Architectural Committee shall consider and act upon such request. The Architectural Committee shall grant the approval only if the proposed Improvement, to the extent its nature and characteristics are shown by the application, would be entitled to a final approval on the basis of a full and complete application. Failure of the Architectural Committee to act within said thirty (30) day period

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shall constitute a disapproval. In granting or denying approval, the Architectural Committee may give the applicant such directions concerning the form and substance of the final application for approval as it may deem proper or desirable for the guidance of the applicant.

- (2) Any preliminary approval granted by the Architectural Committee shall be effective for a period of six (6) months from issuance thereof unless extended by the Committee. During said period, any application for final approval which consists of proposed Improvements in accordance with the provisions of the preliminary approval, and is otherwise acceptable under the terms of the Shiloh Restrictions, shall be approved by the Architectural Committee.
- (3) In no event shall any preliminary approval be deemed to be an approval authorizing construction of the subject Improvements or of any Improvement not reviewed preliminarily.

**SECTION 8.02: COMMON AREAS: PERMITTED USES, CONSTRUCTION AND ALTERATION OF IMPROVEMENTS**

A. PERMISSIBLE USES. Common Areas shall be held, maintained and used to meet common recreational interests of Owners or to enhance their enjoyment of the natural environment of Shiloh; rights of use therein (except as to open space areas) may be granted by the Association or by Grantor to others provided that such use by others does not materially diminish the availability to the Owners of the various facilities to be used for the purposes intended. No Improvement, excavation or work which in any way alters any Common Area from its natural or existing state on the date such Common Area was transferred to or came under the jurisdiction of the Association shall be made or done except upon strict compliance with, and within the restrictions and limitations of, the following provisions of this Section.

B. LIMITATION ON USES. No person other than the Association or its duly authorized agents, shall construct, reconstruct, refinish, alter or maintain any Improvement upon, or shall make or create any excavation or fill upon or shall destroy or remove any tree, shrub or other vegetation upon, any Common Area except with the prior written approval of the Association through its Board. No private rights of use may be granted unless the Board expressly determines that the use meets the criteria of Paragraph A above; and in no event shall fires or overnight camping be permitted in the Common Area without the prior written authorization of the Board.

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C. APPLICATION FOR APPROVAL. Except to the extent otherwise provided in Paragraph D below, if the Association proposes to construct, reconstruct or alter the interior or exterior of any Improvement located or to be located upon any Common Area or if the Association proposes to make or create any excavation or fill, to change the natural or existing drainage of surface waters, or to remove any trees, shrubs, or ground cover upon any Common Area, the Association shall submit to the Architectural Committee for approval two (2) sets of final plans and specifications for any such work in such form and containing such information as the Architectural Committee may require. The Architectural Committee shall approve the plans and specifications submitted to it pursuant to this Paragraph only if the Architectural Committee determines that such Improvement will not detract from the utility of the area for the purpose intended and will not be detrimental to property values in Single Family Areas or incompatible with the objectives of this Declaration.

D. METHOD OF APPROVAL. All such approvals shall be in writing. Plans which have been neither approved nor rejected within thirty (30) days from the date of submission thereof to the Architectural Committee shall be deemed disapproved. One (1) set of plans, as finally approved, shall be retained by the Architectural Committee as a permanent record.

E. GRANTOR'S PLANS AND SPECIFICATIONS. Grantor shall from time to time file with the Architectural Committee such plans and specifications as it may have in its possession for the purpose of maintaining a permanent record of Improvements constructed on any Common Area.

## ARTICLE IX

### MISCELLANEOUS PROVISIONS

#### SECTION 9.01: AMENDMENT AND DURATION

AMENDMENT OR REPEAL. Prior to close of escrow on the sale of the first Lot, Grantor may amend or revoke this Declaration subject to the requirements of Business and Professions Code sections 11012 and 11018. If only one class of membership exists at the time an amendment is proposed, then it must be approved by at least a bare majority of the total voting power of the Association, which shall include at least a bare majority of the votes of Members other than Grantor. After sale of the first Lot, this Declaration may be amended or revoked only by the

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affirmative vote (in person or by proxy) or written consent of Members representing a majority of the voting power of each class of Members of the Association. The percentage of the voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Such amendment or repeal shall be evidenced by the recordation in the Office of the Sonoma County Recorder of a written instrument setting forth in full said amendment or repeal and certifying approval by the appropriate number of votes.

