

FILED Secretary of State
State of California
January 29, 1963

County Clerk
San Diego County
February 4, 1963

ARTICLES OF INCORPORATION

OF

SEVEN OAKS MANAGEMENT CORPORATION NO ONE

KNOW ALL MEN BY THESE PRESENTS

That we, the undersigned, all of whom are residents of the State of California, have this day voluntarily associated ourselves together for the purpose of forming a nonprofit corporation under the General Nonprofit Corporation Law of the State of California, and we do hereby certify

FIRST That the name of this corporation is

SEVEN OAKS MANAGEMENT CORPORATION NO ONE

SECOND That the specific and primary purpose for which this corporation is formed is to manage, maintain, repair, and operate real property, together with the improvements thereon, located in Rancho San Bernardo in the City of San Diego, County of San Diego, and State of California

THIRD The general purpose for which this corporation is formed is not for pecuniary profit but is to provide a legal entity through which the members may exercise their rights, duties and obligations as owners as tenants-in-common of undivided fee simple fractional interests in said real property and the improvements thereon

FOURTH In furtherance of the foregoing purposes, this corporation shall have the following powers

- A To acquire by deed, devise, bequest, purchase, or otherwise, any and all forms of property
- B To hold, invest, re-invest, manage and dispose of such property or the income therefrom in any manner not contrary to the laws of the State of California governing corporations organized pursuant to the General Nonprofit Corporation Law
- C To have and exercise all powers conferred by or permissible under the laws of the State of California upon or for corporations formed under the General Nonprofit Corporation Law
- D To do all acts and things which may be reasonably necessary, proper or convenient for the lawful accomplishment of the general and specific purposes hereinbefore specified, or any purpose, whether or not herein mentioned and constituting a lawful activity for this corporation

FIFTH That this corporation is organized pursuant to the General Nonprofit Corporation Law of the State of California

BY-LAWS

(1)

SEVEN OAKS MANAGEMENT CORPORATION NO. ONE

(California Nonprofit Corporation)

ARTICLE I

Office

The office of this corporation shall be located in Rancho Bernardo, in the City of San Diego, County of San Diego, State of California

ARTICLE II

Members

Each owner is tenant-in-common of a fractional undivided fee simple interest in Seven Oaks Unit No. 2, Condominium No. 1, in the City of San Diego, County of San Diego, State of California, according to Map attached as Exhibit "A" to a deed from Rancho Bernardo Homes, Inc. to the Title Insurance and Trust Company, a California corporation and recorded in the Office of the County Recorder of San Diego County as File/Page No. 89410, on May 22, 1963, the boundaries of said areas being certain horizontal and vertical planes as shown on said Exhibit "A", shall be a member of this corporation. The transfer of title to such fractional interest shall automatically transfer the membership appurtenant to such fractional interest to the transferee. In the event that any such fractional interests are owned by two or more persons, then such persons shall designate in writing to be filed with this corporation which of them holds the membership in this corporation, and in the absence of such designation, this corporation may select which one of such persons is the holder of the membership in question.

ARTICLE III

MEMBERSHIP FEES AND ASSESSMENTS AND LIEN RIGHTS

Section 1 MEMBERSHIP FEES AND ASSESSMENTS. The Board of Directors shall fix and determine from time to time the fees and assessments to be paid by each member. The proportion of such fees and assessments to be assessed against and paid by each individual member shall be in the same ratio and proportion as the percentage of the fee simple ownership held by such member in said property bears to 100% of said fee simple ownership. The officers of this corporation are authorized to bring an action at law against any members for any such membership fees or assessments which are delinquent, and the membership of any member who fails to pay any such membership fee or assessment in full promptly when due, together with all rights and privileges of such membership, shall be automatically suspended during the continuency of any such delinquency.

Section 2 LIEN RIGHTS This corporation, for the purpose of enforcing payment of said fees and assessment, shall have a lien against the interest of any member in said Seven Oaks Unit No. 2, Condominium No. 1 to secure the faithful performance in compliance with these By-Laws and the full and prompt payment of all fees and assessments levied by the Board of Directors, and in the event of non-performance or a default by any member, said interest of such member may be foreclosed by this corporation in the same manner as a realty mortgage and any redemption thereafter shall be subject to the lien hereby

created as to other or future events of non-performance or default, and the lien hereby created shall likewise apply to the Grantee of any Sheriff's Deed after foreclosure as to other or future events of non-performance or default, provided, however, it is specifically understood that the lien hereby created shall, at all times, be subordinate and inferior to the lien of any bona fide lending institution which now exists or is hereafter placed on said Seven Oaks Unit No. 2, Condominium No. 1 or any part or parcel thereof.

ARTICLE IV

MEMBERSHIP RIGHTS AND PRIVILEGES

No member shall have the right without the prior approval of the Board of Directors to exercise any of the powers or to perform any of the acts by these By-Laws delegated to the Board of Directors as in Article VI of these By-Laws more fully provided.

ARTICLE V

MEETINGS OF MEMBERS

Section 1 PLACE OF MEETINGS All meetings of members shall be held at the principal office of the corporation.

Section 2 ANNUAL MEETINGS OF MEMBERS The annual meetings of members shall be held on the second Tuesday of June at 2:00 P.M.; provided, however, that should said day fall upon a legal holiday, then any such annual meeting of members shall be held at the same time and place on the next day thereafter ensuing which is not a legal holiday.

