

Recording Requested By:

When Recorded Return To:

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DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS
FOR LAKE ERWIN ESTATES HOMEOWNERS ASSOCIATION

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COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS
FOR LAKE ERWIN ESTATES HOMEOWNERS ASSOCIATION

THIS DECLARATION is made this ____ day of _____, 1999, by WALTER RON KEMPER. WALTER RON KEMPER, his successors and assigns, shall hereinafter be referred to as "Declarant."

RECITALS

A. Declarant is the owner of certain real property described in Exhibit "A" attached hereto, which shall be the Covered Property under this Declaration. Declarant intends to develop the Covered Property as a gated equestrian community, in a forested area, wherein vacant residential lots will be sold (the "Project"). These covenants, conditions, restrictions and easements are imposed upon the Covered Property in order to provide for its management and to enhance and protect the value, desirability and attractiveness of the Covered Property.

B. In furtherance of these objectives, Lake Erwin Estates Homeowners Association, an unincorporated association, will manage and maintain the Project, administer and enforce the Governing Documents of the Association, and perform such other acts as may benefit the Project.

C. The Project is situated in a scenic mountain location and contains some environmentally sensitive areas. It is intended that the Project be developed in such a manner that its natural beauty and environment be preserved to the greatest extent possible. Access to some environmentally sensitive areas is restricted, and it is the hope and desire of Declarant that the Owners purchasing Lots will enjoy, respect and preserve the natural elements of the Project.

NOW, THEREFORE, Declarant covenants and agrees that the Covered Property, the Project and all of the Lots, including any improvements added or constructed on or about the Project in the future, shall be held, conveyed, assigned, hypothecated, encumbered, leased, used, occupied and improved subject to the following limitations, restrictions, covenants and conditions, for the purpose of mutually benefiting the Covered Property, the Project and all of the Lots, and the future Owners thereof. All of the covenants and restrictions set forth herein shall run with the land, shall be enforceable as equitable servitudes, and shall be binding upon and for the benefit of all parties having or acquiring any right, title or interest in the Covered Property, the Project or any of the Lots.

IARTICLE

DEFINITIONS

The following terms used in this Declaration are defined as follows:

1 Section .Architectural Committee . The term "Architectural Committee" or "Committee" shall mean and refer to the Architectural Committee created pursuant to the Article of this Declaration entitled "Architectural Control."

2

3 Section .Assessments . The term "Assessments" shall mean and refer to those periodic assessments described in Article IV below.

4

5 Section .Association . The term "Association" shall mean and refer to LAKE ERWIN ESTATES HOMEOWNERS ASSOCIATION, an unincorporated association.

6

7 Section .Board of Directors . The term "Board of Directors" or "Board" shall mean and refer to the Board of Directors of the Association.

8

9 Section .Bylaws . The term "Bylaws" shall mean the Bylaws of the Association, as amended from time to time.

10

11 Section .County . The term "County" shall mean and refer to San Bernardino County, California.

12

13 Section .Covered Property . The term "Covered Property" shall mean and refer to all of the real property described in Exhibit "A" attached hereto.

14

15 Section .Declarant/Grantor . The terms "Declarant" or "Grantor" shall mean and refer to WALTER RON KEMPER, his successors and assigns.

16

17 Section .Declaration . The term "Declaration" shall mean this Declaration, i.e., this document.

18

19 Section .Easement Areas . The term "Easement Areas" means those areas of the Project over which the Owners of the Lots and the Owner of Parcel A have easements (consisting of roads and open space area) as described in Article X of this Declaration.

20

21 Section .Governing Documents . The term "Governing Documents" shall mean and refer to this Declaration, the Bylaws, and any other validly adopted documents or operating rules of the Association, which govern the use and operation of the Project or the Association.

22

23 Section .Improvements . The term "Improvements" shall include buildings, outbuildings, driveways, parking areas, Road improvements, street lighting, gates, drainage facilities, fences, screening walls, retaining walls, stairs, decks, hedges, windbreaks, plantings, trees and shrubs, poles, signs and all other structures and landscaping improvements of every type and kind.

24

25 Section .Lot . The term "Lot" shall mean and refer to any plot of land or parcel shown on the recorded parcel map of the Project (with the exception of Parcel A) and shall include a Unit constructed upon such Lot. All numbered parcels shown on the recorded parcel map of the Project are Lots as defined herein.

26

27 Section .Member . The term "Member" shall mean and refer to each person entitled to membership in the Association as provided in the Governing Documents.

28

29 Section .Mortgage . The term "Mortgage" shall mean and refer to any duly recorded and valid mortgage or deed of trust encumbering a Lot or Parcel A.

30

31 Section . Non-Assessed Parcel . The term "Non-Assessed Parcel" shall mean Parcel A as referred to in Article
IV, Section 9 below.

32

33 Section . Owner . The term "Owner" shall mean and refer to one or more persons or entities holding fee
simple title to any Lot or Parcel A, but excluding those having such interest merely as security for the performance
of an obligation.

34

35 Section . Project . The term "Project" shall mean and refer to all of the Covered Property, including all of the
Lots, Parcel A, and all Improvements located upon the Covered Property.

36

37 Section . Roads . The term "Roads" as used herein shall mean and refer only to those streets or roads in the
Project which will be maintained by the Association. The names of the public and private roads as described on
the parcel map for the Project are Erwin Ranch Road, State Lane, "G" Lane, Country Lane, Cedar Lane and First
Street, and of these roads, only Erwin Ranch Road is a private Road which requires Association maintenance. In
addition, the Association shall provide maintenance to a portion of State Lane, a public road, until such time, if ever,
the County or some other governmental entity assumes maintenance of State Lane. A depiction of the Roads to be
maintained by the Association is attached and incorporated herein as Exhibit "B".

38

39 Section . Unit . The term "Unit" shall mean and refer to the residential improvements located upon a Lot.

40

II ARTICLE

DESCRIPTION OF PROJECT

1 Section. Description of Project . The Project consists of the following:

2

(a) Thirty-Two (32) designated and legally described numbered parcels ("Lots" as defined herein), which are shown, defined and described on the recorded parcel map of the Project. Of these thirty-two (32) Lots, Lots 1 through 30 are designated for residential use, and Lots 31 and 32 are reserved for possible future development as an equestrian facility as described in Article VIII, Section 16 of this Declaration. Should the development of Lots 31 and 32 as an equestrian facility be determined to be impractical for any reason, in Declarant's sole discretion, Declarant may amend this Declaration in order to designate that Lots 31 and 32 shall be used for residential purposes only.

