



# Sun City Roseville Community Association™



## Governing Documents

≈ 2014 ≈

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Roseville, CA 95747

# Sun City Roseville



## GOVERNING DOCUMENTS

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# Member's Guide to the Sun City Roseville Governing Documents

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## Introduction

Sun City Roseville is a unique community of senior citizens with a multitude of amenities and available activities for its residents. What helps to make it unique is our Declaration of Covenants, Conditions and Restrictions (CC&Rs) which forms the basic legal fabric of the community and shapes the fundamental character of our environment.

In a sense, the Declaration is like a constitution because it enables a private corporation, the Sun City Roseville Community Association to own and manage the amenities for the benefit of its members, the residents. The Declaration is also a contract between the Association and the individual members which broadly defines the powers and obligations of the Association as well as the rights, responsibility and obligations of its members.

The Declaration of CC&Rs is part of the deed to every residential lot within Sun City and binds the present and successive owners to its provisions. Becoming familiar with the Declaration's provisions will help you understand both the benefits and obligations of living in the "common interest community" of Sun City Roseville.

## What is the Sun City Roseville Community Association?

The Association is a non-profit, mutual benefit California corporation. All property owners in Sun City are automatically members. The Association's operations are guided by the Bylaws and by adopted policies of the Board of Directors.

The Board of Directors consists of seven resident-owners elected to serve three-year staggered terms. Ten committees of resident volunteers advise the Board in various ways. The Board's policies are carried out by the Executive Director and his staff.

The Association also sponsors many special interest clubs formed by its members.

## What does the Association Do?

Basically, the Association is responsible for maintaining the quality of life that Sun City offers. As such, the Association has three major roles. First, the Association owns, improves, maintains, and operates all open space and recreational facilities for the benefit of its members.

The Association's second role is aimed at preserving property values through administration and enforcement of the covenants and restrictions that govern the use of residential lots as spelled out in the Declaration, and in the Association Rules adopted by the Board.

The Association's third role also seeks to protect property values through the design preview process. The Architectural Review Committee is a quasi-independent body appointed by the Board of Directors to review any proposed change to the external appearance of residential lots, in accordance with the Design Guidelines adopted by the Board.

The Association's activities are funded primarily by assessments against residential lots, as established by the Board of Directors each year, supplemented by revenues from the golf courses, restaurant and various member activities.

## Member Rights and Responsibilities

The rights and responsibilities of Association Members, as spelled out in the Declaration include:

- the right to use Association Property (the common area);
- the right to elect directors and to serve as a director and officer;
- the right of members to vote on certain matters which potentially could affect the value of their property;
- the obligation to pay assessments;
- the responsibility to comply with the protective covenants and restrictions in the Declaration and Adopted rules.

## **A summary of the Contents of the Declaration of CC&Rs**

### **Recitals**

The recitals are a preamble which presents a general statement of intent, purpose and structure of the community as an age-restricted planned development.

### **Article I Definition**

All capitalized words throughout the documents have special, and sometimes detailed, meanings which appear in this article. **The definitions are essential** to making an accurate interpretation of the Declaration.

### **Article II Property Subject to the Sun City Roseville Declaration; Rights and Obligations of Members**

Sun City is described as a planned development consisting of lots, city property and common areas. The common area is owned by the Association. The community is also a senior citizen housing development. Its special status and responsibilities under federal and state law are described. Every owner is given the right to use the common area and facilities owned by the Association. This right is limited by certain rights of the Association to administer the common area for the benefit of all residents. Under certain conditions an owner may delegate this right. The responsibilities of Lot owners are listed, including those related to sale or lease of residences.

### **Article III Sun City Roseville Community Association**

The Association is described as a non-profit mutual benefit corporation. The Board of Directors has all corporate powers, including rule-making power, subject to provisions in California law which give members notice rights and certain approval powers. Membership and voting rights are briefly described. Provisions from California law are included which limit the liability of the Association and Board of Directors.

### **Article IV Assessments and Association Funds**

Each owner covenants (agrees) to pay assessments when accepting a deed to a lot. Assessments are assessed against a lot and are also a personal obligation of the owner. Regular, Special, Special Individual and Emergency Assessments, along with certain limitations are described. Collection procedures for delinquent assessments may include interest, penalties, suspension of member rights, legal action including creation and foreclosure of a lien on a lot. Provides requirements for financial management of Association funds, expenditures, and reserves.

### **Article V Approval of Improvement Projects**

Architectural Review Committee approval is required of any exterior changes to a lot or residence. The Architectural Review Committee's scope of authority is described. Provides criteria for approvals, general contents of the Design Guidelines, and enforcement procedures.

### **Article VI Design Standards**

The basic restrictions for various kinds of improvements to lots which are subject to Architectural Review Committee approval are included in this article.

### **Article VII Association and Owner Maintenance Responsibilities**

The Association has the responsibility to maintain all common areas and improvement thereon to a high standard. Owners are obligated to maintain their lots and residences, and the Association has the right to enter the lot and maintain it at the owner's expense if the owner fails to do so. The cost of maintenance walls and fences between a lot and the common area is the responsibility of the lot owner, with such work performed by the Association and charged to the affected owner. Maintenance of fences between lots is a shared responsibility.

### **Article VIII Property Use Restrictions**

Occupancy of a residence is limited to at least one person who is fifty-five (55) years of age or older and other permitted occupants (qualified permanent residents). Other use restrictions include pets, parking, golf carts, golf balls, commercial activities, and various other nuisance activities.

### **Article IX Enforcement of Property Use Restrictions and Maintenance Responsibilities**

The Compliance Committee is described and charged with the enforcement of the restrictions and maintenance provisions. Enforcement remedies available include fines, monetary penalties, reimbursement of costs, suspension of member rights, and legal action, subject to the notice and hearing provisions required by California law. Violation cases are heard and decided by the Hearing Committee, and the decision may be appealed to the Board.

### **Article X Easements; Right of Entry**

Certain easements for utilities are granted and the Association has the power to grant other easements for such services. The Association has easements on lots as needed for maintenance of the common area or of lots or walls which an owner fails to maintain, subject to certain limitations. Additional easements exist relative to drainage, encroachment, and golf balls. The City has a conservation, habitat preservation, flow and maintenance easement over the common area within the one-hundred-year (100) floodplain.

### **Article XI Insurance**

The Association's insurance requirements are detailed. The Association is obligated to carry casualty, general liability, fidelity insurance, and if required by FEMA, flood insurance.

### **Article XII Damage or Destruction**

Reconstruction of damaged residences and common areas and facilities is required. If insurance is inadequate to rebuild damaged Association property, a Special Assessment is required as needed to fund the work.

### **Article XIII Eminent Domain**

The Association is responsible for representing member interests in case of condemnation of any common areas.

### **Article XIV Rights of Institutional Holders of Mortgages**

As required by the FHA and VA, the Association is obligated to notify or gain approval of certain mortgages for certain proposed changes.

### **Article XV Amendment of Declaration**

The Association has the right to amend provisions in the Declaration to reflect changes in federal, state or local law. Other amendments require approval of a majority of the voting power of members. The Board of Directors may restate the Declaration to change organization, wording, illegal provisions, etc.

### **Article XVI Compliance with City of Roseville Requirements**

Obligations are described of the Association to the City of Roseville, which are required by the Development Agreement or later agreements, are described.

### **Article XVII General Provisions**

Notice requirements and various routine provisions relative to legal interpretation of the document are included. The Board of Directors has the authority to interpret the Declaration.

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## **A Summary of the Articles of Incorporation of the Sun City Roseville Community Association**

The Articles are the state charter for the Association as a non-profit mutual benefit corporation. Mainly they incorporate the provisions of the Declaration and Bylaws by reference.

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## **A Summary of the Bylaws of the Sun City Roseville Community Association**

### **Article I Recitals**

The recitals contain the customary Bylaw provisions about name and purpose.

### **Article II Definitions**

All capitalized terms in the Bylaws are defined in this article. The definitions should be referred to often because many terms have a special meaning. Most definitions in the Declaration are incorporated by reference.

### **Article III Membership**

Describes the conditions of membership (lot ownership) and need for evidence. Directs Executive Director to maintain membership information, including the age of residents.

### **Article IV Membership Meetings**

The purpose of the Annual Meeting of Members is to install new directors and is set for the first Thursday in August. Includes procedures for Members to petition for a Special Member Meeting, where advisory votes may be taken. Informational meetings are required prior to any ballot vote of the members.

### **Article V Member Voting Rights**

Enumerates the issues on which members are entitled to vote and the required quorum. Provides for a single class of membership, sets forth voting eligibility requirements, and allows one vote per lot for each issue or for any one candidate. Requires all voting to be done by ballot and describes voting procedures.

### **Article VI Board of Directors**

This Article specifies the Board shall consist of seven directors who serve for staggered three-year terms. Provides for qualifications for director, filing of applications for candidacy, and method of election. Provides for vacancies and filling of vacancies on the Board, and for recall of directors.

**Article VII Officers**

The four Association officers who must be directors are enumerated and their duties described. The Board is authorized to appoint other officers who need not be members.