Written notice of each such annual meeting shall be given to each member either personally or by sending a copy of the notice through the mail or by telegraph, charges prepaid, to his address appearing on the books of the corporation or supplied by him to the corporation for the purpose of notice. If a member supplies no address, notice shall be deemed to have been given him if mailed to the place where the principal office of the corporation is situated, or published at least once in some newspaper of general circulation in the county of said principal office. All such notices shall be sent to each member not less than three (3) days before each annual meeting, and shall specify the place, the day and the hour of such meeting.

Section 3 SPECIAL MEETINGS Special meetings of members, for any purpose or purposes whatsoever, may be called at any time by the president or by the Board of Directors, or by any two or more members thereof, or by ten per cent (10%) or more of the members. Except in special cases where other express provision is made by statute, notice of such special meetings shall be given in the same manner as for annual meetings of members. Notices of any special meeting shall specify in addition to the place, day and hour of such meeting, the general nature of the business to be transacted.

Section 4 ADJOURNED MEETINGS AND NOTICE THEREOF. Any membership meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the members present in person or represented by proxy, but in the absence of a quorum, no other business may be transacted at any such meeting.

When an membership meeting, either an annual or special, is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting, other than by an announcement at the meeting at which such adjournment is taken.

Section 5. ENTRY OF NOTICE. Whenever any member has been absent from any meeting of the membership, whether annual or special, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that the notice of such meeting was given to such member as required by the By-Laws of the corporation.

Section 6. VOTING. At all meetings of members each member shall be entitled to one vote for each single living unit owned by him in said property. Such vote may be viva voce or by ballot provided that all elections for directors must be by ballot upon demand made by any member at any election before the balloting begins. Any such member at any election for directors shall have the right to cumulate his votes and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which he is entitled, or to distribute his votes on the same principle among as many candidates as he shall think fit. The candidates receiving the highest number of votes up to the number of directors to be elected shall be elected.

Section 7. QUORUM. The presence in person or by proxy of a majority of the membership votes entitled to vote at any meeting shall constitute a quorum for the transaction of business. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 8. CONSENT OF ABSENTS. The transactions of any meeting of members, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the members entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 9. ACTION WITHOUT MEETING: Any action, which under the provisions of the California Corporations Code may be taken at a meeting of the members, may be taken without a meeting if authorized by a writing signed by all of the members who would be entitled to vote at a meeting for such purpose, and filed with the secretary of the corporation.

Section 10. PROXIES. Every person entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the secretary of the corporation, provided that no such proxy shall be valid after the expiration of eleven months from the date of its execution, unless the member executing it specifies therein the length of time for which proxy is to continue in force, which in no case shall exceed seven (7) years from the date of its execution.

ARTICLE VI

DIRECTORS

Section 1 POWERS Subject to limitations of the Articles of Incorporation, of the By-Laws, and of the California Corporations Code as to action to be authorized or approved by the members, and subject to the duties of directors as prescribed by the By-Laws, all corporate powers shall be exercised by or under the authority of and the business and affairs of the corporation shall be controlled by the Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the directors shall have the following powers:

First To select and remove all the other officers, agents and employees of the corporation, prescribe such powers and duties for them as may not be inconsistent with law, with the Articles of Incorporation or the By-Laws, fix their compensation and require from them security for faithful service.

Second To conduct, manage and control the affairs and business of the corporation, and to make such rules and regulations therefor not inconsistent with law, with the Articles of Incorporation or the By-Laws as they may deem best.

Third To change the principal office for the transaction of the business of the corporation from one location to another within the same county, to designate any place within the State of California for the holding of any membership meeting or meetings except annual meetings, and to adopt, make and use a corporate seal, and to alter the form of such seal from time to time, as in their judgment they may deem best provided such seal shall, at all times, comply with the provisions of law.

Fourth To borrow money and incur indebtedness for the purposes of the corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, by their actions or other evidences of debt and securities therefor.

Fifth To manage, operate, maintain and repair said property, together with all buildings, structures and other improvements thereon including, by way of description and not by way of limitation, the following:

(a) To maintain fire and comprehensive liability insurance thereon at the full insurable value thereof in insurance companies authorized to do business in the State of California. To purchase such other insurance as the Board may deem advisable.

(b) To pay all charges for water metered or charged to said Seven Oaks Unit No. 2, Corporation No. 1.

(c) Provide and pay for appropriate lighting for all paths and walkways in said property.

(d) To maintain, repair and paint the exterior walls, roofs and foundations of all buildings and structures now or hereafter constructed on said property.

(c) To landscape, care for, maintain and water all planned areas

(f) To restore or replace any or all of said buildings, structures, or improvements at any time and from time to time the Board of Directors may determine desirable or necessary.

(g) Director shall have the authority to be granted in Seven Oaks Unit No. 2, Condominium Association for the purpose of carrying out any of the powers or duties of the Board of Directors as herein provided.