(b)

(c) Parcel A as shown on the parcel map, which consists of a natural open space area which the Owners may use for recreational purposes as described in Article X, Section 3 of this Declaration. Ownership of Parcel A will be retained by Declarant, subject to Declarant's right to convey it to a Special District or, failing that, to any other suitable party, in Declarant's sole discretion. Any such future conveyance will be subject to the rights of Lot Owners to use Parcel A as described herein.

(d)

(e) The Roads to be maintained by the Association consist of (a) Erwin Ranch Road (a private Road), and (b) a portion of State Lane (a public road) as shown on Exhibit "B" and as described in Article X, Section 2, of this Declaration. Located within the Roads are gravel roads and a manually-operated entrance gate.

(f)

(g) Easements in favor of the Owners as described as described in Section 2 below and in Article X of this Declaration.

(h)

3 Section. Easements Appurtenant to Lots and Parcel A . Acquisition of title to a Lot or Parcel A shall also include the easements as described herein and/or as described or shown on the parcel map of the Project, subject to the restrictions on use of Parcel A as described in Article VIII, Sections 23 and 24, and in Article X, Section 3. Each conveyance of a Lot or Parcel A, whether voluntary or involuntary, shall also include the easements over the private Road (Erwin Ranch Road) and Parcel A (whether the Lot or Parcel A being conveyed is burdened and/or benefited by such easements as described herein) even though the conveyance document may omit reference to such easements.

4

IIARTICLE

ASSOCIATION

1 Section .Formation . Declarant has determined that the restrictions contained herein and the Road
 maintenance and other obligations described herein can most efficiently and economically be performed by an
 unincorporated association. Declarant has therefore organized Lake Erwin Estates Homeowners Association as an
 unincorporated association, the activities of which will be governed by the Bylaws and this Declaration.

2

3 Section .Membership . Every person or entity (including Declarant) who is a record owner of a fee interest in
 any Lot which is subject to assessment hereunder shall be a member of the Association. Any person or entity having
 any such interest merely as security for the performance of an obligation shall not be a member. Membership and
 the right to vote shall be appurtenant to and may not be separated from the fee ownership of any Lot which is subject
 to assessment. Ownership of such Lot shall be the sole qualification for membership. The Owner of Parcel A shall
 not be a Member of the Association and Parcel A is not subject to assessment hereunder.

4

5 Section .Transfer . The membership held by an Owner shall not be transferred, pledged or alienated, except
 upon the sale or assignment of such Lot and then only to the purchaser or assignee thereof. Any attempt to make a
 prohibited transfer is void and will not be reflected upon the books and records of the Association. In the event any
 Owner fails or refuses to transfer the membership registered in his name to a purchaser or assignee, the Association
 shall nevertheless have the right to record the transfer upon the books of the Association.

6

7 Section .Voting Rights . Each Owner of a Lot, including Declarant, is entitled to one (1) vote for each Lot
 owned. When more than one person holds such interest in a Lot, all such persons shall be members, and the vote for
 such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast
 with respect to any such Lot. From time to time, such persons shall designate to the Association in writing one of
 their number who shall have the power to exercise their vote.

8

IIARTICLE

ASSESSMENTS

1 Section .Covenant to Pay Assessments . The Owner of each Lot within the Project which has been acquired by such Owner as a third party purchaser from Declarant by acceptance of a deed or other conveyance, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association:

2

(a) Annual Assessments or charges for

(b)

- (i) normal maintenance or repair costs for work done in connection with the Roads and any other Easement Areas which are required to be maintained by the Association under this Declaration or any amendment to this Declaration;
- (i) the costs of liability and other insurance covering the Easement Areas, the Project and the Association, if the Board so elects;
- (i) reasonable working capital and contingency funds ("Reserve Funds") as deemed appropriate by the Board;
- (i) the costs of bonding of the members of the Board or any other person handling the funds of the Association;
- (i) costs incurred by the Architectural Committee, if any, and
- (i) such other costs or expenses incurred by the Association in connection with the Easement Areas, the Governing Documents, or in furtherance of the purposes of the Association or in the discharge of any obligations imposed on the Association by this Declaration.

(a) Special Assessments for capital improvements, or for extraordinary Road repairs, such assessments to be established and collected as hereinafter provided.

(b)

(c) Each such Assessment, together with interest, costs, and reasonable attorneys' fees shall be the personal obligation of the person who was the Owner of such Lot at the time when the Assessment fell due. The obligation for delinquent Assessments shall not pass to his successors in title unless expressly assumed by them.

(d)

2 Section .Purpose of Annual Assessments . The Annual Assessments levied by the Association shall be collected, accumulated and used for the improvement, maintenance, repair and upkeep of the Roads in accordance with Article XI, Section 2 of this Declaration, and for those other purposes set forth in Section 1 (a) above.

3

4 Section .Annual Assessments . The amount of Annual Assessments shall be determined by the Board after giving due consideration to the current maintenance costs and future needs of the Association. This Annual Assessment shall be divided by the number of Lots subject to Assessment pursuant this Declaration and this sum shall be levied against each Lot and Owner. The Board may not, without the vote or written assent of a majority of the voting power of the Association, impose an Annual Assessment per Lot which is more than twenty percent (20%) greater than the Annual Assessment for the prior year. The initial Annual Assessment amount to be charged against each Lot effective as of _____, shall be \$_____ per year per Lot.

5

6 Section .Special Assessment . In addition to the Annual Assessments authorized above, the Association may levy, in any calendar 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, extraordinary repair, or replacement of the Roads; provided that any such Assessment in excess of twenty percent (20%) of the budgeted gross expenses of the Association for that year shall require the consent of Owners representing fifty-one percent (51%) of the voting power of the Association. Special Assessments shall generally be levied uniformly among all Lots and Owners; provided,

however, that if the Board determines that a particular item of reconstruction or repair is a result of the activities of less than all of the Owners, the Board may levy a Special Assessment against less than all of the Lots and Owners or in a non-uniform manner which is reflective of the proportionate responsibility of the affected Owners for the required reconstruction, repair and maintenance.