**B. UNANIMOUS CONSENT FOR SPECIFIC AMENDMENTS.**

The consent of all Owners shall be required for any amendment of Project Documents effecting a change in (1) boundaries of any Lot; (2) the undivided interest in the common elements pertaining to the Lot or the liability for common expenses appertaining thereto; (3) the number of votes in the Association appertaining to the Lot; or (4) the fundamental purposes to which any Lot or the Common Area are restricted.

**C. APPROVAL BY THE COUNTY OF SONOMA.**

The development of Shiloh is subject to the conditions imposed by the County of Sonoma pursuant to Resolution No. 87-0261, a copy of which shall be maintained by the Association and provided to any Owner upon request. Notwithstanding anything in this Declaration to the contrary, prior to rescinding, terminating, amending, adding or deleting any provision of this Declaration which, would affect, in any manner, any condition of development imposed upon the property subject to this Declaration by the County pursuant to Resolution No. 87-0261, the written consent of the County of Sonoma Board of Supervisors or its designee shall first be had. Certificates of amendment recorded in the Sonoma County Recorder's Office evidencing any such alteration shall have attached the document in which such consent is manifest. Failure to secure the consent required by this section shall render any such rescission, termination, amendment, addition or deletion null, void and of no force or effect.

**D. DURATION OF RESTRICTIONS.**

The Shiloh Restrictions shall continue and remain in full force and effect at all times subject, however, to the right to amend and repeal as provided above, until December 31, 2047, provided however, unless within one (1) year prior to December 31, 2047, an instrument directing the termination of the Shiloh Restrictions, as in effect immediately prior to the expiration date is signed by Owners of not less than two-thirds (2/3) of the Lots is recorded, the Shiloh Restrictions shall continue in effect automatically for an additional period of ten (10) years and thereafter for successive periods of ten (10) years unless within one (1) year prior to the expiration of any such period the Shiloh

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Restrictions are terminated as set forth above in this Paragraph.

**SECTION 9.02: ENFORCEMENT AND NONWAIVER**

A. **RIGHT OF ENFORCEMENT.** Except as otherwise provided herein, Grantor, the Board on behalf of the Association, any Owner or Owners and each of them shall have the right, but not the obligation, to enforce any and all of the covenants, conditions, and restrictions, rules and guidelines now or hereafter imposed by the Shiloh Restrictions, the Architectural Guidelines, and the Shiloh Rules, upon the Owners, the Association and upon any property within Shiloh, by a proceeding at law or in equity to restrain violation (including, but not limited to, the obtaining of an ex parte temporary restraining order) and/or recover damages (including, but not limited to, costs and attorney fees). The Declaration contains many development conditions imposed by the aforesaid Resolution No. 87-0261. In addition to any remedies provided by law, the County of Sonoma shall have the right, as a third party beneficiary, to specifically enforce the provisions of Resolution No. 87-0261 as contained in the Declaration against the Association or any Owner in violation thereof.

B. **VIOLATIONS AND NUISANCE.** Every act or omission whereby a covenant, condition or restriction of the Shiloh Restrictions is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action, by Grantor, the Association or an Owner or Owners.

C. **VIOLATION OF LAW.** Any violation of any state, municipal or local law, ordinance or regulation pertaining to the ownership, occupancy or use of any property within Shiloh is hereby declared to be a violation of the Shiloh Restrictions and subject to any or all of the enforcement procedures herein set forth.

D. **REMEDIES CUMULATIVE.** Each remedy provided by the Shiloh Restrictions is cumulative and not exclusive.

E. **NONWAIVER.** The failure to enforce the provisions of any covenant, condition or restriction contained in the Shiloh Restrictions shall not constitute a waiver of any right to enforce any such provision or any other provisions of said Restrictions thereafter.