Section 4 NUMBER AND QUALIFICATIONS OF DIRECTORS The Board of Directors shall consist of seven (7) directors until changed by this section of the By-Laws. If there is the vac or sufficient number of members entitled to exercise a majority of the votes of the

Section 5 ELECTION AND TERM OF OFFICE The directors shall be elected at each annual meeting of members but if any such annual meeting is not held, or the directors are not elected thereat the directors may be elected at any special meeting of members held for that purpose. All directors shall hold office until their successors are elected.

Section 6 VACANCIES Vacancies in the Board of Directors may be filled by a majority of the remaining directors though less than a quorum, and each director so elected shall hold office until his successor is elected at an annual meeting of members or at a special meeting called for that purpose.

A vacancy or vacancies shall be deemed to exist in case of the death, resignation, or removal of any director, or if the members shall increase the authorized number of directors but shall fail at the meeting at which such increase is authorized or at any adjournment thereof, to elect the additional directors so provided for, or in case the members fail at any time to elect the full number of authorized directors.

The members may at any time elect directors to fill any vacancy not filled by the Directors and may elect the additional directors at the meeting at which an amendment of the By-Laws is voted authorizing an increase in the number of directors.

If any director tenders his resignation to the Board of Directors, the Board shall have power to elect a successor to take office at such time as the resignation shall become effective. No reduction of the number of directors shall have the effect of removing any director prior to the expiration of his term of office.

Section 7 PLACE OF MEETING All meetings of the Board of Directors shall be held at the principal office of the corporation, or at any other place within the State of California designated at any time by resolution of the Board or by written consent of all members of the Board.

Section 8 ORGANIZATION MEETING Immediately following each annual meeting of members the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers and the transaction of other business. Notice of such meeting is hereby dispensed with.

Section 7 OTHER REGULAR MEETINGS Other regular meetings of the Board of Directors shall be held without call quarterly on the second Tuesday of June, September, December and March, at 2:30 P. M., provided, however, should said day fall upon a legal holiday, then said meeting shall be held at the same time on the next day thereafter ensuing which is not a legal holiday. Notice of all such regular meetings of the Board of Directors is hereby dispensed with.

Section 8 SPECIAL MEETINGS Special meetings of the Board of Directors for any purpose or purposes shall be called at any time by the president, or if he is absent or unable or refuses to act, by the vice-president or by any two directors.

Written notice of the time and place of special meetings shall be delivered personally to the directors or sent to each director by letter or by telegram, charges prepaid, addressed to him at his address as it is shown upon the records of the corporation, or, if it is not so shown on such records or is not readily ascertainable, at the place in which the meetings of the directors are regularly held. In case such notice is mailed or telegraphed, it shall be deposited in the United States Mail or delivered to the telegraph company in the place in which the principal office of the corporation is located at least forty-eight (48) hours prior to the time of the holding of the meeting. In case such notice is delivered as above provided, it shall be so delivered at least twenty-four (24) hours prior to the time of the holding of the meeting. Such mailing, telegraphing or delivery as above provided shall be due, legal and personal notice to such director.

Section 9 NOTICE OF ADJOURNMENT. Notice of adjournment of any directors' meeting, either regular or special, need not be given to absent directors, if the time and place are fixed at the meeting adjourned.

Section 10, ENTRY OF NOTICE Whenever any director has been absent from any special meeting of the Board of Directors, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such special meeting was given to such director, as required by law and the By-Laws of the Corporation.

Section 11 WAIVER OF NOTICE The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the directors not present signs a written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 12 QUORUM A majority of the directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors.

Section 13 ADJOURNMENT A quorum of the directors may adjourn the directors' meeting to meet again at a stated day and hour, provided, nevertheless, in the absence of a quorum a majority of the directors present at the directors' meeting, either regular or special, may adjourn from time to time.

until the time fixed for the next regular meeting of the Board.

Section 14 FEES AND COMPENSATION Directors shall not receive any stated salary for their services as directors. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee or otherwise, and receiving compensation therefor.

Section 15 ACTION OF BOARD WITHOUT MEETING Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action.

Section 16 EXECUTIVE COMMITTEE The Board of Directors shall have the power to appoint an Executive Committee and to delegate to such Committee any of the powers and authority of the Board in the management of the business and affairs of the corporation except the power to adopt, amend or repeal By-Laws. The Executive Committee shall be composed of three (3) or more directors, one of whom shall also be the President.

ARTICLE VII

OFFICERS

Section 1 OFFICERS. The officers of the corporation shall be a president, a vice-president, a secretary and a treasurer. The corporation may also have, at the discretion of the Board of Directors, one or more assistant secretaries, one or more assistant treasurers and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article. Officers other than the president need not be directors. One person may hold two or more offices, except those of president and secretary.

Section 2 ELECTION. The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article VII shall be chosen annually by the Board of Directors, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve, or his successor shall be elected and qualified.

Section 3 SUBORDINATE OFFICERS, ETC. The Board of Directors may appoint such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the By-Laws or as the Board of Directors may from time to time determine.

Section 4 REMOVAL AND RESIGNATION. Any officer may be removed either with or without cause, by a majority of the directors at the time in office, at any regular or special meeting of the Board, or except in case of a vacancy chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the Board of Directors or the president, or to the secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein, and, unless otherwise provided therein, the acceptance of such resignation shall not be necessary to its effective date.

Section 5 VACANCIES A vacancy in any office because of death, resignation, removal, disqualification or any other cause, shall be filled in the manner prescribed in the By-Laws for regular appointments to such office.