**Article VIII Duties and Powers of the Board**

The powers and duties of the Board are listed. Generally they are the power to do all things that are not prohibited by law or the Governing Documents. Requires the Board to manage the common area for the benefit of the members, to adopt various rules governing use of the common area, to enforce the Governing Documents, and to practice sound fiscal management of Association property and operations.

**Article IX Meeting of the Board of Directors**

The requirements of the Open Meeting act and member rights at Board meetings are stated. The types of Board meetings and procedures for their conduct are described, including the annual meeting, regular meetings, special meetings, executive sessions, emergency meetings and action without a meeting.

**Article X Committees**

The duties, powers, and appointment of ten advisory committees are described: Ambassador, Architectural Review, Compliance, Chartered Clubs, Community Relations, Finance, Golf, Governmental Affairs, Properties, and Sports Activity. The Board may establish others, as well as special purpose committees. The Elections Committee, a standby Nominating Committee, and Hearing Committee are also provided for. Appointment of committees to review the Association Governing Documents, the Association Rules, and Design Guidelines is required at least every ten (10) years. Provides for committees of the Board that are comprised only of directors.

**Article XI Association Financial Management**

Cash management, budget adoption, and accounting review procedures are enumerated. A Replacement Reserve for major components of the common area and facilities is required. The financial reports required annually by law are described.

**Article XII Annual Policy Statement and Other Required Disclosures to Members**

The several annual disclosure reports required by law or the Declaration are described.

**Article XIII Members' Other Rights and Obligations**

Specifies the Residents' eligibility for Activity Cards for use of the common areas and facilities. If the resident is leased or sold, the owner's Activity Cards must be surrendered.

**Article XIV Association Organizations**

Minimum requirements for Clubs are stated and requires their organization and operation be according to Board adopted guidelines and Club Bylaws. Provides for oversight by the Chartered Clubs Committee. Resident Groups are defined. Provides for oversight by the Executive Director or his designee. Community Service Groups are defined. Provides for oversight by the Executive Director or his designee.

**Article XV Miscellaneous**

The procedures for amendment and restatement of the Bylaws are described. Provides for inspection of books and records of the Association. Other miscellaneous provisions include Notice Requirements and Indemnification of Agents.



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SUN CITY ROSEVILLE  
COMMUNITY ASSOCIATION, INC.  
7050 Del Webb Boulevard  
Roseville, CA 95747  
Attn: Mr. Earl Wiklund, Executive Director

(Space above for Recorder's Use)

**2014**

**THIRD RESTATED MASTER DECLARATION**

**OF**

**COVENANTS, CONDITIONS AND RESTRICTIONS**

**FOR**

**SUN CITY ROSEVILLE**

If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.



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# **THIRD RESTATED MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SUN CITY ROSEVILLE**

This Third Restated Declaration of Covenants, Conditions, and Restrictions for Sun City Roseville ("Declaration") is made by SUN CITY ROSEVILLE COMMUNITY ASSOCIATION, INC., a California nonprofit mutual benefit corporation (the "Association") in reference to the following facts:

1. On May 16, 2000, the Association's members voted to adopt the Amended and Restated Master Declaration of Covenants, Conditions, and Restrictions for Sun City Roseville ("2000 Declaration"). The 2000 Declaration was recorded June 2, 2000, in the official records of Placer County, California as instrument No. 2000-0039039.
2. The 2000 Declaration was subsequently amended by the Board of Directors in accordance with Section 15.01(a) of the 2000 Declaration, as follows: (i) The First Amendment, recorded July 24, 2001, as instrument No. 0074312; (ii) The Second Amendment, recorded June 19, 2003, as instrument No. 2003-0100515; (iii) The Third Amendment recorded June 17, 2004, as instrument No. 2004-0079233; (iv) The Fourth Amendment, recorded May 13, 2005, as instrument No. 0061319; and (v) The Fifth Amendment, recorded June 21, 2006, as instrument No. 2006-0066239 (Collectively, "2000 Declaration, as amended").
3. The 2000 Declaration, as amended, encumbers that certain real property located in the City of Roseville, County of Placer, State of California, more particularly described on attached Exhibit A. Such property is referred to in this Declaration as Sun City Roseville.
4. On May 25, 2007, the Association Board of Directors voted in accordance with Section 15.01(a) and Section 15.05 of the 2000 Declaration, as amended, to amend, restate, and supersede the 2000 Declaration, as amended, in its entirety. This 2007 Second Restated Declaration was recorded May 25, 2007, as instrument DOC-2008-0008533-00.
5. On August 11, 2012, the 2007 Declaration was rerecorded as instrument DOC-2012-0083857-00 to correct an error in the legal description.
6. The 2007 Declaration was subsequently amended by the Board of Directors in Accordance with Section

15.01(a) of the 2007 Declaration, as follows: (i) The First Amendment, recorded March 28, 2008 as instrument DOC-2008-039621-00; (ii) The Second Amendment adopted June 26, 2009, which was not recorded; (iii) the Third Amendment adopted June 26, 2009, which was not recorded.

7. On November 22, 2013, the Association Board of Directors, in accordance with Section 15.01(a) and Section 15.05 of the 2007 Declaration, as amended, adopted this 2014 Third Restated Declaration that amends, restates, and supersedes the 2007 Declaration as amended, in its entirety.

## **RECITALS**

A. Description of Sun City Roseville. The property subject to this Declaration is located in the City of Roseville, County of Placer, State of California, and is more particularly described in Exhibit A. The property described in Exhibit A is referred to in this Declaration as Sun City Roseville.

B. Planned Development. This Declaration, as amended, and the Covenants contained herein implement a common scheme for the ownership, possession, use, enjoyment, maintenance, repair, restoration and improvement of the Lots, Common Areas and other parcels comprising Sun City Roseville. Sun City Roseville is a planned development, as defined in Section 4175 of the California Civil Code. As so developed, Sun City Roseville consists of 3110 residential Lots, public streets and parks, and the following principal Common Facilities: an 18-hole golf course and a 9-hole golf course (collectively, the "Golf Course"), a recreation center known as "The Lodge," a recreation center known as "Sierra Pines," tennis courts, indoor and outdoor swimming pools and several sports courts.

C. Age Restricted. Sun City Roseville was developed as an active adult residential community in accordance with the Development Agreement with the City of Roseville, California. The occupancy of Residences is restricted by this Declaration to Qualifying Residents and Qualified Permanent Residents, as these terms are defined by law. By restricting occupancy, Declarant qualified Sun City Roseville as a Senior Citizen Housing Development under Section 51.3 of the California Civil Code. By

adhering to the occupancy age restrictions, Sun City Roseville also constitutes housing for older persons under the provisions of the Fair Housing Act Amendments for 1988 and applicable regulations thereunder.

D. Sun City Roseville Community Association. As part of the common plan and scheme of development, Declarant formed the Sun City Roseville Community Association, a California nonprofit mutual benefit corporation. All Owners of Lots in Sun City Roseville, by virtue of their Lot ownership, are Members of the Association. In turn, the Association is the owner of all the Common Areas and Common Facilities within Sun City Roseville. The Association operates and maintains these Common Areas for the benefit of and use by the Owners, their family members, tenants, guests, and invitees, subject to the restrictions on use and enjoyment imposed by this Declaration, the Association Rules and the state and federal rules relating to developments designed as housing for older persons. The Association is responsible for establishing, levying and collecting Assessments, Special Use Fees and other charges imposed hereunder in order to defray Association Common Expenses, including the maintenance of adequate Reserves. The Association is responsible for administering and enforcing the provisions of the Governing Documents for the benefit of the Owners in common.

E. Declaration Binding. This Declaration, as amended, and the Covenants contained herein constituted equitable servitudes and Covenants running with the lands comprising Sun City Roseville. Said Covenants are intended to establish and implement a common scheme and plan for development, possession, use, enjoyment, maintenance, repair, restoration and improvement of Sun City Roseville and interests therein conveyed which are and shall be binding on the Association and each Owner of a Lot within Sun City Roseville, their successors and assigns. In order to cause this Declaration, as amended, to run with the land comprising Sun City Roseville, all conveyances of property within Sun City Roseville shall be subject to the Covenants herein set forth. By accepting deeds, leases, easements or other grants or conveyances to any portions of Sun City Roseville, the Owners and the successors and assigns, agree that they shall be personally bound by all of the Covenants contained herein.

F. It is the intention of this 2014 Declaration to serve as a complete amendment and restatement of the 2007 Declaration, as amended, and to supersede the 2007 Declaration, as amended, in all respects.

## **ARTICLE I**

### **Definitions**

Section 1.01. “Architectural Review Committee” means the committee created in accordance with Article V, below.

Section 1.02. “Annual Budget Report” means the report given to all Members annually that contains the Annual Budget and other fiscal disclosures to the Members, as described in Bylaws Section 11.04.

Section 1.03. “Annual Policy Statement” means the reports and disclosures of Association policies given to all Members annually, as described in Bylaws Article XII.

Section 1.04. “Articles” means the Articles of Incorporation of the Sun City Roseville Community Association, Inc., which are filed in the Office of the California Secretary of State, as such Articles may be amended from time to time.