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**SECTION 9.03: CONDEMNATION OR DESTRUCTION OF COMMON AREAS**

A. If at any time all or any portion of any Common Area (including Private Roads), or any interest therein, is extensively damaged, destroyed or taken for any public or quasi-public use by right of eminent domain or by private purchase in lieu of eminent domain, the entire award in condemnation or insurance proceeds, or other damage award, as the case may be, shall be paid to holder or holders of the fee title to such area as their interest may appear. Any such award to the Association shall be deposited into the operating fund. No Owner shall be entitled to participate as a party, or otherwise, in any proceedings relating to such condemnation, such right of participation being herein reserved exclusively to the Association or other holder of the fee title which shall, in its name alone, represent the interests of all Owners to the extent such Owners have any interest.

B. If Improvements to any Common Area are totally or partially destroyed, the Board shall cause reconstruction to commence by the earlier of (i) thirty (30) days after the Associations' receipt of the insurance proceeds payable by reason of such destruction, or (ii) ninety (90) days after such destruction, such reconstruction thereafter to be diligently and continuously prosecuted to completion within a reasonable period of time. The Board shall apply such proceeds to the costs of reconstruction. In the event that the insurance proceeds are not sufficient to pay the costs of reconstruction of such Improvements, the Board shall levy a uniform reconstruction assessment against all Owners in a total amount equal to such difference. If the insurance proceeds exceed the cost of reconstruction of a Common Area improvement, the Board shall distribute the excess in equal shares to each Owner or to their respective Beneficiary as their interests may appear.

**SECTION 9.04: OBLIGATIONS OF OWNERS**

No Owner may avoid the burdens or obligations imposed on him by the Shiloh Restrictions through non-use of any Common Area or by abandonment of his Lot. Upon the conveyance, sale, assignment or other transfer of a Lot to a new Owner, the transferring owner shall not be liable for any assessments levied with respect to such Lot after the date of such transfer, and no person, after the termination of his status as an Owner and prior to his again becoming an Owner, shall incur any of the obligations or enjoy any of the benefits of an Owner under the Shiloh Restrictions.

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**SECTION 9.05: DELIVERY OF NOTICES AND DOCUMENTS**

Any notice or other document relating to or required by the Shiloh Restrictions may be delivered either personally or by mail. If by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of same has been deposited in the United States mail, first class or registered, postage prepaid, addressed as follows:

If to the Association:	1220 Airport Boulevard Santa Rosa, CA 95403
If to the Architectural Committee:	1220 Airport Boulevard Santa Rosa, CA 95403
If to an Owner:	To the address of any Lot within Shiloh owned, in whole or in part, by him; and
If to Grantor:	1220 Airport Boulevard Santa Rosa, CA 95403;

provided, however, that such address may be changed by the Association by recording a notice of change of address, and by an Owner, the Architectural Committee or Grantor by notice in writing delivered to the Association.

**SECTION 9.06: MISCELLANEOUS PROVISIONS**

A. RESTRICTIONS CONSTRUED TOGETHER. All of the covenants, conditions and restrictions of the Project Documents shall be liberally construed together to promote and effectuate the fundamental concepts of Shiloh, as set forth in the Preamble of this Declaration.

B. RESTRICTIONS SEVERABLE. Notwithstanding the provisions of Paragraph A above, the covenants, conditions and restrictions of the Shiloh Restrictions shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision.

C. CAPTIONS. All captions or titles used in the Shiloh Restrictions are intended solely for convenience of reference and shall not affect that which is set forth in any of the terms or provisions of said Restrictions.