Section 6 PRESIDENT The president shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. He shall preside at all meetings of the members and at all meetings of the Board of Directors. He shall be ex officio a member of all standing committees, including the Executive Committee, if any, and shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or by the By-Laws.

Section 7 VICE-PRESIDENT In the absence or disability of the president, the vice-president shall perform all the duties of the president, and when so acting shall have all powers of, and be subject to all the restrictions upon the president. The vice-president shall have such other powers and perform such other duties as from time to time may be prescribed for him by the Board of Directors or by the By-Laws.

Section 8 SECRETARY. The secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board of Directors may order, of all meetings of directors and members, with the time and place of holding, whether regular or special, and if special how authorized, the notice thereof given, the names of those present at the directors' meetings, the number of memberships present or represented at members' meetings and the proceedings thereof.

The secretary shall give, or cause to be given, notice of all the meetings of the members and of the Board of Directors required by the By-Laws or by law to be given, and he shall keep the seal of the corporation in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the By-Laws.

Section 9 TREASURER The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital and surplus. Any surplus, including earned surplus, paid-in surplus and surplus arising from a reduction of stated capital, shall be classified according to source and shown in a separate account. The books of account shall at all times be open to inspection by any director.

The treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. He shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the president and directors, whenever they request it, an account of all of his transactions as treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the By-Laws.

ARTICLE VIII

MISCELLANEOUS

Section 1 CHECKS, DRAFTS, ETC. All checks, drafts or other orders for payment of money, notes or other evidence, of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 2 CONTRACTS, ETC. HOW EXECUTED. The Board of Directors, except as in the By-Laws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the corporation, and such authority may be general or confined to specific instances, and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 3 INSPECTION OF BY-LAWS. The corporation shall keep in its principal office for the transaction of business the original or a copy of the By-Laws as amended or otherwise altered to date, certified by the secretary, which shall be open to inspection by the members at all reasonable times during office hours.

Section 4 FISCAL YEAR. The fiscal year of the corporation shall be determined by the Board of Directors and having been so determined is subject to change from time to time as the Board of Directors shall determine.

ARTICLE IX

AMENDMENTS

Section 1 POWER OF MEMBERS. New By-Laws may be adopted or these By-Laws may be amended or repealed by the vote of the members entitled to exercise a majority of the voting power of the corporation or by the written assent of such member.

Section 2 POWER OF DIRECTORS. Subject to the right of members as provided in Section 1 of this Article IX to adopt, amend, or repeal By-Laws, By-Laws other than a By-Law or amendment thereof reducing the authorized number of directors, may be adopted, amended, or repealed by the Board of Directors.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify

1. That I am the duly elected and acting Secretary of SEVEN OAKS MANAGMENT CORPORATION NO. ONE, a California nonprofit corporation, and

2. That the foregoing By-Laws, comprising nine pages, constitute the original By-Laws of said corporation duly adopted at the first meeting of the Board of Directors they met duly held on April 23, 1963.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation this 23rd day of April, 1963.

Robert A. Oakes
Secretary

DECLARATION OF RESTRICTIONS

This Declaration of Building Restrictions and Architectural Control made this 4th day of June, 1965 by RANCHO BERNARDO HOMES, INC., a California corporation, hereinafter called "Owner,"

WITNESSETH:

WHEREAS, Rancho Bernardo Homes, Inc. is the owner of Seven Oaks Unit No. 1, Lots 1 to 4 inclusive in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 5072 filed in the Office of the County Recorder of said County on October 31, 1962, which said property is hereinafter referred to as "Real Property," and

WHEREAS, Owner is about to sell and convey some or all of said real property subject to certain conditions and restrictions for the protection and benefit of Owner and any and all future owners of said real property or any part or parcel thereof;

NOW, THEREFORE, in consideration of the premises, Owner hereby certifies and declares that it has established and does hereby establish the following general plan for the protection and benefit of all of said real property, and has fixed and does hereby fix the following protective conditions and restrictions upon and subject to which each and all of the lots in said real property shall be hereafter held, used, occupied, leased, sold and/or conveyed. Each and all of which said conditions and restrictions shall inure to the benefit of, be binding upon and pass with said real property, and each and every lot and/or parcel thereof, and shall inure to the benefit of, apply to and bind the respective successors in title or interest of Owner.

SAID CONDITIONS AND RESTRICTIONS ARE AS FOLLOWS, TO WIT:

(1) **RESIDENTIAL PURPOSES ONLY.** That said lots shall be used for residential purposes only and that no building or buildings shall be erected, constructed, altered or maintained on any of the said lots other than a triplex containing three single family dwellings, together with customary out-buildings, as permitted from time to time by the City of San Diego Zoning Ordinances.

(2) **ARCHITECTURAL COMMITTEE.** There shall be an Architectural Committee consisting of three (3) persons to be appointed by Owner. Each of said persons so appointed shall be subject to removal at the direction of Owner at any time and from time to time, and all vacancies on said Committee shall be filled by appointment of Owner. In the event of the failure of Owner to appoint such Committee or to fill any vacancies therein, then in such event, the owners or a majority in number of the lots in said real property shall have the right by written document to appoint the members of said Committee or to fill any vacancies therein.