Section 1.05. “Assessment” means any Regular, Special, Emergency, or Special Individual Assessment made or assessed by the Association against an Owner and such Owner’s Lot in accordance with the provisions of Article IV, below.

Section 1.06. “Association” or “Community Association,” means the Sun City Roseville Community Association, Inc., a California nonprofit mutual benefit corporation, its successors and assigns. The Association is an “association” as defined in Civil Code section 4080.

Section 1.07. “Association Rules” means the rules, regulations and policy resolutions adopted by the Board of Directors, pursuant to Section 3.04(c), below, as the same may be in effect from time to time. The Association Rules also include any Design Guidelines adopted pursuant to Section 5.04, below.

Section 1.08. “Board of Directors” or “Board” means the governing body of the Association.

Section 1.09. “Boundary Wall” means any wall, retaining wall, or fence located on a Lot which forms a boundary between the Lot and the Common Area or City Property, as shown on the Del Webb Grading Plans for Sun City Roseville approved by the City of Roseville.

Section 1.10. “Budgeted Gross Expenses” means all budgeted operating expenses of the Association, including the cost of sales.



Section 1.11. “Bylaws” means the Bylaws of the Association, as such Bylaws may be amended from time to time.

Section 1.12. “City” means the incorporated municipal City of Roseville in the County of Placer, State of California, and its various departments, divisions, employees and representatives.

Section 1.13. “City Property” means (1) the Central Park Preserve, Veterans Memorial Park, Blue Oaks North and South Preserves, School House Park, and City-Wide Park, all as set forth in Exhibit J of the Development Agreement, and (2) all streets, medians, and landscape corridors adjacent to the streets which are located within Sun City Roseville and are dedicated to the City.

Section 1.14. “Common Area” or “Common Areas” means all real property owned, controlled or maintained by the Association for the common use and enjoyment of the Owners. The Common Areas owned by the Association are more particularly described in Exhibit B. Unless the context clearly indicates a contrary intent, any reference herein to the “Common Areas” shall also include any Common Facilities located thereon.

Section 1.15. “Common Expense” means any use of Common Funds authorized by Article IV, below, and Article XI of the Bylaws and includes, without limitation, all expenses or charges incurred by or on behalf of the Association for: (1) the management, maintenance, administration, insurance, operation, repair, additions, alteration or reconstruction of the Common Areas and Common Facilities; (2) the maintenance of certain portions of City Property, as described in Section 16.01, below; (3) those policies of insurance which the Association is required to maintain pursuant to Article XI, below; (4) any amounts reasonably necessary for Reserves for maintenance, repair and replacement of the Common Areas and Common Facilities; (5) any taxes on Association property, or other charges against the Association, assessed by any governmental agency; (6) nonpayment of any Assessments; and (7) other reasonable costs and expenses incurred by the Association in the performance of its functions or in the proper discharge of the responsibilities of the Board as provided in the Governing Documents.

Section 1.16. “Common Facilities” means the facilities, landscaping and improvements located on or within the Common Areas and owned by the Association. Without limiting the foregoing, the Common Facilities include: (1) the Golf Course,

Lodge, Sierra Pines, and all other Recreational Facilities located within the Common Areas of Sun City Roseville; (2) any wall, retaining wall, or fence located upon the Common Area; (3) the entrance areas of Sun City Roseville; (4) the landscaping, trees, shrubs, fences, sidewalks, driveways, and pavements on Common Areas; (5) the wires, conduits, (excluding wires or conduit owned by third parties) on Common Areas; (6) all drainage ways, areas and facilities; (7) all flood detention, retention, control and dispersal basins; (8) areas and facilities protecting, servicing or otherwise used or employed in connection with the operation of Sun City Roseville, as well as all other real and personal property owned by the Association for the use, enjoyment or benefit of the Members.

Section 1.17. “Common Funds” means any and all revenues of the Association available to defray Common Expenses, including, without limitation, funds obtained from Assessments, Special Use Fees, operations of the Common Facilities, interest earned and other revenues obtained from the investment of Common Funds, and any other funds accruing to the Association.

Section 1.18. “Compliance Committee” means the committee of the Association organized pursuant to Section 9.03, below.

Section 1.19. “County” means the County of Placer, State of California, and its various departments, divisions, employees and representatives.

Section 1.20. “Covenants” means the binding covenants, conditions, restrictions, assessments, liens, easements, and equitable servitudes set forth in this Declaration.

Section 1.21. “Declarant” means the developer of Sun City Roseville, the former Del Webb California Corporation that merged with Pulte Homes, Inc. in 2001.

Section 1.22. “Declaration” means this instrument.

Section 1.23. “Design Guidelines” means the written guidelines, consistent with the development standards approved by the City and Design Standards in Article VI, below, which set forth: (1) the minimum standards for the design, size, location, landscaping and relevant criteria for construction of Improvements; and (2) Architectural Review Committee procedures. The Design Guidelines are more fully described in Section 5.04, below.

Section 1.24. “Development Agreement” means the *Development Agreement by and between the City of Roseville, Del Webb California Corp., Walaire, Inc., and John S. Fiddymont, Relative to the Development Known as the Del Webb Specific Plan*, dated December 14, 1993, entered into February 7, 1994, and Recorded in the official records of the office of the Placer County Recorder, Series 94-061231.

Section 1.25. “Eligible Holder” means any Institutional Holder, or an insurer or guarantor of the loan held by the Institutional Holder, who has provided the Association with a written request to be notified of the events described in Section 14.01, below, stating the name and address of such Holder and the address and legal description of the particular Lot encumbered.

Section 1.26. “General Delivery Notice” or “General Notice” means advising Members of pending events or actions, as described in Section 17.07, below.

Section 1.27. “Golf Course” means both the 18-hole golf course and the 9-hole golf course which are part of the Common Area of the Association. The term “Golf Course” shall also be deemed to include all related improvements and any property added to the Golf Course by Lot line adjustment, parcel map, final map, record of survey or otherwise.

Section 1.28. “Governing Documents” means this Declaration of Covenants, the Articles of Incorporation, the Bylaws and the Association Rules.

Section 1.29. “Improvement” means any project undertaken or contemplated by an Owner within any portion of Sun City Roseville involving, without limitation, the construction, installation, or alteration of any Residence, structures, storm drainage systems, any natural drainage course, garage, out buildings, wall, retaining wall, fence, swimming pool, landscape plan, landscape structures, patio awning, solar heating equipment, spas, antennas, television satellite reception equipment, utility line, or any other structure of any kind. Improvement projects are subject to design review and approval pursuant to Article V, below. As used herein, “Improvement” does not include any work or project that is completely confined to the interior of a Residence.

Section 1.30. “Individual Delivery Notice” or “Individual Notice” means an Individual Delivery of a written communication delivered to an intended recipient personally, electronically or by mail, as further provided in Section 17.07, below.

Section 1.31. “Institutional Holder” means any beneficiary of a deed of trust or mortgagee of a mortgage which encumbers a Lot and which is a bank, savings and loan association, mortgage company, or any other entity chartered under federal or state laws, any corporation or insurance company, or any federal or state agency.

Section 1.32. “Lodge” means Timber Creek Lodge located at 7050 Del Webb Boulevard, Roseville, California, and all adjacent improvements, such as the Fitness Center, a sports equipment building, the Lodge parking area, the tennis courts, the outdoor swimming pool, and various sports courts.

Section 1.33. “Lot” means any parcel of real property designated by a number on any Subdivision Map and intended for residential use within any portion of Sun City Roseville, excluding the Common Areas and any open space parcel that may be designated as a lot on a Subdivision Map. When appropriate within the context of this Declaration, the term “Lot” shall also include the Residence and other improvements constructed or to be constructed on a Lot.

Section 1.34. “Member” means every Owner of a lot.

Section 1.35. “Member Approval” means the affirmation by at least a majority of the votes actually cast by ballot when the number of ballots cast equals or exceeds the quorum requirement for Member action, as specified in the Governing Documents, or otherwise by statute.

Section 1.36. “Membership” refers to the status of all Owners of a Lot as Members of the Association pertaining to the exercise of Member rights defined in the Governing Documents. Use privileges differ from Membership and are subject to the provisions of Section 2.04(b), below, and Article XIII of the Bylaws.

Section 1.37. “Mortgage” means any security device encumbering all or any portion of Sun City Roseville, including any deed of trust. “Mortgagee” means a beneficiary under a deed of trust as well as to the mortgagee in the conventional sense.

Section 1.38. “Notification” means a General Delivery Notice to Members, as provided in Section 17.07, below, of a meeting of the Board or of Members, to be given at least twenty (20) days in advance of the meeting, and which includes the agenda that sets forth the date, time and location of the meeting.

Section 1.39. “Owner” means any person, or an officer, director, partner, trustee or beneficiary of a corporation, partnership or trust, which owns a fee simple interest in any Lot.

Section 1.40. “Owner of Record” means any owner in which title to a Lot is vested as shown by the Official Records of the Office of the Placer County Recorder.

Section 1.41. “Party Wall” means a wall, retaining wall or fence situated on a boundary line separating two or more Lots.