7

8 Section .Payment of Assessments . Annual and Special Assessments may be paid in a lump sum, within thirty (30) days after the date such Assessments are levied or on a monthly basis. Not later than November 1st of each year, the Board will determine the amount of Annual Assessments per Lot for the following calendar year. Written notice of such amount will be provided to each Owner, to be received not later than December 1st (for Assessments payable during the upcoming calendar year). The Association shall, upon demand (and for a reasonable charge), furnish a certificate signed by an officer of the Association confirming the status of payment of Assessments with respect to specific Lots and Owners.

9

10 Section .Uniform Rate of Assessment . Except as set forth in Section 4 above and Section 9 below, Annual and Special Assessments shall be fixed at a uniform rate for all Lots.

11

12 Section .Abandonment . No Owner may waive or otherwise escape personal liability for the Assessments provided for herein by abandonment of his Lot.

13

14 Section .No Offsets . No offsets against any Assessments shall be permitted for any reason, including without limitation a claim that the Association is not properly exercising its duties of maintenance or enforcement.

15

16 Section .Non-Assessed Parcel . Parcel A shall not be subject to Assessments under this Declaration. Parcel A shall, however, be subject to the use restrictions and easements contained herein, including any enforcement rights which the Association may exercise in the event of a default by the Owner of Parcel A with respect to matters described herein. The Owner of Parcel A shall not be a Member of the Association and shall therefore have no voting rights in the Association.

IIARTICLE

NON-PAYMENT OF ASSESSMENTS

1 Section .Delinquency and Remedies of Association . If any Assessment (Annual or Special), or any portion thereof, is not paid by the tenth (10th) day following the date when due (such date being hereafter referred to as the “Delinquency Date”), then such Assessment or portion thereof shall become delinquent and shall, together with interest and costs of collection as provided below, become a continuing charge against the Owner of the Lot against which such Assessment was made.

2

3 If any Assessment, or any portion thereof, is not paid within thirty (30) days after the Delinquency Date, it shall bear interest from the Delinquency Date at the maximum legal rate allowed by law. In addition to all other legal and equitable rights or remedies, the Association may at its option, bring an action at law against the Owner personally obligated to pay the same. In the case of such action, there shall be added to the amount of such delinquent Assessment, interest thereon, and all costs and expenses, including reasonable attorneys' fees, incurred by the Association in collecting the delinquent Assessment. Each Owner vests in the Board, its successors or assigns, the right and power to bring all legal actions necessary for purposes of collecting delinquent Assessments.

4

5 Section .Notice of Delinquency . Before bringing an action against an Owner, the Board shall provide a notice of delinquency to such Owner, stating the amount of the delinquent Assessment (which amount may include interest and costs of collection), a legal description of the Lot for which the delinquent Assessment is owing, and the name of the record owner or reputed owner thereof. Such notice shall be mailed postage prepaid, registered or certified to the most recent address of such Owner, as reflected on the Association’s books. No action shall be commenced against any such delinquent Owner until thirty (30) days following the mailing of such notice.

6

IIARTICLE

POWERS AND DUTIES OF THE ASSOCIATION

1 Section .Meetings . Periodic meetings of the Association, including annual meetings of the Members and periodic meetings of the Board, are as described in the Bylaws. All such meetings will be held within the Project or as close thereto as possible. Unless unusual conditions exist, meetings will not be held outside of San Bernardino County.

2

3 Section .Association Responsibilities . The Association shall have those responsibilities described in this Declaration and the Bylaws. Such responsibilities include (without limitation): (a) maintenance of the Roads in accordance with the terms of Article XI, Section 2; (b) enforcement of the provisions of this Declaration and the Bylaws by appropriate means, including (if necessary), the expenditure of funds for the employment of legal counsel in commencement of legal actions; (c) maintenance of such liability insurance coverage and fidelity bonds as the Board deems necessary for the protection of the Association and the Owners; and (d) establishment and maintenance of Reserve Funds in amounts determined from time to time by the Board.

4

5 Section .Agent . The Board may employ a manager or other person and may contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association.

6

7 Section .Non-Profit Status . The Association shall be a non-profit unincorporated association and shall not engage in any business for profit. Its sole financial support shall be by assessment of the Owners as herein provided.

8

9 Section .Entry . The Association, its managers, agents and employees, shall have the right to enter upon the Road portion of any Lot at any time in order to perform the duties and exercise the powers of the Association as set forth in this Declaration. Entry upon any other portion of a Lot for purposes related to the Association's duties under this Declaration shall occur only after reasonable notice to the Owner, except in the case of an emergency.

10

11 Section .Budget . The Board shall prepare and distribute to each Owner an annual budget. This budget will be distributed on or before November 1st of each year, for the following calendar year.

12

13 Section .Financial Information . The Board shall prepare and disseminate a balance sheet and an income/operating statement to each Owner, such information to be received by March 1st of each year, for the preceding calendar year.

14

15 Section .Inspection . The Board shall make available for inspection and copying by an Owner or by his duly appointed representative, the membership register, books of account and minutes of meetings of the Owners, of the Board and committees of the Board. These documents will be made available at a reasonable time and for a purpose reasonably related to the Owner's interest as an Owner at the office of the Association or such other place within the Project designated by the Board. Any copying will be done at the expense of the Owner.

16

II ARTICLE

ARCHITECTURAL CONTROL

1 Section .Architectural Approval . In order to maintain a uniform and well-maintained appearance throughout
the Project, no exterior improvements or other structures shall be commenced, erected, altered or maintained upon
the Project without the prior approval of the Architectural Committee.

2

3 Section .Architectural Committee . An Architectural Committee, consisting of not less than three (3) nor
more than five (5) members shall be established for the Project. Declarant may initially appoint all of the original
members of the Committee pending the first meeting of the Members of the Association. Declarant may continue to
appoint a majority of the Members of the Committee until ninety percent (90%) of the Lots in the Project have been
sold or until the fifth anniversary of the recording of this Declaration, whichever first occurs. Following the sale of
ninety percent (90%) of all Lots in the Project or the fifth anniversary date of the recording of this Declaration
(whichever first occurs), the Board shall have the power to appoint all members of the Committee. Committee
members appointed by Declarant need not be Members of the Association. Committee members appointed by the
Board shall be from the membership of the Association.