(3) **NEW BUILDING ONLY.** That no building of any kind shall be moved from any other place onto any of said lots, or from one lot onto another lot, without the prior written permission of the Architectural Committee.

(4) **HEIGHT LIMIT OF DWELLINGS.** That no dwelling without the written approval of the Architectural Committee shall be more than one story in height.

(5) **PLAN AND SPECIFICATIONS, ETC.** That no building or other structure or improvement shall be commenced upon any of said lots until the location and the complete plans and specifications, including the color scheme, of each building, fence and/or wall to be erected

... shall not have been approved in writing by the Architectural Committee, and no building shall be located on any lot in front of the setback line as shown on the recorded plot

(6) EXTERIOR ALTERATIONS. That no alteration shall be made in the exterior design or color of any structure unless such alteration, including any addition, shall have first been approved in writing by the Architectural Committee.

(7) FENCES AND HEDGES; RADIO POLES AND FLAG POLES. That no fence, rail or hedge over 36 inches in height shall be placed in front of the set-back line on any lot in said real property except with the prior written consent of the Architectural Committee; and no radio, post radio pole, or flag pole shall be erected, constructed or placed upon any of said lots, or on any lot, except with the prior written consent of the Architectural Committee.

(8) DRYING YARDS PROHIBITED. There shall be no outside drying or laundry areas.

(9) NO TENTS, SHACKS, ETC. That no tent, shack, trailer, basement, garage or out-building shall at any time be used on any lot as a residence, either temporarily or permanently nor shall any residence of a temporary character be constructed, placed or erected on any lot. No truck, camper, trailer, boat of any kind, or other single or multi-purpose engine powered vehicle other than a standard automobile or approved golf cart be parked on any lot except temporarily and solely for the purpose of loading and unloading.

(10) NO SIGNS. That no sign of any kind or for any use or purposes whatsoever shall be erected, posted, pasted, painted, or displayed upon any of said lots or upon any building or other structure thereon, without the prior written permission of the Architectural Committee.

(11) NO WELLS. That no well for the production of, or from which there is produced water, oil or gas, shall be operated upon any lot; nor shall any machinery, appliance or structure be placed, operated, or maintained thereon for use in connection with any trading, manufacturing or repairing business.

(12) NO FARM ANIMALS, ETC. That turkeys, geese, chickens, ducks, pigeons or fowls of any kind, or goats, rabbits, hares, horses or animals usually termed "farm animals," shall not be kept or allowed to be kept on any of said lots.

(13) NO RAISING OF DOGS AND CATS, ETC. That no commercial dog-raising or cat-raising, or any kind of commercial business, shall be conducted on any of said lots, and no part of any lot shall be used for the purpose of vending liquors or beverages of any kind; and nothing shall be done upon any lot which may become an annoyance or nuisance to the neighborhood.

(14) EXTENSION OF CONDITIONS AND RESTRICTIONS. Each and all of the foregoing conditions and restrictions shall terminate on December 31, 2002, unless the owners of a majority of said lots have executed and recorded at any time within six (6) months prior to December 31, 2002, in the manner required for a conveyance of real property, a writing in which they agree that said Conditions and Restrictions shall continue for a further specified period and providing therein a similar provision for the further extension of said Conditions and Restrictions, or some of them; provided, also, that the above and foregoing Conditions and Restrictions may be modified, after said termination date at the times and in the manner hereinabove provided for the extensions of said Conditions and Restrictions in force at the time of such extension or modifications.

(15) NOTICE OF CLAIM OF BREACH. That the Owner, or the Architectural Committee may at any time that it or the Architectural Committee deems a breach of these Conditions and Restrictions has occurred, execute, acknowledge and record in the Recorder's Office of San Diego County, a Notice of Claim of Breach setting forth the facts of such breach, describing the lot or lots upon which such breach has occurred and setting forth the name of the owner or owners thereof. Such notice upon being recorded, shall be notice to all persons of such breach, provided an action has been commenced within sixty (60) days after the recording of such notice to establish such breach, and if no such action has been commenced

within such sixty-day period, then and in that event such notice shall be of no force and effect whatsoever and the breach set forth in said notice shall be presumed to have been remedied.

(16) NO TELEVISION ANTENNA. There shall be no outside television or radio antenna constructed, installed or maintained in said real property.

(17) MEMBERSHIP IN COMMUNITY CENTER. Each owner and/or owners of a residential unit in the property above-described shall be a regular member of Seven Oaks Community Center, Inc., a California corporation not for profit, which said membership shall be appurtenant to such residential unit, and the transfer of title to such residential unit shall automatically transfer the regular membership appurtenant to such residential unit to the transferee or transferees, and an allocable part of the purchase price paid to Owner for such residential unit shall be for the cost of construction of said Community Center improvements. Each such owner and/or owners are obligated to promptly, fully and faithfully comply with and conform to the By-Laws of Seven Oaks Community Center, Inc., and the rules and regulations from time to time prescribed thereunder by the Board of Directors of said corporation or its officers and to promptly pay in full all dues, fees or assessments levied by said corporation on its members whether such dues, fees or assessments were levied prior or subsequent to the date of acquisition of title, except that the purchaser of any such residential unit at a Trustee's Sale on foreclosure or a lender who acquires title by deed in lieu of foreclosure shall not be liable for any dues, fees or assessments levied prior to such sale or acquisition of title.