Section 1.42. “Permitted Health Care Resident” means a person who is actually providing live-in, long-term or terminal care to a Qualifying Resident for compensation, or a family member of the Qualifying Resident providing that care. The care provided must be substantial in nature and must provide either assistance with necessary daily activities or medical treatment, or both. Compensation includes the provision of lodging and food in exchange for care.

Section 1.43. “Qualified Permanent Resident” means either subsection (a) or (b) below:

(a) A person who meets both of the following requirements:

(i) The person was residing with the Qualifying Resident prior to the death, hospitalization, or other prolonged absence of, or the dissolution of marriage with, the Qualifying Resident, and

(ii) The person was forty-five (45) years of age or older, or was a spouse, cohabitant, or person providing primary physical or economic support to the Qualifying Resident. “Cohabitant” refers to persons who live together as husband and wife, or persons who are domestic partners within the meaning of Section 297 of the California Family Code.

(b) “Qualified Permanent Resident” also means a disabled person or person with a disabling illness or injury who is a child or grandchild of the Qualifying Resident or a Qualified Permanent Resident who needs to live with such resident because of the disabling condition, illness or injury. For purposes of this subsection (b), “disabled” means a person who has a disability as defined in Civil Code Section 54(b) and the term “disabling injury or illness” means an illness or injury which results in a condition meeting the definition of disability set forth in Civil Code Section 54(b).

Section 1.44. “Qualifying Resident” means a person fifty-five (55) years of age or older who resides in a Residence within Sun City Roseville.

Section 1.45. “Record,” “Recordation” and “Recorded” means, with respect to any document, the recordation or filing of such document in the official records in the Office of the Placer County Recorder.

Section 1.46. “Recreational Facilities” means all real property, including the improvements thereon, and personal property owned by the Association for the common recreational use and enjoyment of the Members, including without limitation, the Golf Course, the Lodge, Sierra Pines, all adjacent improvements, and Common Area pathways.

Section 1.47. “Regular Assessment” means an assessment levied by the Association against an Owner and such Owner’s Lot in accordance with Section 4.02, below.

Section 1.48. “Reserve Fund” means those common funds which are set aside pursuant to Section 4.09, below, and Civil Code Section 5550 for funding the periodic repair, replacement, restoration, and maintenance of major components of the Common Areas, when such funding reasonably would not be expected to be a recurring annual expenditure.

Section 1.49. “Residence” means a private, single-family dwelling constructed on any Lot within Sun City Roseville.

Section 1.50. “Sierra Pines” means the facility located at 7600 Whistlestop Way, Roseville, California, and all adjacent improvements, such as the parking area and patio area.

Section 1.51. “Special Assessment” means an assessment levied by the Association against an Owner and such Owner’s Lot in accordance with Section 4.03, below.

Section 1.52. “Special Individual Assessment” means an assessment levied by the Association against an Owner and such Owner’s Lot in accordance with Section 4.04, below.

Section 1.53. “Special Use Fees” means any fee charged by the Association for the use of the Recreational Facilities or any portion thereof, or for Association-sponsored activities. Any fees imposed by chartered clubs shall not constitute Special Use Fees, as that term is used herein. Chartered clubs are described in Article XIV of the Bylaws.

Section 1.54. “Subdivision Map” means the Recorded map for any portion of the Sun City Roseville common interest development.

Section 1.55. “Sun City Roseville” means the common interest development described in the Declaration. The real property comprising Sun City Roseville is more particularly described in Exhibit A.

Section 1.56. “Visible from Neighboring Property” means, with respect to any given object that the object is visible to a six-foot tall person standing at the finished floor elevation (or in the case of streets or open space the finished grade thereof) of the neighboring property, whether a Lot, Common Area or City Property.

Section 1.57. “Violation” means any single failure to comply with the Governing Documents in whole or in part, occurring on a single day.

Section 1.58. “Voting Power” means the number of votes held by those Members who are eligible to vote for the election of directors or with respect to any matter, issue or proposal properly presented to the Members for approval at any time a determination of voting rights and eligibility to vote is made. To be part of the Voting Power, a Member must be in good standing, as defined in the Bylaws.

## **ARTICLE II**

### **Property Subject to Sun City Roseville Declaration; Rights and Obligations of Owners.**

Section 2.01. Purpose of Declaration. This Declaration is declared and agreed to be in furtherance of a general plan for Sun City Roseville and the Declaration and the Covenants it imposes are established for the purpose of enhancing, perfecting and maintaining the value, desirability and attractiveness of Sun City Roseville. All of the Covenants set forth herein shall run with the land comprising Sun City Roseville and shall be binding on and inure to the benefit of all Owners, their successive owners, and successors in interest. The Covenants shall be enforceable by the Association and any Owner.

#### Section 2.02. Property Subject to the Declaration.

(a) Sun City Roseville Property. All of the real property constituting Sun City Roseville is subject to this Declaration, with the exception of any properties which are dedicated to a governmental entity for public purposes (which properties shall not be subject to this Declaration while owned by the public or the governmental entity). Nevertheless, the Covenants

imposed by this Declaration upon the Association, the Owners and residents concerning the use and maintenance of public areas within Sun City Roseville shall at all times apply to the Owners and residents.

(b) Description of Land Uses Within Sun City Roseville. The land within the planned development of Sun City Roseville is described on the Subdivision Maps listed in Exhibit A and includes: (i) 3110 residential Lots; (ii) City Property; (iii) Common Areas. The Association holds fee simple title to the Common Areas of Sun City Roseville, free of all encumbrances and liens, other than those rights-of-way, easements, conditions and reservations that were of record as the date of the conveyance, including those set forth in this Declaration.

#### Section 2.03. Sun City Roseville a Senior Citizen Housing Development.

##### (a) Legal Basis.

(i) Sun City Roseville is a senior citizen housing development that is intended to qualify as “housing for older persons,” exempt from the age restriction prohibition contained in the Fair Housing Amendments Act of 1988 (“the Fair Housing Act”) and as a Senior Citizen Housing Development under Section 51.3 of the California Civil Code (“the Unruh Act”). The requirements contained in this Section 2.03, and in Section 8.01, below, are intended to comply with the exemption requirements under the Fair Housing Act, the Unruh Act, and the regulations issued thereunder.

(ii) If the Fair Housing Act, the Unruh Act, or the regulations thereto are amended, modified, or repealed, the provisions of this Section 2.03 and Section 8.01, below, shall be amended, modified, or repealed as provided in Section 15.01(a), below.

##### (b) Association Responsibilities.

(i) In order to satisfy the requirements of the Fair Housing Act and the Unruh Act, the Association shall: (A) use its best efforts to provide significant facilities and services specifically designed to meet the physical or social needs of persons 55 years of age or older, and (B) publish and adhere to policies and procedures which demonstrate an intent by the Association to provide housing for persons 55 years of age or older.

(ii) A determination as to whether Sun City Roseville has sufficient “accommodations designed to meet the physical and social needs of senior citizens”

in order to qualify for the exemption is a subjective determination. As a result, there is no representation or warranty by the Association that Sun City Roseville will contain either the type or amount of “accommodations designed to meet the physical and social needs of senior citizens” needed to qualify for the exemption, and neither the Association, nor any of its agents, shall be liable to any person if a final determination is made that Sun City Roseville does not have “accommodations designed to meet the physical and social needs of senior citizens” as required by the Unruh Act.

Section 2.04. Rights of Owners to Common Areas and Related Restrictions.

(a) Rights of Owners.

(i) Owners’ Nonexclusive Easements of Enjoyment. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Areas and Common Facilities, including ingress and egress to and from such Owner’s Lot, which shall be appurtenant to and shall pass with the title to every Lot, subject to the restrictions set forth in subsection (b), below.

(ii) Rights Appurtenant to Lot. The interest of each Lot Owner in and to the use and benefit of the Common Areas and the Common Facilities is appurtenant to the Lot owned by the Owner and shall not be sold, conveyed or otherwise transferred by the Owner separately from the ownership interest in the Lot. Any sale, transfer of conveyance of such lot shall transfer the appurtenant Membership in the Association as well as the transferor’s right to use and enjoy the Common Areas and Common Facilities.

(iii) No Judicial Partition. There shall be no judicial partition of the Common Areas or any part thereof, and each Owner, whether by deed, gift, devise, or operation of law for such Owner’s own benefit and for the benefit of all other Owners, specifically waives and abandons all rights, interests and causes of action for a judicial partition of any ownership interest in the Common Areas and does further covenant that no action for judicial partition shall be instituted, prosecuted or reduced to judgment.

(iv) Right to Internal Dispute Resolution. Owners have the right to request mediation of disputes with the Association regarding their rights, duties, and responsibilities as provided in Section 9.06, below.

(v) Member Approval. Owners have the right to vote to approve certain matters, as provided in

sections 3.04(c)(iv)(E), 4.02(c), 4.03(b), 15.02, and 17.01, below, and on matters listed in Section 5.01 of the Bylaws. The respective quorum requirement for Member Approval is stated in each of these Sections.

(b) Restrictions on Owners’ Rights.