4

5 Section .Submission, Approval and Conformity of Plans . The Board may adopt and promulgate
Architectural Standards to be administered through the Architectural Committee as the Board in its discretion may
deem appropriate. No Improvement, alteration, other structure or addition shall be commenced, erected, altered or
maintained within the Project, nor shall any exterior addition, change, alteration, or change in original exterior color
to any Unit be made until plans and specifications showing the nature, kind, shape, height, materials and location of
the same are submitted to and approved in writing by the Architectural Committee. The Committee may require
submission of the following: (i) plot plans, showing the location of all structures and showing grade elevations and
drainage; (ii) building plans, including the floor foundation and roof plans, with all materials therefor; (iii) exterior
elevations and surfaces, sections, structural designs and salient exterior details; (iv) general exterior color scheme;
and (v) landscaping plans, showing location and elevation of trees, shrubs, plants, hedges and fences. All such plans
and specifications shall be submitted in writing over the signature of the Owner or his authorized agent.

6

7 The Architectural Standards shall include the following restrictions and limitations:

8

(a) Time limitations for the completion of the Improvements for which approval is required pursuant to
the Architectural Standards;

(b)

(c) Conformity of completed Improvements to plans and specifications approved by the Architectural
Committee; provided, however, that as to purchasers and encumbrancers in good faith and for value, unless a notice
of noncompletion or nonconformance identifying the violating Unit and its Owner and specifying the reason for the
notice, executed by the Architectural Committee, is recorded in the Recorder's Office of the County and given to
such Owner within thirty (30) days following the expiration of the time limitation described in subsection (a) above,
or unless legal proceedings have been instituted to enforce compliance or completion within that thirty-day period,
the completed Improvements shall be deemed to be in compliance with plans and specifications approved by the
Architectural Committee;

(d)

(e) Such other limitations and restrictions as the Board in its reasonable discretion shall adopt,
including, without limitation, regulation of construction, reconstruction, exterior addition, change, alteration to or
maintenance of any building, with regard to the nature, kind, shape, height, materials, exterior color and surface and
location of such structure.

(f)

(g) Approval of plans by the Architectural Committee shall be based, among other things, upon the adequacy of
site dimensions, adequacy of structural design and material, conformity and harmony of exterior design with the
neighboring structures; effective location and use of Improvements and landscaping on neighboring Lots;
Improvements, landscaping, operations and uses; relation of topography, grade and finished ground elevation of the
Lot being improved to that of neighboring Lots; proper facing of main elevations with respect to adjoining streets;
and preservation of view (to the extent possible) and aesthetic beauty.

(h)

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(i) The Architectural Committee may delegate its plan review responsibilities to one (1) or more members of the Committee. Upon such delegation, the approval or disapproval of plans and specifications by such persons shall be equivalent to approval or disapproval by the entire Committee. The Committee may establish reasonable procedural rules and may assess a reasonable fee (not to exceed the estimated cost of review) per submission in connection with review of plans and specifications. Unless such rules regarding submission of plans are complied with, such plans and specifications shall be deemed not submitted. In the event that the Architectural Committee fails to approve or disapprove plans or other requests submitted to it within thirty (30) days after such submission, then such approval will not be required so long as any structure or Improvement erected or altered pursuant to such plans conforms to all the conditions and restrictions herein contained and is in harmony with similar structures erected within the Project.

(j)

9 Section .Appeal . In the event plans and specifications submitted to the Architectural Committee are disapproved, the party making such submission may appeal in writing to the Board. The written request must be received by the Board not more than thirty (30) days following the final decision of the Architectural Committee. The Board shall submit such request to the Architectural Committee for comment and the Committee's written comments will be submitted to the Board. Within forty-five (45) days following receipt of the request for appeal, the Board shall render its written decision. Failure of the Board to render a decision within this forty-five (45) day period shall be deemed a decision in favor of the appellant.

10

11 Section .General Provisions . Operation of the Architectural Committee shall be subject to the following general provisions:

12

(a) Review and approval by the Committee of plans and specifications does not constitute approval of engineering design, and by approving such plans and specifications, neither the Committee, the members thereof, the Association, the Members, the Board nor the Declarant assumes liability or responsibility therefor, or for any defect in any structure constructed from such plans and specifications. Approval of plans and specifications by the Committee does not relieve the Owner-applicant of the responsibility to obtain necessary building permits and approvals from the County or other governmental authority having jurisdiction.

(b)

(c) The address of the Architectural Committee shall be the principal office of the Association as designated by the Board pursuant to the Bylaws. Such address shall be the place for submission of plans and specifications and the place where the current Architectural Standards, if any, shall be kept.

(d)

(e) The establishment of the Architectural Committee and the procedures described herein for architectural approval shall not be construed as changing any rights or restrictions upon Owners to maintain, repair, alter or modify or otherwise have control over their Lots and Units as may otherwise be specified in the Governing Documents.

(f)

13 Section .Nonapplicability to Declarant . The provisions of this Article shall not apply to any Lot owned by Declarant prior to its first conveyance to an Owner or to the construction by Declarant of residential improvements upon any Lot.

14

15 Section .Reconstruction of Units . The reconstruction of any Unit after destruction, which is accomplished in substantial compliance with the original building plans for such Unit, shall not require compliance with the provisions of this Article.

16

17 Section .No Liability . Neither Declarant nor the Committee, nor any member thereof, nor their duly authorized representatives, shall be liable to the Association or to any Owner for any loss, damage or injury arising out of or in any way connected with the performance of the Committee's duties hereunder unless due to the willful misconduct or bad faith of the Committee. The Committee's review of plans submitted to it will be based solely on aesthetic considerations and the overall benefit or detriment which might result to the immediate vicinity and the Project generally. The Committee will not be responsible for reviewing, and its approval of any plan or design will not be deemed approval of, any such plan or design from the standpoint of structural safety or conformance with building or other codes.

18

II ARTICLE

GENERAL RESTRICTIONS

In addition to all other covenants contained herein, the use of the Project and each Lot are subject to the following:

1 Section .Commercial Use . Except as set forth below and subject to the Section entitled "Construction and Sales" of the Article hereof entitled "EASEMENTS," no Lot, Unit or any part thereof shall be used for any business, commercial, manufacturing, mercantile, storing, vending, or other nonresidential purposes. Lots 31 and 32, however, may be used for an equestrian center and horse boarding facility (as described in Article VIII, Section 16 of this Declaration), so long as the Owner of each such Lot seeks and obtains approval for such use from the County. Until and unless such commercial use of those Lots is authorized by the County, such Lots shall remain subject to the residential use restrictions contained herein.