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D. NOTICE OF TRANSFER: No later than 15 days after the sale or transfer of any Lot under circumstances whereby the transferee becomes the Owner thereof, the transferee shall notify the Association in writing of such sale or transfer. Such notice shall set forth: (i) the Lot involved; (ii) the name and address of the transferee and transferor; and (iii) the date of sale. Unless and until such notice is given, the Association shall not be required to recognize the transferee for any purpose, and any action taken by the transferor as an Owner may be recognized by the Association. Prior to receipt of any such notification by the Association, any and all communications required or permitted to be given by the Association shall be deemed duly given and made to the transferee if duly and timely made and given to said transferor.

E. DELIVERY OF PROJECT DOCUMENTS TO TRANSFEREE. Prior to the transfer of title to a Lot, the transferor shall provide to the prospective transferee a copy of the Project Documents and such other documents and information as are required by California Civil Code section 1368, which the transferor can obtain from the Association in accordance with said provisions.

F. EASEMENTS RESERVED AND GRANTED. Any easements appurtenant to a Lot referred to in this Declaration shall be deemed reserved and/or granted by reference to this Declaration in a deed to said Lot but the failure to do so shall not be construed as precluding or limiting the easements herein provided.

G. TERMINATION OF ANY RESPONSIBILITY OF GRANTOR. If Grantor shall convey all of its right, title and interest in and to Shiloh to any partnership, individual or corporation, then and in such event, Grantor shall be relieved of the performance of any further duty or obligation hereunder, and such partnership, individual or corporation shall be obligated to perform all such duties and obligations to the Grantor.

H. FAIR HOUSING. No Owners shall, either directly or indirectly, forbid or restrict the conveyance, encumbrance, leasing or mortgaging or occupancy of his Lot to any person of a specified race, sex, marital status, color, religion, ancestry, physical handicap or national origin.

I. CONFLICT WITH PROJECT DOCUMENTS. If there is a conflict among or between the Project Documents, the provisions of this Declaration shall prevail; thereafter, priority shall be given to Project Documents in the following order: Articles, Bylaws; and rules and regulations of the Association.




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IN WITNESS WHEREOF, Grantor has executed this  
Declaration the day and year first above written.

SHILOH ASSOCIATES,  
a California general partnership,

By: M. K. LAND CO., INC.,  
a California corporation

By:   
Marvin Soiland  
President and Secretary

General Partner

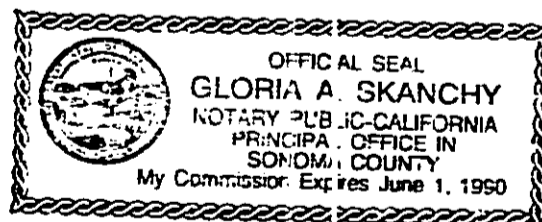
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State of California, County of Sonoma:

On January 19, 1939 before me, the undersigned a Notary Public in and for said State, personally appeared MARVIN SOILAND, known to me to be the President and Secretary of M. K. LAND CO., INC., a California corporation, the corporation that executed the within instrument and known to me to be the person who executed the within instrument on behalf of said corporation, said corporation being known to me to be one of the partners of SHILOH ASSOCIATES, a California general partnership, the partnership that executed the within instrument, and acknowledged to me that such corporation executed the same as such partner and that such partnership executed the same.

WITNESS my hand and official seal.

*Gloria A. Skanchy*  
Notary Public



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CONSENT

The County of Sonoma, a political subdivision of the State of California, hereby consents to the recording of the attached Restated Declaration of Covenants, Conditions and Restrictions of Shiloh, and when recorded said Restated Declaration shall be deemed to replace, absolutely and completely, the Declaration of Covenants, Conditions and Restrictions of Shiloh recorded October 25, 1938, as Instrument No. 88-091032 in the Sonoma County Official Records.

DATED: January 19, 1989.