(i) Right of Association to Regulate Common Area Uses. The Association has the right to adopt Association Rules as provided in Section 3.04(c), below, regulating the use and enjoyment of the Common Areas and Common Facilities of Sun City Roseville for the benefit and well-being of the Owners in common. Without limitation, Association Rules may:

(A) limit the number of guests of Members who may use the Recreational Facilities, and their hours of use;

(B) impose Special Use Fees; and

(C) require the use of identification cards issued by the Association.

(ii) Right to Suspend Owner’s Use. In the event of the breach of any provision of any Governing Document by any Owner or tenant, the Association has the right to initiate disciplinary action against the violating Owner or tenant of the Owner’s residence in accordance with Article IX, below. Such action may include temporary suspension of the right to use the Recreational Facilities and such other remedies as appear in Section 9.04, below.

(iii) Right to Incur Indebtedness. The Association has the authority, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving or restoring Common Areas and Common Facilities. Member Approval of the borrowing shall be required whenever the funding to amortize the obligation will be an Assessment for which Member Approval is required pursuant to either Section 4.02 or Section 4.03, below.

(iv) Rights of Dedication. Subject to receipt of the approval (if required) of the Institutional Holders described in Article XIV, below, the Association may dedicate, release, alienate, transfer, or assign an interest in the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Board, so long as no dedication is made which impairs the ingress and egress to any Lot, or prevents or materially alters the Members’ use and enjoyment of any Recreational Facility for the purpose(s) for which the Recreational Facility was designed and constructed.

(v) Right to Change Use of Common Area. Subject to the provisions of Civil Code Sections 4230 et seq and of Section 3.04(c)(iv), below, after General Notice to the Members, the Board may make minor changes in the use of any portion of the Common area, provided such new use:

(A) shall be for the benefit of the Owners; and

(B) shall be consistent with the provisions of the Governing Documents governing use of the Common Area. Any other changes shall require Member Approval. The quorum requirements for such Member Approval is a majority of the Voting Power of Members.

(vi) Rights of Easement Holders. The Owners' easements of use and enjoyment shall be subject to all easements affecting the Common Areas which are described in Article X, below or which appear on any Subdivision Map.

(vii) Right of Association to Grant Concessions. The Association has the right to grant concessions for dining facilities, snack bars, professional services and other commercial activities relating to the use and enjoyment of the Common Areas by the Members.

(viii) Right to Close Common Areas and Common Facilities. The Association has the right to close or limit the use of the Common Areas and Common Facilities or portions thereof, (A) while maintaining and repairing the same, and (B) when restricted access is necessary or appropriate in connection with special events.

(c) Delegation of Use.

(i) Any Owner may delegate, in accordance with the Bylaws and Association Rules, such Owner's right to use and enjoy the Common Areas and Recreational Facilities to:

(A) a Qualifying Resident, if the Owner is not the Qualifying Resident;

(B) Qualified Permanent Resident residing in the Owner's Residence; and

(C) the Owner's Qualifying Resident tenants or contract purchasers who reside in the Residence.

A Permitted Health Care Resident may only use the Recreational Facilities while assisting the Qualifying Resident.

(ii) During the period of any lease or rental of a Resident to contract purchasers, neither the Owner nor such Owner's family or other parties claiming use rights through Owner, shall be entitled to use the Common Areas during the period of delegation, unless the Owner-lessor is a Qualifying Resident who is contemporaneously residing in another Residence within Sun City Roseville. As used herein, the word "tenant" shall include lessees.

(iii) Guests of an Owner or tenant may use the Common Areas and Recreational Facilities only in accordance with the Association Rules.

(iv) Nothing herein shall be interpreted as permitting the transfer to tenants of an Owner's voting rights as a Member of the Association.

Section 2.05. Obligations of Owners.

(a) Payment of Assessments. Each Owner shall pay, on or before the due date, each Regular, Special and Special Individual Assessment levied against the Owner and such Owner's Lot.

(b) Compliance with Covenants and Association Rules. Each Owner shall observe, comply with and abide by any and all Governing Documents.

(c) Discharge of Assessment Liens. Each Owner shall promptly discharge any Assessment lien that may hereafter become a charge against such Owner's lot.

(d) Joint Ownership of Lots. In the event of joint ownership of any Lot, the obligations and liabilities of the co-Owners under the Governing Documents shall be joint and several.

(e) Owner's Duty to Notify Association of Tenants and Contract Purchasers. Each Owner shall notify the Association of the names of any contract purchaser or tenant residing in the Owner's Residence. Each Owner, contract purchaser or tenant shall also notify the Association of the names of all persons to whom such Owner, contract purchaser or tenant has delegated any rights to use and enjoy the Common Areas and Common Facilities within Sun City Roseville and the relationship that each such person bears to the Owner, contract purchaser or tenant. The Association shall be entitled to request that Owner-lessors and Owners who are selling their Lot(s) pursuant to a contract of sale provide written confirmation, in a form satisfactory to the Association that the tenant(s) or contract purchasers who intend to reside within Sun City Roseville meet the age and residency restrictions imposed by Section 8.01, below.

(f) Residential Sales.

(i) Contract Purchasers. A contract seller of a Lot shall delegate to any contract purchaser in possession of the property the seller's voting rights as a Member of the Association and the right to use and enjoy the Common Areas and Common Facilities subject to the contract of sale. Notwithstanding the foregoing, the contract seller shall remain liable for any default in the payment of Assessments by the contract purchaser until title to the property sold has been transferred to the contract purchaser.

(ii) Information Required.

(A) As more particularly provided in California Code Section 4525 et seq, as soon as practicable before transfer of title or the execution of a real property sales contract with respect to any Lot, the Owner thereof shall give the prospective purchaser:

(1) a copy of the Governing Documents;  
(2) a copy of the most recent Annual Budget Report distributed by the Association to its Members pursuant to Bylaws Article XII;

(3) a true statement in writing from an authorized representative of the Association as to the amount of any unpaid Assessments, together with information relating to late charges, attorneys' fees, interest, and reasonable costs of collection which, as of the date the statement is issued, are or may become a lien on the Lot being sold ("delinquency statement"), and indicating the amount of the Association's current Regular and Special Assessments, and fees;

(4) a statement disclosing any change in the Association's current Regular and Special Assessments and any fees which have been approved by the Board but have not become due and payable as of the date the information is provided;

(5) a statement disclosing any monetary fines or penalties levied upon the Owner's interest and unpaid on the date of the statement;

(6) a copy or a summary of any Notice previously sent to the Owner that sets forth any alleged violation of the Governing Documents of the Association that remains unresolved at the time the Association receives the Owner's request for information pursuant to this subsection; and

(7) if requested by the purchaser, a copy of the approved minutes of board meetings, excluding executive sessions, conducted over the previous 12 months.

(B) Within ten (10) days of the mailing or delivery of a written request for the information described in subparagraph (A), above, the Association shall provide the Owner with copies of the requested items. The Owner shall have the Option of receiving

the items by electronic transmission or machine readable storage media.

(C) The Association shall be entitled to impose a fee on the Owner for providing the requested items based on the actual cost of procuring, preparing, and reproducing the requested items. Upon receipt of a written request, on the form described in Civil Code section 4528, a written or electronic estimate of the fees that will be assessed for providing the requested documents shall be given to the Owner.

(iii) Compliance Certificate. Within thirty (30) days after written demand is delivered to the Association by an Owner, the Association shall conduct a visual inspection of the exterior of the requesting Owner's Lot and its landscaping and provide the requesting Owner with a certificate certifying, as of the date thereof, with respect to the Owner's Lot that either:

(A) there is no outstanding Notice of Noncompliance, pursuant to Section 5.05, below, or Notice of Violation; or

(B) a description of the reason for and status of any Notice of Noncompliance and Violation.

Any purchaser from the Owner, or from anyone deriving any interest in said Lot through the Owner, shall be entitled to rely on the certificate with respect to the matters therein set forth, such matters being conclusive as between the Association, all Owners, and any persons deriving any interest through them. The Association shall be entitled to impose a fee on the Owner for providing the certificate which is equal to, but not more than the reasonable cost of its preparation and reproduction.

(g) Residential Leases.

(i) Requirements That Shall Be Observed In All Residential Leases. The following specific limitations shall apply to all leases or tenancies of a Residence within Sun City Roseville:

(A) the lease or rental shall be to a single family and the tenants shall comply with the restrictions on occupancy imposed by Section 8.01, below; and

(B) the rental shall apply to not less than an entire Residence including its appurtenant rights (except voting rights in the Association which may not be transferred to a tenant).

Any rental shall be evidenced by a written lease or rental agreement which shall provide that the tenancy is subject to the terms of the Governing Documents and

that any failure of the tenant to comply with the terms of any Governing Document relating to residential leases, property use restrictions or the use and enjoyment of any portion of the Common Areas and Common Facilities shall constitute a default under the lease or rental agreement and shall entitle the Owner to terminate the tenancy upon thirty (30) days' Notice.