2

3 Section .Maintenance of Lots and Units . Each Owner shall be responsible for the maintenance and appearance of his Lot and Unit. It is anticipated that some Owners will keep their Lots in a natural state in keeping with the wooded surroundings. The Board may, however, incorporate landscaping guidelines into the Architectural Standards adopted pursuant to Article VII, Section 3 of this Declaration. Any portions of a Lot which are not landscaped but left in a natural state shall nevertheless be maintained in an attractive and safe condition. Each Owner shall be responsible for maintenance of all fencing located upon his Lot. Owners shall assure that their Lots are properly maintained and that any installed landscaping, including grass, trees, ornamental shrubs, and the like, is properly irrigated, trimmed and maintained. The Lots and Units shall be maintained in a neat, clean, orderly, safe, sanitary and attractive condition. The following conditions are prohibited within the Project: dilapidated, deteriorating or unrepaired structures, including fences, roofs, doors, walls and windows; scrap lumber, junk, trash or debris; abandoned, discarded or unused objects or equipment such as automobiles, auto parts, furniture, stoves, refrigerators, cans, containers and the like; stagnant water or excavations; and any device, decoration, design, structure or vegetation which is unsightly by reason of its height, condition or inappropriate location. All painting and alterations of the exterior surfaces of Units shall be undertaken in conformance with the requirements of Article VII regarding Architectural Control. If a Unit is destroyed or damaged by fire or other casualty and the Owner elects not to rebuild, the Owner shall clear the Lot of all debris within a reasonable time. In the event that any Owner fails to maintain his Lot or Unit in accordance with the standards described in this Section, the Association shall have the right, but not the obligation, to undertake such maintenance and levy the expense thereof against the delinquent Owner as a Special Assessment.

4

5 Section .Maintenance of the Easement Areas . The Association shall provide any services which the Easement Areas may require in order to provide a safe environment and provide access to the Lots and Parcel A, and shall repair, replace and maintain all recreational facilities, if any, or other Improvements within the Easement Areas, in accordance with the requirements of this Declaration. Should the activities of any Owner, family members, guests or invitees of such Owner result in damage to or destruction of any portion of the Easement Areas or any Easement Areas Improvement, that Owner shall be held responsible for all costs associated with the repair or replacement of that portion of the Easement Areas, which expense may be enforced as a Special Assessment assessed to that Owner.

6

7 Section .Vehicles . No commercial trucks (other than pickup trucks used for person or incidental business purposes) shall be parked, stored or kept within the Project. Inoperable vehicles shall not be stored or allowed to remain on any Lot (including the Road) in such a manner as to be visible from any other Lot or the Easement Areas. No trailer, motor home, truck, camper or boat shall be stored, kept, constructed, repaired or maintained anywhere on the Project (except as allowed under Section 14 below) unless stored indoors in a structure which has been approved by the Architectural Committee.

8

9 Section .Signs . No sign, poster, billboard, advertising device or other display of any kind shall be displayed on a Lot without the approval of the Architectural Committee, except such signs as may be used by Declarant in connection with the development of the Project and sale of Lots, and such signs of customary and reasonable dimensions as prescribed by the Architectural Committee which may be displayed on or from a Lot, advertising it for sale or lease.

10

11 Section .Utilities . Each Owner shall be obligated to pay any and all assessments for sewage, electricity, other utilities, taxes and other charges assessed individually against his Lot.

12

13 Section .Trash . No rubbish, trash, garbage or other waste material shall be kept or permitted upon any portion of the Project, except in sanitary containers located in appropriate areas screened and concealed from view, and no odor shall be permitted to arise therefrom so as to render the Project, or any portion thereof, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity or to its occupants. Such containers shall be exposed to the view of neighboring Lots only when set out for a reasonable period of time (not to exceed twenty-four (24) hours) before and after scheduled trash collection hours.

14

15 Section .Rules of Association . Each Owner, tenant or occupant of a Unit shall comply with the provisions of this Declaration, the Bylaws, decisions, rules and regulations of the Association or its duly authorized representatives which may from time to time be promulgated. Failure to comply with any such provisions, decisions, or resolutions, shall be grounds for an action to recover sums due, for damages, for injunctive relief, or for any other remedy permitted by law or by the terms of this Declaration.

16

17 Section .Conduct in Units . No Lot or Unit shall be used in such a manner as to obstruct or interfere with the enjoyment of occupants of other Units or annoy them by unreasonable noises or otherwise, nor shall any nuisance or unlawful activity be committed or permitted to occur upon any Lot or in any Unit.

18

19 Section .Antennas/Satellite Dishes . Subject to the exceptions and requirements of California Civil Code Section 1376 (if applicable to the Project), no television, radio or other electronic antenna, satellite dish or device of any type shall be erected, constructed, placed or permitted to remain within the Project unless it has been approved in writing by the Architectural Committee, or the Board, or unless it is fully contained within a Unit.

20

21 Section .Window Covers . Curtains, drapes, shutters or blinds may be installed as window covers. No window shall be covered with aluminum foil or similar material.

22

23 Section .Solar Energy Systems . Subject to approval of the Planning Department of the governmental entity having jurisdiction over the Project and the Architectural Committee, Owners shall have the right to place and maintain solar energy equipment or any other energy saving devices on their Lots. Such equipment or devices shall be installed in such location and in such manner as to be obscured from the view of other persons in the Project to the greatest degree practicable without significantly decreasing its efficiency.

24

25 Section .View Obstructions . Each Owner acknowledges that any construction, landscaping or other installation of Improvements by Declarant or by other Owners, and the natural growth of trees and brush in the Project, may impair the view from any Lot and such Owner hereby consents to such impairment.

26

27 Section .Temporary Dwellings/Mobile Homes/Trailers . No shed, tent or temporary building shall be erected, maintained or used within the Project, and no trailer, mobile or prefabricated modular homes shall be erected, placed or used on any Lot within the Project, with the following exceptions: (a) a recreational vehicle trailer may be placed upon a Lot for a period not to exceed six (6) months during the course of construction of the residence on that Lot, and (b) Owners of unimproved Lots may camp on their Lot and utilize a recreational vehicle for a maximum of ten (10) days in any month. Owners camping on their Lots as allowed in this Section shall remove any recreational vehicle from the Project at the end of their stay.