(18) MEMBERSHIP IN MANAGEMENT CORPORATION. Each owner and/or owners of a residential unit in the property above-described shall be a regular member of Seven Oaks Management Corporation No. Three, a California corporation not for profit, which said membership shall be appurtenant to such residential unit, and the transfer of title to such residential unit shall automatically transfer the regular membership appurtenant to such residential unit to the transferee or transferees. Each such owner and/or owners are obligated to promptly, fully and faithfully comply with and conform to the By-Laws of Seven Oaks Management Corporation No. Three and the rules and regulations from time to time prescribed thereunder by the Board of Directors of said corporation or its officers and to promptly pay in full all dues, fees or assessments levied by said corporation on its members, whether such dues, fees or assessments were levied prior or subsequent to the date of acquisition of title, except that the purchaser of any such residential unit at a Trustee's Sale on foreclosure or a lender who acquires title by deed in lieu of foreclosure shall not be liable for any dues, fees or assessments levied prior to such sale or acquisition of title.

(19) LIEN IN FAVOR OF MANAGEMENT CORPORATION. Said Seven Oaks Management Corporation No. Three shall have a lien against each of the lots in said real property to secure the full and faithful performance of these Restrictions, and in the event of the non-performance or default hereunder by any of the owners of a residential unit in said real property, the interest of such defaulting owner may be foreclosed by said corporation in the same manner as a realty mortgage and any redemption thereafter shall be subject to the lien herein created as to other or future events of non-performance or default, and the lien hereby created shall likewise apply to the Grantee of any Sheriff's Deed after foreclosure as to other or future events of non-performance or default; or said lien may be foreclosed as a mortgage with power of sale in accordance with the provisions of Section 2924, et seq., of the California Civil Code; provided, however, that it is specifically understood that the lien herein created shall, at all times, be subordinate and inferior to the lien of any bona fide lending institution which now exists or is hereafter placed against the interest of such defaulting individual owner in the above-described property or any part or parcel thereof.

(20) POWERS OF MANAGEMENT CORPORATION. Said Management Corporation acting through its Board of Directors and officers shall have the sole and exclusive right and duty to manage, operate, control, repair, replace or restore all of said real property or any lot, parcel or portion thereof, together with the improvements, trees, shrubbery, plants and grass thereon, if the title thereto is owned by the members of said corporation as tenants-in-

common, all as more fully set forth in the Articles of Incorporation or the By-Laws of said Management Corporation.

(21) **PARTITION PROHIBITED.** Each of the owners of lots or parcels in said real property, whether such ownership is in fee simple or as a tenant-in-common, is hereby prohibited from partitioning or in any other way severing or separating such ownership from any of the other ownerships in said real property. Subject to the earlier termination of this paragraph, along with the termination of these entire Restrictions as provided in Paragraph 14 hereinabove, this paragraph shall terminate, in any event, upon the death of the last surviving of the now living descendants of Franklin Delano Roosevelt.

(22) **FIRST REFUSAL IN THE EVENT OF SALE OR LEASE.** No individual owner of a living unit and/or a tenancy-in-common interest in said real property shall sell or lease the same, or any part or parcel thereof, without first giving written notice of his intention to so sell or lease to said Management Corporation, which said written notice shall specify the terms, conditions, price or rental of such proposed sale or lease, together with the name and address of the prospective buyer or buyers and/or tenant and their respective ages, together with the names and ages of the members of their family who will reside in said living unit. In the event said prospective buyer or, if more than one, each of said prospective buyers or said tenant are less than fifty (50) years of age, or in the event that any of the members of their families intending to live in said living unit are less than eighteen (18) years of age, then in such event, or either of them, said Management Corporation shall have a period of thirty (30) days after receipt of such notice within which to purchase or lease said property upon terms not less favorable to the owner than those set forth in said notice. This right of first refusal as set forth in this paragraph shall not be used or exercised by said Management Corporation for the purpose of discriminating against any prospective buyer or tenant on the basis of his color, race, religion or origin of birth.

This paragraph shall not apply to a sale or lease by Owner or to a sale by a Trustee on foreclosure or to the acquisition of title by a lender in lieu of foreclosure.

Subject to the earlier termination of this paragraph along with the termination of these entire Restrictions as provided in Paragraph 14 hereinabove, this paragraph shall terminate, in any event, upon the death of the last surviving of the now living descendants of Franklin Delano Roosevelt.

(23) **PROTECTION FOR MORTGAGEES AND TITLE INSURANCE COMPANIES.** That the owner of any encumbrance made for value on any said lot or lots and any corporation insuring the lien of such encumbrance may conclusively presume that no breach exists under these conditions and restrictions provided such encumbrance is recorded in the Office of the County Recorder of San Diego County prior to the commencement of any action to establish any such breach and not within sixty (60) days after the recording of any Notice of Claim of Breach, anything contained herein to the contrary notwithstanding.