(ii) Discipline of Tenants. The Owner-lessor's right to terminate a lease or rental agreement on account of the tenant's Violation of the Governing Documents shall in no way restrict the right of the Association or any Owner to enforce the Governing Documents in accordance with Article IX, below, when the Owner's tenant is violating the Governing Documents. Subject to paragraph (iii), below, in the event that any tenant fails to honor the provisions of any Governing Document, the Association shall be entitled to take such corrective action as it deems necessary or appropriate under the circumstances in order to bring the leased Lot and its occupants into compliance with the Governing Documents and preserve the quiet enjoyment of other Owners and residents within Sun City Roseville, to the same extent as if the tenant was an Owner. Without limiting the foregoing, the Association's actions in response to a tenant's Violation of the Governing Documents may include:

(A) suspension of the tenant's privileges to use the Association's Recreational Facilities; or

(B) the imposition of fines and penalties against the Owner-lessor of the Resident.

(iii) Due Process Requirements for Disciplinary Action. Except for circumstances in which immediate corrective action is necessary to prevent damage or destruction to any portion of Sun City Roseville or to preserve the rights of quiet enjoyment of other residents, the Association shall have no right to initiate disciplinary action against an Owner-lessor or the Owner's tenant on account of the misconduct of the Owner's tenant unless and until the following conditions have been satisfied:

(A) the Owner has received written Notice from the Association detailing the nature of the tenant's alleged infraction or misconduct and advising the Owner of the right to a hearing on the matter in the event the Owner believes that remedial or disciplinary action is unwarranted or unnecessary;

(B) the Owner has been given a reasonable opportunity to communicate with the tenant in an effort to resolve the matter without necessity of further action by the Association, or the Owner has been given a

reasonable opportunity to appear at a hearing, if one is requested by the Owner; and

(C) the Owner has failed to prevent or correct the tenant's objectionable actions or misconduct.

Any hearing held hereunder shall be conducted in accordance with Section 9.05, below.

### **ARTICLE III**

#### **Sun City Roseville Community Association**

Section 3.01. Legal Authority of the Association. The Association is a California nonprofit mutual benefit corporation and an "association" as defined in the Davis-Stirling Common Interest Development Act, Civil Code Section 4000, et seq. The Association is charged with the duties and possesses the powers prescribed by California law and the Governing Documents. Neither the Articles of Incorporation of the Association nor the Bylaws shall be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

#### Section 3.02. Membership.

##### (a) Qualifications.

(i) Each Owner of a Lot is a Member of the Association. For each Lot owned there is one Membership in the Association and said Membership is appurtenant to such Lot.

(ii) Each Owner shall remain a Member of the Association until the Owner no longer owns any Lot in Sun City Roseville, at which time the Owner's Membership in the Association shall automatically cease.

(iii) Persons or entities who hold an interest in a Lot merely as security for performance of an obligation are not Members.

(iv) The Association is not a Member by virtue of ownership of any Lot.

(b) Rights and Duties. All Members are subject to the rights, duties and obligations set forth in the Governing Documents and any amendments thereto.

#### Section 3.03. Member Voting Rights.

(a) One class of Membership. The Association has one class of voting Membership comprised of the Owners of Lots within Sun City Roseville.



(b) One Lot, One Vote. Each Membership in the Association has a single vote on each matter requiring the approval of the Members and a single vote for each vacancy on the Board, regardless of the number of persons who appear as Owners of Record with respect to the Lot to which the Membership is appurtenant. The voting rights of Members are more particularly described in Article V of the Bylaws.

Section 3.04. Powers and Authority of the Association.

(a) Powers, Generally. The Association shall have the power to do any and all lawful things which may be authorized, required or permitted to be done under and by virtue of law and the Governing Documents, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Association for the peace, health, comfort, safety or general welfare of the Owners. In the discharge of such responsibilities and duties, the Association shall have all of the powers of a nonprofit mutual benefit corporation organized under the laws of the State of California. The specific powers of the Association and the limitations thereon are set forth in Article VIII of the Bylaws.

(b) Association Action. With the exception of those matters requiring the approval of Members under the Governing Documents or California law, the affairs of the Association shall be conducted and all corporate powers shall be exercised by or under the direction of the Board and such officers and committees as the Board may elect or appoint.

(c) Association Rules.

(i) Rule-Making Power. The Board may, from time to time and subject to the provisions of this Declaration, and where applicable, Civil Code Section 4340 et seq, propose, enact, amend, and repeal Association Rules of general application to the Owners and residents of Sun City Roseville.

(ii) Subject Matter of Rules. The Association Rules may concern, but need not be limited to matters pertaining to:

(A) use of the Common Areas and Common Facilities;

(B) architectural control and the Design Guidelines adopted pursuant to Section 5.04, below;

(C) regulation of pet ownership, parking, signs, collection and disposal of refuse and other matters subject to regulation and restriction under Article VIII, below;

(D) collection of delinquent Assessments;  
(E) minimum standards of maintenance of landscaping or other Improvements on any Lot;  
(F) the conduct of disciplinary proceedings in accordance with Sections 9.04 and 9.05, below; and  
(G) any other subject or matter within the jurisdiction of the Association as provided in the Governing Documents.

(iii) Adoption and Amendment of Rules.

(A) The provisions of this subsection (iii) apply to Board actions pertaining to all Rules and Policies within the jurisdiction of the Association, except those enumerated in subsection (iv), below. Rules subject to this subsection (iii) include but are not limited to:

- (1) maintenance of the common area;
- (2) address a specific matter that is not intended to apply generally;
- (3) set the amount of a regular or special assessment;
- (4) a Rule change that is required by law, if the board has no discretion as to the substantive effect of the rule change; or
- (5) repeats of existing law or the governing documents.

(B) After Notification to Members, Association Rules may be adopted or amended from time to time by majority vote of the Board. Any duly adopted rule or amendment to the Association Rules shall become effective immediately following the date of adoption thereof by the Board, or at such later date as the Board may deem appropriate.

(C) A copy of the Association Rules, as they may from time to time be adopted, amended or repealed, shall periodically be mailed or otherwise delivered to Members, as specified in the Bylaws. A current copy of the Association Rules shall also be available for inspection by any Owner at the principal office of the Association during normal business hours.

(iv) Rule Changes Subject to Special Requirements of Civil Code Section 4355.

(A) Rule Changes. Adoption, amendment, or repeal of certain Rules (hereinafter referred to as "Rule Changes") shall be subject to the requirements of Civil Code Sections 4355 through 4365 and to this subsection (iv). Rule Changes only pertain to the following subjects:

- (1) general use of the Common Areas and Common Facilities;
- (2) use of lots, including the Design Guidelines adopted pursuant to Section 5.04, below;

(3) Member discipline, including monetary penalties (fines) and the conduct of disciplinary proceedings in accordance with Sections 9.04 and 9.05, below;

(4) standards for delinquent Assessment payment plans;

(5) procedures adopted for resolution of disputes;

(6) any procedures for reviewing and approving or disapproving a proposed physical change to an Owner's Lot or to the use of the Common Area; and

(7) election procedures.

(B) Notice Requirements for Rule Changes. At least 30 days prior to making a Rule Change, the Board shall provide General Notice that includes the text of the proposed rule change and a description of the purpose and effect of the proposed rule change.

(C) Distribution of Rules. Within fifteen (15) days after adoption of the Rule Change, General Notice of the action shall be delivered to every Member. The text of the Rule Change may, but need not necessarily, be included in the Notice of the Board's action.

(D) Emergency Rule Changes. The Board is exempt from any prior Notice requirements for Rule Changes that the Board determines are required to address an imminent threat to public health or safety, or an imminent risk of substantial economic loss. Such Rule Changes shall be effective for up to 120 days and may not be readopted as an emergency rule. Within fifteen (15) days after making an emergency Rule Change, the Board shall provide the Members with the text of the emergency Rule Change, a description of its purpose and effect, and the date that the emergency Rule Change expires.

(E) Members' Rights. Members owning five percent (5%) or more of the Lots within Sun City Roseville may call for a vote, as specified in Bylaws Sections 5.01(ix)(C) and 5.05(d), to reverse a Rule Change, by presenting a duly-executed petition to the Board within thirty (30) days after the Board delivers Notice of the Rule Change. An emergency Rule Change is not subject to Member reversal.

(v) Association Rules May Not Conflict with Other Governing Documents. Notwithstanding the foregoing grant of authority, the Association Rules shall not be in conflict with any provision of the other Governing Documents or the rights, preferences and privileges of the Owners thereunder. In the event of any material conflict between any Association Rule and the provisions of any other Governing Document,

the conflicting provisions contained in the other Governing Document shall prevail.

(vi) Breach of Rules or Restrictions. Any breach of any Governing Documents provision shall give rise to the rights and remedies set forth in Article IX, below.

### Section 3.05. Limitation on Liability of the Association and Its Directors.

#### (a) Claims Regarding Breach of Duty.

(i) No director or officer of the Association (collectively and individually referred to as the "Released Party") shall be personally liable to any of the Members, or to any other person, for any error or omission in the discharge of his or her duties and responsibilities or for his or her failure to provide any service required under the Governing Documents; provided that such Released Party has, upon the basis of such information as he or she possessed, acted in good faith, in a manner that such person believes to be in the best interests of the Community Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

(ii) Without limiting the generality of the foregoing, this standard of care and limitation of liability shall extend to such matters as the establishment of the Association's annual financial budget, the funding of Association capital replacement and reserve accounts, repair and maintenance of Common Areas and Common Facilities and enforcement of the Governing Documents.