28

29 Section .Animals . No insects or animals of any kind shall be raised, bred or kept on the Project except that a reasonable number of horses, dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained, for any commercial purpose, or in violation of any other provision of this Declaration and the rules and regulations of the Association. No more than eight (8) horses per Lot may be kept upon Lots 1 through 30, and no commercial horsekeeping shall be allowed upon any Lot (except that Lots 31 and 32 may be developed as an equestrian facility for the convenience of the Owners, as described in Section 16 below, and if so developed, Lots 31 and 32 are exempt from said eight-horse per Lot restriction). The Association, acting through the Board of Directors, shall have the right to prohibit maintenance of any animal on any Lot in the Project which constitutes, in the opinion of the Board, a nuisance to other Owners within the Project. Animals belonging to Owners or their

licensees, tenants or invitees within the Project must be either kept within an enclosure, an enclosed yard, be restrained through training or on a leash or bridle being held by a person capable of controlling the animal. Any animal which is restrained through training must be under control at all times. Owners shall be liable to other Owners, their families, guests, tenants and invitees, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon the Project by such Owner or by members of his family, his tenants or guests. It shall be the duty and responsibility of each Owner to clean up after his animals. Equestrian owners and guests within the Project shall not ride horses across the Lot of another Owner without the consent of such Owner. However, horses may be ridden within the Roads in a manner which does not obstruct vehicular traffic as described in this Declaration.

30

31 Section .Equestrian Facility . Lots 31 and 32 may be improved as an equestrian facility to care for horses belonging to Members. Non-members may also be allowed to board horses with the approval of a majority of the Members of the Association. Subject to any agreement between the Owner of Lots 31 and 32 and the Association, a caretaker may be hired for such purpose and a reasonable fee may be charged to the Members and others boarding horses.

32

33 Section .Leasing of Units . No Owner shall lease his Unit for transient or hotel purposes or lease less than the entire Lot. The terms of any lease shall be in accordance with and subject in all respects to the provisions of the Governing Documents, and any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases must be in writing. Any lease which is either for a period of less than thirty (30) days or pursuant to which the lessor provides any service normally associated with a hotel shall be deemed to be for transient or hotel purposes.

34 If caretaker's quarters are constructed on a Lot as allowed under Section 18 below, such caretaker's quarters shall not be individually rented, and any lease or rental of the Lot shall include the caretaker's quarters, which caretaker's quarters shall not be individually subleased.

35

36 Section .Construction of Improvements on Lots/Minimum House Size . Lots may initially be sold to individual purchasers as vacant estate lots, unimproved with structures of any kind. Any Improvement constructed on a Lot shall be constructed in accordance with the specifications set forth in this Declaration and the architectural standards adopted by the Architectural Committee, and in accordance with building permits and approvals obtained from the governmental authority having jurisdiction. Plans for Improvements to be constructed upon Lots shall be submitted to the Architectural Committee for review and approval prior to commencement of construction in accordance with Article VII of this Declaration. One single-family residential Unit may be constructed on each Lot and may only be used for single-family residential purposes. Each residence constructed shall contain a minimum living area of 2,000 square feet (not including the garage, patio, carport, or any accessory structures). In addition to the residence described above, a caretaker's quarters as provided under County Code may also be constructed on a Lot.

37

38 Section .Forest Preservation . Trees now or hereafter located on any portion of the Project shall be preserved to the greatest extent possible and shall not be removed, cut down or in any way damaged or destroyed, unless required and permitted by the County and the Architectural Committee in connection with the construction of Improvements upon the Lots, or in connection with fire safety or disease prevention.

39

40 Section .Further Subdivision Prohibited . No Lot within the Project may be further subdivided.

41

42 Section .Roofing . No wood-shingle roofing shall be used in the construction of any Residence. Roofing materials shall comply with the requirements of the County or other governmental authority having jurisdiction and the Architectural Standards adopted by the Board.

43

44 Section .Entrance Gate . A manually operated gate will be placed at the entrance to the Project. Owners shall close the gate upon entry to or exit from the Project.

45

46 Section .Parcel A/Environmentally Sensitive Areas . Parcel A consists primarily of wetlands, and certain areas within Parcel A are therefore potentially environmentally sensitive, requiring that access to these areas be restricted from time to time. The Owner of Parcel A shall post any such restrictions in appropriate places within

Parcel A and shall notify the Association and the Owners regarding any such restricted access to environmentally sensitive areas within Parcel A.

47 Section . Parcel A/Vehicle and Safety Restrictions. No motor driven vehicles shall be used within the open space Easement Area (Parcel A) , except for Association maintenance vehicles, if any, or maintenance vehicles of the Owner of Parcel A. Access to certain areas of Parcel A may also be restricted from time to time for safety reasons, and the Owner of Parcel A shall post any such restrictions in appropriate places within Parcel A and shall notify the Association and the Owners regarding any such restricted access.

48

49 Section .Fencing . All fencing shall be subject to approval by the Architectural Committee. No chain link fencing or fencing made of edible or chewable material shall be used for perimeter or pasture fencing.

IIARTICLE

PROPERTY TAXES

Real property taxes, levies and assessments shall be separately and individually billed by the County Assessor's office to the Owners of individual Lots. Payment of such taxes for Lots shall be the sole responsibility of the Owner of such Lot. The Association shall not be liable for the collection and payment of any real or personal property taxes of any type whatsoever levied against individual Owners on account of their Lots. Real property taxes and assessments levied against Parcel A shall be separately and individually billed by County Assessor's office to the Owner of Parcel A, and the Association shall not be liable for the collection and payment of any real or personal property taxes levied against Parcel A.

IARTICLE

EASEMENTS

1 Section .Utility Easements . Easements over the Project for the installation and maintenance of electric, telephone, water, gas and sanitary sewer lines and facilities, and for drainage facilities as may be hereafter required or needed to service the Project are hereby created by Declarant for the benefit of each Owner and the Association.

2

3 Section .Private Road Easements . Each Lot and Parcel A is hereby declared to have a non-exclusive reciprocal easement appurtenant to the Lots and Parcel A, for access, ingress and egress for vehicular, pedestrian and equestrian purposes and all other purposes described in this Declaration, over the private Road (Erwin Ranch Road) depicted on Exhibit "B", for the benefit of the Lots and Parcel A, the Owners thereof, and for their families, guests, invitees and tenants. The exact location of Erwin Ranch Road shall be as set forth on the recorded parcel map for the Project; provided, however, that in the event of a discrepancy between the actual location of a Road and its location as depicted upon the parcel map, the actual location shall govern.