PROVIDED, that a breach of any of the foregoing conditions and restrictions shall not affect, impair, defeat or render invalid the lien charge or encumbrance of any mortgage or trust deed made for value which may then exist upon said land, which said mortgage or trust deed shall be and is hereby declared to be prior and superior to the rights in favor of any person or persons under and by virtue of these conditions and restrictions; provided, however, that in the event of a foreclosure of any such trust deed or mortgage, or if the owner of the note secured by such trust deed or mortgage acquires title to said land in any manner whatsoever in satisfaction of his indebtedness, then any purchaser at the foreclosure of Trustee's Sale, or any said note owner acquiring title as foresaid agrees that said property so acquired by them shall immediately upon said acquisition become subject to each and all of the conditions and restrictions and rights herein contained, but free from the effects of any breach occurring prior thereto.

(24) **INVALIDITY OF ANY PROVISION.** That in the event any condition or restriction herein contained be invalid or held invalid or void by any court of competent jurisdiction, such invalidity or nullity shall in no way affect any other condition or restriction herein contained.

(25) **NO WAIVER.** That a waiver of a breach of any of the foregoing conditions or restrictions shall not be construed as a waiver of any succeeding breach or violation thereof or of any other condition or restriction.

(26) **LEGAL ACTION IN THE EVENT OF BREACH.** As to Owner and the owner or owners of any of said lot or lots, including any bona fide purchaser under contract, the foregoing conditions and restrictions shall operate as covenants running with the land and a breach of any of them or a continuance of any such breach may be enjoined, abated, or remedied by appropriate proceedings by Owner or by the Architectural Committee.

(27) **AMENDMENTS.** These Restrictions may be amended at any time and from time to time by an instrument in writing signed by the owners of seventy-five per cent (75%) or more of the living units located on said Real Property, which said written instrument shall become effective upon the recording of the same in the Recorder's Office of the County of San Diego, California.

(28) **INTERPRETATION OF RESTRICTIONS.** All questions of interpretation or construction of any of the terms or conditions herein shall be resolved by the Architectural Committee and its decision shall be final, binding and conclusive on all of the parties affected.

(29) **FAILURE TO COMPLY WITH ORDER OF ARCHITECTURAL COMMITTEE.** In the event of the failure of any individual lot owner to comply with a written directive or order from the Architectural Committee, then in such event the Architectural Committee shall have the right and authority to perform the subject matter of such direction or order and the cost of such performance shall be charged to the owner of the lot in question and may be recovered by the Architectural Committee in an action at law against such individual lot owner.

(30) **MODEL HOME AND COMMUNITY PURPOSES.** Anything herein to the contrary notwithstanding, said Lot 1, together with the improvements now or hereafter constructed thereon, may be used for model home purposes and for sales, and said Lot 4, together with the improvements now or hereafter constructed thereon, may be used for such community purposes for the benefit of the residents or owners in Rancho Bernardo as Owner may from time to time decide. This paragraph shall become null and void on and after December 31, 1966 provided that if between now and said date either of said lots have not been used for said purposes respectively for a continuous period of three months the provisions of this paragraph as to such lot shall automatically expire at the end of said three months period. Upon the expiration of said permitted use, either on December 31, 1966 or earlier as hereinbefore provided, each and every one of the terms and provisions of this paragraph shall be of no further force and effect as to the lot or lots in question and the use of said lot or lots shall thereafter be restricted to residential purposes as hereinbefore provided.

IN WITNESS WHEREOF, said Rancho Bernardo Homes, Inc., a corporation, as Owner, has signed this instrument the day and year first hereinabove written.

RANCHO BERNARDO HOMES, INC.

Richard B. Pearson
Vice President

TEST

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for said County and State, personally appeared Richard L. Weiser, known to me to be the Vice President and Robert A. Oakes known to me to be the Assistant Secretary of the corporation that executed the within instrument, and known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its By-laws or a Resolution of its Board of Directors.

WITNESS my hand and official seal.

Betty J. Yurkovich
Notary Public in and for said
County and State

BETTY J. YURKOVICH
My Commission Expires March 9, 1988



FILE/PAGE NO. 109588
RECORDED REQUEST OF

TITLE INSURANCE AND TRUST COMPANY

JUN 10 1 33 PM '85

SERIES 6 BOOK 1265
OFFICIAL RECORDS
SAN DIEGO COUNTY
A. S. GRAY, REC'D

107.
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DEC 6 1 33 PM '65 80r

FIRST AMENDMENT TO DECLARATION OF RESTRICTIONS SERIES 8 BOOK 1965
OFFICIAL RECORDS
SAN DIEGO COUNTY, CALIF.
A. S. GRAY, RECORDER

THIS FIRST AMENDMENT TO DECLARATION OF RESTRIC- \$3.60

TIONS made this 29th day of November, 1965, by RANCHO BERNARDO HOMES, INC., a California corporation, hereinafter called "Owner", amends that certain Declaration of Restrictions dated June 4, 1965 made by Owner and heretofore recorded in the Recorder's Office of San Diego County, California, all as hereinafter more fully set forth;

W I T N E S S E T H :

WHEREAS, Owner is the owner of real property described as follows:

Lots 1 to 4, inclusive, of Seven Oaks Unit No. 1 in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 5072 filed in the office of the County Recorder of San Diego County on October 31, 1962,

which said property is hereinafter called "Real Property", and did make and declare those certain Declaration of Restrictions dated June 4, 1965, and heretofore recorded in the Recorder's Office of San Diego County, California, on June 18, 1965, File/Page No. 109588; and