#### (b) Other Claims Involving Tortuous Acts and Property Damage.

(i) No person who suffers bodily injury, including, without limitation, emotional distress or wrongful death, as a result of the tortuous act or omission of a volunteer member of the Board or volunteer officer of the Association shall recover damages from such Board member or officer if all of the following conditions are satisfied:

(A) the Board member or officer owns no more than two (2) Lots;

(B) the act or omission was performed within the scope of the volunteer Board member's or officer's Association duties;

(C) the act or omission was performed in good faith;

(D) the act or omission was not willful, wanton, or grossly negligent; and

(E) the Association maintained and had in effect at the time the act or omission occurred and at the time a claim was made general liability insurance with coverage of at least one million dollars (\$1,000,000).

(ii) The reimbursement of reasonable expenses incurred by a Board member or officer in the execution of such person's Association duties shall not affect such person's status as a volunteer Board member or officer for the purposes of this Section. The provisions of this paragraph are intended to reflect the protections accorded to volunteer directors and officers of associations pursuant to Civil Code Section 5800. In the event said Civil Code Section is amended or superseded by another similar provision of the California statutes, this subsection (b) shall be deemed amended to correspond to the amended successor Civil Code Section, without the necessity of further Board or Member Approval.

(c) Absence of Association Responsibility to Resolve Traffic/Noise Issues On Public Thoroughfares. Within and adjacent to Sun City Roseville there are public streets and thoroughfares either existing or contemplated for development. As various development and other improvements in the area are created, it is anticipated that the volume of traffic and noise associated with vehicles on roads in and around Sun City Roseville will increase. It shall not be the responsibility of the Association to provide mitigation for such consequences of growth and development.

## **ARTICLE IV**

### **Assessments and Association Funds**

#### Section 4.01. Assessments Generally.

(a) Covenant to Pay Assessments. Each Owner of a Lot by acceptance of a deed thereof, whether or not it shall be so expressed in such deed, covenants and agrees to pay the Association: Regular Assessments, Special Assessments, Emergency Assessments, and Special Individual Assessments in accordance with this Article IV.

#### (b) Purpose and Reasonableness of Assessments.

(i) Each Assessment made in accordance with the provisions of this Declaration is hereby declared and agreed to be for use exclusively to:

(A) promote the recreation, health, safety and welfare of individuals residing within any portion

of Sun City Roseville;

(B) promote the enjoyment and use of the community of Sun City Roseville by the Owners and their families, tenants, invitees, licensees, guests and employees; and

(C) provide for the repair, maintenance, replacement and protection of the Common Areas, Common Facilities, and any portion of City Property which the Association is obligated to maintain.

(ii) Without limiting the foregoing, it is specifically recognized that many Common Facilities, including the Lodge, the Lodge restaurant and bar, and the Golf Course exist and are operated and maintained for the benefit of the Owners and residents of Sun City Roseville, regardless of whether such amenities generate revenues in excess of their allocable operating and maintenance expenses. Golf Course revenues shall be applied first to Golf Course maintenance and operating expenses.

(c) No Excessive Assessments. The Association shall not impose or collect an Assessment, penalty or fee which exceeds the amount necessary for the purpose or purposes for which it is levied.

#### (d) Extent of Owner's Personal Obligation for Assessments.

(i) All Assessments, together with late charges, interest, and reasonable costs (including reasonable attorneys' fees) for the collection thereof, shall constitute a separate, distinct and personal obligation of the Owner of the Lot as provided herein. Assessment obligations shall bind the Owner of the Lot, the Owner's heirs, successors and assigns.

(ii) Each Owner who acquires title to a Lot, whether by conventional conveyance, at a judicial sale, trustee's sale or otherwise, shall be personally liable only for Assessments attributable to the Lot which become due and payable after the date that the person acquires title. Accordingly, when a person acquires title to a Lot, that person shall not be personally liable for delinquent Assessments relating to the Lot which were incurred prior to the acquisition of title, unless the new Owner expressly assumes personal liability for the delinquent Assessments. However, if the acquired Lot is conveyed subject to a valid lien for delinquent Assessments and related costs of collection, the Association may continue to exercise its foreclosure remedies against the Lot, regardless of the change of ownership, and the Association may pursue its collection remedies against the prior Owner, individually.

(e) Creation of Assessment Lien. All Assessments, together with late charges, interest, and reasonable costs (including reasonable attorneys' fees) for the collection thereof, shall be a charge on the Lot and may be made a continuing lien upon the Lot against which such Assessment is made. Any lien for unpaid Assessments created pursuant to the provisions of this article may be subject to foreclosure. Provisions for creating and foreclosing a lien appear in Civil Code 5650 et seq and Section 4.06, below.

(f) No Avoidance of Assessment Obligations. An Owner may not become exempt from the personal liability for any Assessment or from any Assessment made against the Owner's Lot, by waiving or relinquishing, or offering to waive or relinquish, the Owner's right to use all or any portion of the Common Areas or Common Facilities or by the abandonment or non-use of the Owner's Lot.

(g) Assessment Roll. The records of the Association shall include the Assessment roll (which may be maintained in the form of a computer database). It shall show, for each Lot, the name and address of the Owner of Record, all Regular, Special, Emergency, and Special Individual Assessments levied against each Owner and the Owner's Lot, and the amount of such Assessments which have been paid or remain unpaid. The amount of any delinquent indebtedness appearing on the Association's Assessment roll shall be conclusive upon the Association and Owner of such Lot, in favor of all persons who rely thereon in good faith.

(h) Exemption of Certain Real Property of Sun City Roseville from Assessments. The following real property subject to this Declaration shall be exempt from the Assessments and the lien thereof provided herein:

(i) any portion of Sun City Roseville dedicated and accepted by a local public authority;

(ii) the Common Areas and Common Facilities; and

(iii) any Lot owned by the Association, unless the Residence is occupied by a tenant.

#### Section 4.02. Regular Assessments.

(a) Establishment of Regular Assessment. Each year the Board shall prepare the annual budget for the next succeeding fiscal year. It shall be prepared, adopted and distributed to the Members, as part of the Annual Budget Report described in Civil Code 5300

and Bylaws Sections 11.05 and 12.01(a), no less than Annual Budget Report described in Civil Code 5300 and Bylaws Sections 11.05 and 12.01(a), no less than thirty (30) days nor more than ninety (90) days prior to the beginning of the fiscal year. The budgeted Common Expense, less budgeted revenues from Special Use Fees or other non-Assessment income, shall be charged against all Lots as the Regular Assessment for that fiscal year, subject to any Member Approval required for certain Assessment increases, as specified in subsection (c), below.

(b) Payment Policy. The Regular Assessment allocated to and levied against each Owner and the Owner's Lot shall be an annual assessment, payable in quarterly installments beginning with the first month of the Association's fiscal year. The installments are due the first day of each quarter and are delinquent if not paid within fifteen (15) days of the due date. The Board may change the assessment payment policy to call for payment of the Regular Assessment annually, semi-annually or in equal monthly installments, so long as the amounts and due dates are clearly disclosed in the budget materials distributed to the Members, provided any such change in payment policy may not become effective for at least twelve (12) months from the date of distribution of such budget materials.

#### (c) Member Approval Requirements for Certain Regular Assessment increases.

(i) The Association shall not levy, for any fiscal year, an annual Regular Assessment which is more than twenty percent (20%) greater than the Regular Assessment levied in the immediately preceding fiscal year without prior Member Approval.

(ii) Any increase in the Regular Assessment shall require member approval if the Board fails to distribute the Annual Budget Report to the Members not less than thirty (30) days nor more than ninety (90) days prior to the beginning of the Association's fiscal year, as required by Civil Code Section 5605 and Bylaws Sections 11.05 and 12.01(a).

(iii) The quorum for Member Approval required by this subsection is a majority of the Membership.

(d) Allocation of Regular Assessment. The aggregate amount of the Regular Assessment established in the Association's annual budget shall be allocated among and charged to all the Owners according to the ratio of the number of Lots owned by the assessed Owner to the total number of Lots subject

to assessment so that each lot bears an equal share of the aggregate Regular Assessment.

(e) Failure to Adopt a Budget. If, for any reason, the Board fails to adopt a budget and Regular Assessment for any fiscal year, then the Regular Assessment made for the preceding fiscal year shall be assessed against each Owner and the Owner's Lot for the then current fiscal year and installment payments, if any, shall be payable on the regular payment dates established by the Board for the previous fiscal year.

#### Section 4.03. Special Assessments.

(a) Purposes for Which Special Assessments May be Levied.

(i) Regular Assessment Insufficient in Amount. If, at any time, the Regular Assessment for any fiscal year is insufficient in amount due to extraordinary expenses not contemplated in the budget prepared for the fiscal year and the Board determines that other funds are not available to defray such expenses, then the Board may levy and collect a Special Assessment, applicable to the remainder of the year only, for the purpose of defraying, in whole or in part, any deficit which the Association might otherwise incur in the performance of its duties and the discharge of its obligations.