4

5 Section .Open Space Easement over Parcel A . Each Lot is hereby declared to have an easement over Parcel A for the benefit of the Lots, the Owners thereof, and for their families, guests, invitees and tenants for recreational purposes including hiking and horseback riding. No motorized boating in the lake, if water has filled the lake at any point in time, will be allowed. No motorized vehicles shall be allowed on Parcel A (except maintenance vehicles which are allowed on Parcel A under Section 24 of Article VIII of this Declaration). Pursuant to Sections 23 and 24 of Article VIII, the use of the easement over Parcel A is subject to such restrictions as the Owner of Parcel A may impose for safety reasons or for protection of environmentally sensitive areas, which restrictions may be implemented by the posting of signs in appropriate places within Parcel A and notification of the Association and the Owners by first class mail of the imposition or removal of any such restrictions from time to time.

6

7 Section .Utilities . Wherever sewer connections, water connections, electricity, gas, telephone and cable television lines or drainage facilities are installed within the Project, the Owners of Lots served by such connections, lines or facilities shall have an easement to the full extent necessary for the use and enjoyment of that portion of the connections which service their Lots, and to have utility companies enter upon Lots owned by others, in or upon which said connections, lines or facilities, or any portion thereof lie, to repair, replace and generally maintain said connections when it may be necessary.

8

9 Section .Construction and Sales . Declarant hereby reserves easements over the Project for construction, display, maintenance, sales and exhibit purposes in connection with the construction and sale or lease of Lots within the Project, together with the right to grant and transfer such easements to its sales agents, representatives and prospective purchasers of Lots; provided, however, that such use by Declarant and others shall not interfere with the reasonable use and enjoyment of the Roads and other Easement Areas by the Owners. The construction and sales easements reserved hereby shall specifically include the right to maintain sales offices in model Units and/or temporary modular facilities at such location or locations throughout the Project as Declarant may deem appropriate, the right to place signs advertising Lots and/or Units for sale, and the right to maintain temporary utility poles, lines and other facilities throughout the Project.

10

11 Section .Drainage Easements . An easement for drainage is hereby created over each Lot in favor of all other Lots in order to accommodate drainage flow from adjacent Lots. There will be no modification, interference with or obstruction of the established surface drainage patterns over any Lot unless adequate alternative provision is made for proper drainage. Any alteration of the established drainage pattern must comply with applicable ordinances of the County. For the purposes of this Section, "established" drainage is the drainage which exists at the time of any overall grading of a Lot by Declarant or, if Declarant does not undertake such grading, that drainage which exists prior to the undertaking of any grading upon a Lot.

12

13 Section .Access Easements for Maintenance and Repair . An easement for access in favor of the Association is hereby created and declared to exist over each Lot and Parcel A, allowing the Association, its agents and employees to maintain and repair all Easement Areas for which it has maintenance responsibility.

14

15 Section. Emergency Vehicle/Law Enforcement Easements . Easements for access into and throughout the Project are hereby created in favor of emergency vehicles and law enforcement officers for the protection and benefit of the Owners and the Association.

16

17 Section. Establishment of Easements . The Road easements described in this Declaration were created by the recording of the parcel map for the Project and are confirmed by this Declaration. The easements described herein constitute covenants running with the land for the use and benefit of all of the Lots, superior to all other encumbrances affecting any portion of the Project. Individual conveyances of Lots may, but shall not be required to, set forth such easements.

18

IIARTICLE

ROAD USE AND MAINTENANCE; MAINTENANCE OF EASEMENT AREA

1 Section .Use of Roads . The private Road within the Project (Erwin Ranch Road as depicted on Exhibit “B”) consists of reciprocal easements across portions of the affected Lots. This private Road may be used by all Owners of Lots within the Project, and the Owner of Parcel A, their families, guests, invitees and tenants, for purposes of vehicular, pedestrian and equestrian ingress and egress and for the installation and maintenance of utilities and drainage facilities to service such Owner’s Lot or Parcel A. Owners of adjacent property may also be entitled to use the private Road in accordance with previously recorded easements.

2

3 No Owner shall obstruct any public or private road in the Project, or cause any material to be stored within the area of the roads. No Owner shall alter, repair or maintain a public or private road in the Project without the prior written consent of the Board. Owners and their guests shall obey speed limits and traffic signs posted in the Project, shall use caution at all times when operating a motor vehicle within the Project, and shall comply with traffic rules adopted by the Association.

4

5 Section .Road Maintenance and Repair . The roads depicted on Exhibit “B” consist of dirt, graveled roads. Only those Roads marked in bold on Exhibit “B” shall be maintained by the Association. Such maintenance shall consist of scraping or grading and adding gravel as necessary in order to maintain a smooth surface; snow removal as necessary to assure access to the Lots, and maintenance of the manually operated gate at the entrance of the Project. Extraordinary damage to the Roads resulting from snow, storm water runoff or earthquake shall be repaired to the extent that funds for such repair are collected from the Owners pursuant to this Declaration. Appropriate street and traffic safety signs will be installed and/or maintained by the Association, and the manual entry gate will be maintained by the Association in an attractive and operable condition.

6

7 Section .Maintenance of Parcel A . Parcel A will be maintained by the Association, if at all, at the discretion of the Board, or pursuant to a vote of the majority of the Owners. The Owner of Parcel A has no obligation to maintain Parcel A under this Declaration.

8

IIARTICLE

ASSIGNMENT OF POWERS

Any or all of the rights and powers and reservations of Declarant herein contained may be granted, conveyed and assigned to any other corporation or association or person which is now organized or which may hereinafter be organized and which assumes the duties of Declarant hereunder pertaining to the particular rights and powers and reservations granted, conveyed and assigned; and upon any such corporation, association or person evidencing its consent in writing to accept such grant, conveyance and assignment and assume such duties, it shall, to the extent of such grant, conveyance and assignment, have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein. Declarant shall thereafter be relieved of any further obligations hereunder.

IARTICLE

GENERAL PROVISIONS

1 Section .Term . The covenants, conditions and restrictions contained in this Declaration shall run with and bind the Project and shall inure to the benefit of all Owners, their legal representatives, heirs, successors and assigns. This Declaration shall remain in effect and binding upon the Project for a term of twenty (20) years following the date of recording of this Declaration, after which time it shall be automatically extended for successive periods of ten (10) years unless (a) a document signed by the Owners of seventy-five percent (75%) of the Lots is recorded, agreeing to terminate this Declaration; or (b) all of the Roads are dedicated to and accepted for purposes of maintenance by the County, a special district or other governmental entity in a manner by which such entity assumes full responsibility for the maintenance and repair of such Roads.