COUNTY OF SONOMA

By: Kenneth Milam

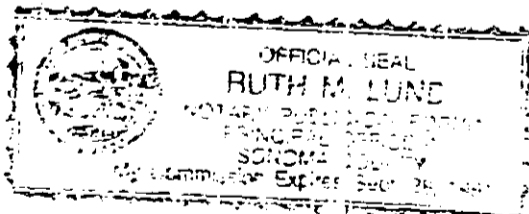
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Notary Acknowledgment

State of California, County of Sonoma

On this 19<sup>th</sup> day of January, 1989, before me a Notary Public, personally appeared Kenneth R. Milam, personally known to me (~~or proved to me on the basis of satisfactory evidence~~) to be the person who executed this instrument as Director of Department of Planning, County of Sonoma and acknowledged to me that County of Sonoma executed it.

WITNESS my hand and official seal.



Ruth M. Lunde  
Notary Public  
State of California

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EXHIBIT "A"  
Legal Description

Lots 1 - 23, inclusive and Parcel "A," as shown on the Map entitled "Shiloh Phase 1" recorded on October 25, 1988 in Book 426 of Maps, Pages 14-26, Official Records of Sonoma County.

## EXHIBIT "B"

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## Legal Description of Annexed Property

Being a portion of the lands of Shiloh Associates as described in the deeds recorded as Doc. No. 95043758 and Doc. No. 95043761, Sonoma County Records, located in Sections 8, 10, 15, 16, 20, 21 and 22, T8N, R5W, M.D.M. and being more particularly described as follows:

Beginning at a 2" iron pipe at the corner common to said Sections 16, 17, 20 and 21 as shown on the Record of Survey filed in Book 398 of Maps at pages 33 and 34, Sonoma County Records. Thence from said point of beginning N 0° 23' 44" E along the west line of said Section 16, 2575.20 feet to a 2" iron pipe at the 1/4 corner common to said Sections 16 and 17; thence N 0° 22' 39" W 2575.20 feet to a 2" iron pipe at the corner common to said Sections 8, 9, 16 and 17; thence S 87° 55' 25" E 2572.34 feet to a 2" iron pipe at the 1/4 corner common to said Sections 9 and 16; thence N 0° 22' 00" W 2715.38 feet to a 2" iron pipe at the center of said Section 9; thence S 89° 04' 13" E 2658.13 feet to a 2" iron pipe at the 1/4 corner common to said Sections 9 and 10; thence leaving the boundary shown on said Record of Survey, East 1320 feet more or less to the northwest corner of the northeast 1/4 of the southwest 1/4 of said Section 10, thence southeast diagonally across said northeast 1/4 of the southwest 1/4 to the southeast corner of said northeast 1/4 of the southwest 1/4, thence East along the north line of the southwest 1/4 of the southeast 1/4 of said Section 10, 1320 feet more or less to the northeast corner of said southwest 1/4 of the southeast 1/4 of said Section 10; thence South along the east line of said southwest 1/4 of the southeast 1/4, 1320 feet more or less to the southeast corner of said southwest 1/4 of the southeast 1/4, thence East along the line common to said Sections 10 and 15, 1320 feet more or less to the corner common to said Sections 10, 11, 14 and 15 as shown on the Record of Survey filed in Book 64 of Maps at page 50; thence S 0° 40' 15" W along the east line of said Section 15, 2591.82 feet more or less to the 1/4 corner common to said Sections 14 and 15; thence West along the south line of the north 1/2 of said Section 15, 1320 feet more or less to the northeast corner of the west 1/2 of the southeast 1/4 of said Section 15; thence South along the east line of said west 1/2 of the southeast 1/4, 2540 feet more or less to a 1 1/4" iron pipe at the northeast corner of the northwest 1/4 of the northeast 1/4 of Section 22 as hereinabove mentioned, said iron pipe is shown on the Record of Survey filed in Book 84 of Maps at Page 8; thence S 0° 04' 30" W along the east line of said northwest 1/4 of the northeast 1/4, 889.54 feet more or less to the centerline of Mark West Creek; thence down the center of said creek southwesterly and southeasterly 2200 feet more or less to the northerly line of the lands of Cabral as described in the deed recorded in Book 1255 of Official Records at page 509; thence West along said northerly line to an angle point therein; thence S 13° 30' W along said northerly line 201.53 feet to the north line of the west 1/2 of the southeast 1/4 of said Section 22 as shown on hereinabove mentioned Record of Survey