WHEREAS, said Declaration of Restrictions provides that the same may be amended by an instrument in writing signed by the owners of seventy-five per cent (75%), or more, of the living units in said Real Property; and

WHEREAS, the undersigned is the owner of all of the living units in said Real Property and desires to amend said Declaration of Restrictions hereby as hereinafter set forth;

NOW, THEREFORE, in consideration of the premises, said Declaration of Restrictions is hereby amended in the following particulars, to-wit:

1. There is hereby added the following sentence to the end of and as a part of Paragraph 19 of said Declaration of Restrictions, to-wit:

"Provided, however, that in no event shall the lien right created by this Paragraph 19 accrue or apply in the event of a default under Paragraph 17 of this Declaration of Restrictions, and Seven Oaks Management Corporation No. Three shall have no right to enforce the terms and provisions of said Paragraph 17."

2. The words "said Management Corporation shall have a period of thirty (30) days after receipt of such notice within which to purchase or lease said property" starting on Line 11 of Paragraph 22 of said Declaration of Restrictions is hereby stricken and in lieu thereof is substituted the following words:

"said Management Corporation shall have a period of fifteen (15) days after receipt of such notice within which to purchase or lease said property".

3. Said Declaration of Restrictions, except as herein otherwise expressly provided, is, in all respects, hereby ratified and confirmed.

IN WITNESS WHEREOF, the undersigned has caused its signature to be affixed, all as of the day and year first hereinabove written.

RANCHO BERNARDO HOMES, INC.

BY 
Richard L. Weiser, Vice President

(Corporate Seal)

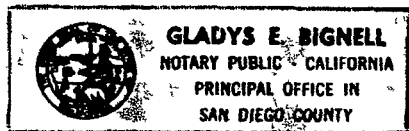
ATTEST:


Robert A. Oakes, Assistant Secretary

STATE OF CALIFORNIA)
) ss
 COUNTY OF SAN DIEGO)

On November 29, 1965, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Richard L. Weiser, known to me to be the Vice President, and Robert A. Oakes, known to me to be the Assistant Secretary of the corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its By-Laws or a resolution of its Board of Directors.

WITNESS my hand and official seal.



Gladys E. Bignell
 Notary Public in and for said
 County and State
 GLADYS E. BIGNELL
 My Commission Expires May 27, 1969

SECOND AMENDMENT TO DECLARATION OF RESTRICTIONS

THIS SECOND AMENDMENT TO DECLARATION OF RESTRICTIONS made this 15th day of December, 1965, by RANCHO BERNARDO HOMES, INC., a California corporation, hereinafter called "Owner", amends that certain Declaration of Restrictions dated June 4, 1965 made by Owner and heretofore recorded in the Recorder's Office of San Diego County, California, all as hereinafter more fully set forth;

W I T N E S S E T H :

WHEREAS, Owner is the owner of real property described as follows:

Lots 1 to 4, inclusive, of Seven Oaks Unit No. 1 in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 5072 filed in the office of the County Recorder of San Diego County on October 31, 1962,

which said property is hereinafter called "Real Property", and did make and declare those certain Declaration of Restrictions dated June 4, 1965, and heretofore recorded in the Recorder's Office of San Diego County, California, on June 18, 1965, File/Page No. 109588; and

WHEREAS, said Declaration of Restrictions has been amended by a First Amendment thereto dated November 29, 1965, which has heretofore been recorded; and

WHEREAS, said Declaration of Restrictions provides that the same be amended by an instrument in writing signed by the owners of seventy-five per cent (75%), or more, of the living units in said Real Property; and

WHEREAS, the undersigned is the owner of all of the living units in said Real Property and desires to amend said

Declaration of Restrictions hereby as hereinafter set forth;

NOW, THEREFORE, in consideration of the premises, said Declaration of Restrictions is hereby amended in the following particulars, to-wit:

1. The word and figure "Lot 4" appearing in the third line of Paragraph 30 of said Declaration of Restrictions are hereby stricken and in lieu thereof is hereby substituted the word and figure "Lot 3".

2. Said Declaration of Restrictions and said First Amendment thereto, except as herein otherwise expressly provided, are in all respects, hereby ratified and confirmed.

IN WITNESS WHEREOF, the undersigned has caused its signature to be affixed, all as of the day and year first hereinabove written.

RANCHO BERNARDO HOMES, INC.
By Richard L. Weiser
Richard L. Weiser, Vice President

(Corporate Seal)

ATTEST:
J. L. Rogers
J. L. Rogers, Assistant Secretary

FILE/PAGE NO. 235158
RECORDED REQUEST OF
TITLE INSURANCE AND TRUST COMPANY
Dec 30 10 08 AM '65
SERIES B BOOK 1965
OFFICIAL RECORDS
SAN DIEGO COUNTY, CALIF.
A S GRAY, RECORDER \$2.80

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

On December 15, 1965, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Richard L. Weiser, known to me to be the Vice President, and J. L. Rogers, known to me to be the Assistant Secretary of the corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its By-Laws or a resolution of its Board of Directors.

WITNESS my hand and official seal.

Gladys E. Bignell
Notary Public in and for said
County and State
GLADYS E. BIGNELL
My Commission Expires May 27 1967