2

3 Section .Amendment . This Declaration may be amended by a written document executed by Owners representing not less than seventy-five percent (75%) of the Lots which constitute the Project. Any such amendment shall become effective upon its recording in the office of the County Recorder of San Bernardino County, California. Notwithstanding the above, Declarant alone may amend this Declaration at any time it owns a Lot in the Project if necessary in order to satisfy lender requirements for the financing and sale of a Lot.

4

5 Section .Successors . This Declaration shall be deemed and is intended to run with the land and to be and constitute a restriction upon the Project, and every Lot thereof, and shall be binding upon and inure to the benefit of Declarant, the Owners and their successors, assigns, grantees, heirs, and personal representatives.

6

7 Section .Dissolution . So long as there is any Lot or Easement Area for which the Association is obligated to provide management, maintenance, preservation or control, the Association may be dissolved or may transfer all or substantially all of its assets only upon the approval of one hundred percent (100%) of the Members.

8

9 Section .Nonliability of Officials . To the fullest extent permitted by law, neither the Board, the Architectural Committee, any other committees of the Association or any member of such Board or committee shall be liable to any Member of the Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of plans or specifications (whether or not defective), course of action, act, omission, error, negligence or the like made in good faith within which such Board, committees or persons reasonably believed to be the scope of their duties.

10

11 Section .Violation of Declaration . The result of every act or omission, whereby any provision, condition, restriction, covenant, easement, right or reservation contained in this Declaration is violated is hereby declared to be and constitute a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result, and may be exercised by the Architectural Committee and the Association. Such remedy shall be deemed cumulative and not exclusive.

12 Section .Attorneys' Fees . In the event of any controversy, claim or dispute arising out of or relating to this Declaration or the interpretation or breach thereof, the prevailing party shall be entitled to recover from the other party reasonable expenses, attorneys' fees and costs.

13

14 Section .Notices . Any notice required to be sent to any Owner under provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of the person who appears as Owner on the records of the Association at the time of such mailing.

15

16 Section .Enforcement . In the event of the violation or breach of any covenant, condition or restriction contained herein, the Association or Declarant (so long as Declarant owns at least twenty-five percent (25%) of the Lots) shall have the right to enter upon a Lot as to which such a violation or breach exists and to summarily abate or remove, at the expense of the Owner thereof, any structure, thing or condition which may exist thereon contrary to the terms hereof. In the event of such a breach or violation, the Association or any Owner (including Declarant) may bring an action at law or in equity to enforce this Declaration, including an action for damages, injunction or other remedy or relief. The result of every action or omission whereby any covenant, condition or restriction herein contained is violated in whole or in part is hereby declared to be and to constitute a nuisance, and every remedy

allowed by law or equity against an Owner, either public or private, shall be applicable, against every such violation and may be exercised by the Association or any Owner, including Declarant.

17

18 In any legal or equitable proceeding for the enforcement or to restrain the violation of this Declaration, the losing party shall pay the attorneys' fees of the prevailing party in such amount as may be fixed by the court in such proceedings. All remedies provided herein or at law or in equity shall be cumulative and not exclusive.

19

20 Failure by Declarant, the Association or any Owner to enforce any covenant, condition or restriction herein contained shall not be deemed a waiver of the right to do so thereafter.

21

22 Section . Severability . Invalidation of any one of these covenants, conditions or restrictions by judgement or court order shall in no way affect any other provisions, which shall remain in full force and effect.

23

24 Section . Non-Impairment of Mortgages . A breach of any of the restrictions, easements, conditions, covenants or reservations herein contained shall not defeat or render invalid the lien of any Mortgage or deed of trust made in good faith and for value as to the affected Lot, but said restrictions, easements, conditions, covenants and reservations shall be binding upon and effective against any successor Owner of such Lot whose title is acquired by foreclosure, trustee's sale or otherwise.

25

26 Section . Headings . Section headings are inserted for convenience only and are not intended to be a part of this document or in any way to define, limit or describe the scope or intent of the particular section to which they refer.

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

28

29 Section . Construction . The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of the Project.

30

31 Section . Obligation of Owners and Members . The terms and provisions set forth in this Declaration are binding upon all Owners of all Lots and Parcel A, the Association, and all members in the Association. In addition, both the member and the Lot owned shall be subject to the terms and provisions of the Bylaws of the Association. Each Owner shall cooperate in the exercise by the Association of all of the powers and privileges and performance of all of the duties and obligations of the Association as set forth herein and in the Bylaws.

32

33 Section . Construction by Declarant . Notwithstanding any other provision of this Declaration or the Bylaws, Declarant, so long as it owns more than one Lot within the Project, may effect such construction on such Lots owned by it as it deems reasonable. Declarant, on Lots owned by Declarant, may establish such further covenants, conditions, restrictions, licenses, reservations and rights-of-way in favor of utility companies and others as it may from time to time deem necessary or appropriate for the further development of the Project.

1 Section . Disclosure/Lake . Parcel A contains a lake area which, from year to year, fills to different levels from rain or snow runoff. There is no guarantee that the lake will contain water at all times or at any time or that it will not encroach upon the Lots should the water level rise. Within Parcel A are several wells, one being an artesian well in the lake area that is capped off. The Owner of Parcel A has no maintenance responsibility under this Declaration, and any maintenance of the lake and/or the wells shall be done at the sole discretion of the Owner of Parcel A.

2

3 IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this Declaration this ____ day of _____, 1999.

4

5

6

DECLARANT:

7

8

9

Walter Ron Kemper

10

EXHIBIT "A"

LEGAL DESCRIPTION OF THE COVERED PROPERTY

That certain real property located in the County of San Bernardino, State of California, described as follows:

Parcels 1 through 32 and Parcel "A" of Parcel Map No. 15135, in the County of San Bernardino, State of California, as per plat recorded in Book 185 of Parcel Maps, Pages 9 through 14, inclusive, Records of said County.

EXHIBIT "B"

DEPICTION OF ROADS TO BE MAINTAINED BY THE ASSOCIATION

DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR
LAKE ERWIN ESTATES HOMEOWNERS ASSOCIATION

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