filed in Book 84 of Maps at page 8; thence N 89° 22' 20" E along said line 44 feet more or less to the northeast corner of said west 1/2 of the southeast 1/4; thence S 0° 12' 50" E 2655.56 feet to the southeast corner of said west 1/2 of the southeast 1/4, as shown on the hereinabove mentioned Record of Survey filed in Book 396 of Maps at pages 33 and 34; thence S 88° 58' 43" W 1272.53 feet to the 1/4 corner common to said Section 22 and Section 27; thence continuing along the south line of said Section 22, S 89° 49' 13" W 2023.72 feet; thence leaving said south line N 0° 20' E 509.98 feet; thence N 54° 54' 40" W 295.04 feet; thence on a tangent curve to the right with a radius of 500.00 feet, through a central angle of 5° 18' 05", for a distance of 80.88 feet; thence N 45° 38' 35" W 243.62 feet; thence on a tangent curve to the right with a radius of 200.00 feet, through a central angle of 57° 07' 53", for a distance of 193.43 feet; thence N 11° 29' 24" E 148.71 feet; thence on a tangent curve to the left with a radius of 150.00 feet, through a central angle of 41° 01' 13", for a distance of 107.39 feet; thence N 29° 31' 49" W 517.93 feet; thence on a tangent curve to the left with a radius of 250.00 feet, through a central angle of 51° 51' 42", for a distance of 259.92 feet; thence S 68° 36' 29" W 41.56 feet; thence on a tangent curve to the right with a radius of 75.00 feet, through a central angle of 90° 35' 32", for a distance of 118.51 feet; thence N 0° 46' 59" W 319.19 feet; thence on a curve to the right from a tangent that bears N 0° 21' 38" W, with a radius of 300.00 feet, through a central angle of 62° 24' 50", for a distance of 431.52 feet; thence N 7° 04' 46" W 172.60 feet; thence N 32° 48' 05" W 360.27 feet; thence N 1° 45' 44" W 3869.09 feet; thence N 61° 51' W 763.23 feet; thence S 62° 38' W 2259.00 feet; thence S 46° 19' W 1754.00 feet; thence S 3° 10' E 822.00 feet; thence S 63° 01' W 1700.00 feet; thence S 25° 05' E 443.00 feet; thence S 28° 40' W 625.38 feet to the northeast line of the right of way of Faught Road as described in the deed recorded as Doc. No. 80025247 as shown on said Record of Survey filed in Book 396 of Maps at pages 33 and 34; thence N 59° 51' W along said right of way line 246.20 feet to the most southerly corner of the lands of County of Sonoma as described in the deed recorded as Doc. No. 88003125; thence along the northeasterly line of said lands N 29° 37' 53" W 128.13 feet; N 43° 39' 20" W 100.00 feet; N 56° 21' 50" W 40.54 feet; N 33° 35' 37" W 90.43 feet; N 27° 50' 28" W 91.99 feet; N 15° 53' 08" W 92.74 feet; and N 10° 15' 34" W 145.09 feet to the hereinabove mentioned easterly line of Faught Road; thence N 0° 44' E along said line 1177.45 feet; thence continuing along said line N 1° 35' W 352.69 feet; thence continuing along said line on a tangent curve to the left with a radius of 775.00 feet, through a central angle of 12° 46' 42", for a distance of 172.84 feet; thence leaving said easterly line of Faught Road N 0° 01' 43" E 335.38 feet to the northwest corner of the east 1/2 of the northeast 1/4 of hereinabove mentioned Section 20; thence S 29° 11' 15" E along the north line of said east 1/2 of the northeast 1/4 1333.42 feet to the point of beginning of the parcel herein described.

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EXHIBIT "B"

Excepting Therefrom:

Lots 1 - 23, inclusive and Parcel "A," as shown on the Map entitled "Shiloh Phase 1" recorded on October 25, 1988 in Book 426 of Maps, Pages 14-26, Official Records of Sonoma County.