(ii) Capital Improvements. The Board may also levy Special Assessments for capital improvements within the Common Areas. The Special Assessment power conferred hereunder is not intended to diminish the Board's obligation to plan and budget for normal maintenance, replacement, and repair of the Common Areas or existing Common Facilities through Regular Assessments, including the funding of Reserves, or the Board's obligation to maintain adequate insurance on the Common Areas and any Common Facilities in accordance with Article XI, below.

(iii) Insufficient Insurance to Restore Common Areas after Damage or Destruction. In the event any portion of the Common Areas is damaged or destroyed and insurance proceeds and other funds are insufficient to restore the area, the Board shall levy a Special Assessment, as provided in Section 12.03, below.

(b) Special Assessments Requiring Member Approval.

(i) Prior Member Approval is required for any Special Assessment which, in the aggregate, exceeds

five percent (5%) of the Association's Budgeted Gross Expenses for the fiscal year in which the Special Assessment(s) are levied.

(ii) The quorum for Member Approval required by this subsection (b) is a majority of the total Membership.

(iii) The foregoing Member Approval requirement shall not apply, however, to any Assessment imposed to address any emergency situation as described in Section 4.05, below.

(c) Allocation of Special Assessments. When levied by the Board or approved by the Members as provided above, the Special Assessment shall be divided among, assessed against and charged to each Owner who is subject to the Special Assessment and the Owner's Lot in the same manner prescribed for the allocation of Regular Assessments pursuant to Section 4.02(d), above. The Special Assessment shall be recorded on the Association's Assessment roll and Individual Notice thereof shall be given to each Owner.

(d) Payment. Special Assessments shall be due as a separate debt of the Owner and shall constitute an obligation subject to a lien against the Owner's Lot, and shall be payable to the Association on the due date(s) prescribed in the Special Assessment Notice, which shall be no sooner than thirty (30) days after the Notice is given.

#### Section 4.04. Special Individual Assessments.

(a) Circumstances Giving Rise to Special Individual Assessments. The Board may impose Special Individual Assessments against an Owner and the Owner's Lot in any of the circumstances described below; provided, however, that no Special Individual Assessments may be imposed against an owner until the Owner has been afforded the Notice and hearing rights to which the Owner is entitled pursuant to Section 9.05, below.

(i) Damage to Common Areas or Common Facilities. If any damage to, or destruction of, any portion of the Common Areas, Common Facilities or any portion of City Property which the Association is obligated to maintain, is caused by the willful misconduct or negligent act or omission of any Owner, any member of the Owner's family, or any of the Owner's tenants, guests, servants, employees, licensees or invitees, the Board shall cause the same to be repaired or replaced, and all costs and expenses incurred in connection therewith (to the extent not compensated by the Owner's insurance proceeds) shall

be assessed and charged solely to and against such Owner and the Owner's Lot as a Special Individual Assessment.

(ii) Expenses Incurred in Gaining Member Compliance. If the Association incurs any costs or expenses to:

(A) accomplish the payment of delinquent Assessments;

(B) perform any repair, maintenance, or replacement to any portion of a Lot which the owner is responsible to maintain under the Governing Documents of which the Owner has failed to maintain or complete in a timely fashion; or

(C) otherwise bring the owner and the Owner's Lot into compliance with any provision of the Governing Documents, the amount incurred by the Association (including reasonable fines and penalties duly imposed hereunder, title company fees, accounting fees, court costs and reasonable attorneys' fees) shall be assessed and charged as a Special Individual Assessment solely to and against such Owner and the Owner's Lot.

(iii) Boundary Wall Maintenance. As provided in Sections 7.01(b) and 7.02(c), below, the Association shall perform, or cause to be performed, maintenance, repair, and replacement work on Boundary Walls on Lots. The cost of such work performed by the Association shall be assessed against such Owners and Owners' Lots as Special Individual Assessments. If the work is performed for several walls or fences at one time, the cost shall be prorated among the Lots according to the height and linear footage of the wall or fence on each Lot.

(b) Levy of Special Individual Assessment and Payment. If a Special Individual Assessment has been levied against an Owner and the Owner's Lot for any reason described, and subject to the conditions imposed in subsection (a) of this section, such Special Individual Assessment shall be recorded on the Association's Assessment roll and Notice thereof shall be mailed to the affected Owner. Any Special Individual Assessment imposed shall thereafter be due as a separate debt of the Owner payable to the Association on the due date(s) prescribed in the Notice of the Assessment. Delinquent Special Individual Assessments may be collected using all remedies available for collection of assessments, except delinquent fines may not be forced by non-judicial foreclosure.

Section 4.05. Assessments to Address Emergency Situations.

(a) Emergency Situations. For purposes of this section, as provided in Civil Code Section 5610, an emergency situation is any of the following:

(i) an extraordinary expense required by an order of a court;

(ii) an extraordinary expense necessary to repair or maintain the Common Areas, Common Facilities, or any portion of City Property which the Association is obligated to maintain where a threat to personal safety is discovered; and

(iii) an extraordinary expense necessary to repair or maintain the Common Areas, Common Facilities, or any portion of City Property which the Association is obligated to maintain that could not have been reasonably foreseen by the Board in preparing and distributing the budget pursuant to Section 4.02(a), above.

(b) Required Procedures for Emergency Assessments.

(i) Any assessment imposed to cover the extraordinary expenses in subsection (a), above, shall be called an "Emergency Assessment."

(ii) An Emergency Assessment shall be evenly prorated among all Lots as a separate debt of each Owner and shall constitute an obligation subject to lien against the Owner's Lot. It shall be entered upon the assessment roll and Individual Notice thereof shall be mailed to all Owners. It shall be payable to the Association on the due date prescribed in the Notice.

(iii) Prior to the imposition or collection of an Emergency Assessment described in paragraph (a)(iii), above, the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process. A copy of the Board resolution containing the findings shall be included with the Emergency Assessment Notice.

(c) Member Approval Not Required. As provided in Civil Code Section 5600, any Member Approval which would otherwise be required is not applicable to any Emergency Assessment to cover the emergency situations described in Section 4.05(a), above.

Section 4.06. Collection of Assessments; Enforcement. The provisions of this section are intended to comply with the requirements of Civil

Code Sections 5600 et seq and 5975, as such statutes may be amended from time to time.

(a) Effective Date of Delinquency Notice. If any Regular, Special, Emergency, or Special Individual Assessment, or installment payment thereof, is not paid by an Owner within fifteen (15) days after the same becomes due, such payment shall be delinquent. The Association shall then provide Individual Notice to the Owner of the amounts then due and the remedies described in subsections (b), below.

(b) Effect of Nonpayment of Assessments.

(i) Interest and Penalties. At the Board's discretion, interest at the maximum rate allowed by law may be applied and assessed on the amount of delinquent sums (which include but are not limited to, Assessments, late charges, costs and attorneys' fees), commencing thirty (30) days after the due date until all delinquent sums are paid in full. In addition to the accrual of interest, the Board may establish a schedule of reasonable late charges for any delinquent assessments, subject to the limitations imposed by Civil Code Section 5650.

(ii) Suspension of Member Rights. For any Owner delinquent in paying Assessments, the Owner shall not have the right to vote, seek election or serve as director, until the delinquent sums are paid in full. In addition, the Association may temporarily suspend the Owner's right to use the Recreational Facilities, as provided in Sections 9.04(b)(ii) and 9.05, below.

(iii) Legal Remedies Available. As more fully provided in Civil Code Section 5975, the Association may:

(A) bring civil action in Small Claims Court against the Owner personally obligated to pay the delinquent Assessment and to recover a money judgment for unpaid Assessments, late charges, interest, reasonable costs of collection and reasonable attorneys' fees;

(B) record a lien against the Owner's Lot, as provided in subsection (e), below; and

(C) after the assessment of debt reaches eighteen hundred dollars (\$1800), or after one year whichever occurs first, initiate judicial or non-judicial foreclosure, subject to the limitations of paragraphs (iv), below, and subsection (f), below. Except, delinquent fines imposed as a Special Individual Assessment for failure of a Member to comply with the Governing Documents shall not be forced by non-judicial foreclosure. Commencement of civil action

shall not constitute a waiver of any lien rights as described in subsection (e), below.

(iv) Required Collection Procedures and Notices. Prior to assessing interest on unpaid assessments, charging the reasonable costs of collection and attorney's fees, or taking any actions described in paragraphs (ii) and (iii), above, the Association shall give the specific Notices to the Owner that are required by Civil Code Section 5660. If requested by the Owner in writing, all Notices shall be sent also to a secondary address. The Association shall adopt procedural Rules for meeting the Notice and other requirements of the law.

(c) Owner Rights.

(i) Payment Plan. Delinquent Owners may submit a written request to meet with the Board to discuss a payment plan consistent with board-adopted payment plan standards, as more fully provided in Civil Code Section 5665.

(ii) Internal Dispute Resolution. The Board shall offer, and if requested in writing by the Owner, the Board shall participate in Internal Dispute Resolution, as provided in Civil Code Section 5670.

(iii) Small Claims Court. In addition, delinquent Owners who dispute the sums levied may pay under protest the disputed amounts and have the right to commence an action in Small Claims Court, as more fully provided in Civil Code Section 5658. Such action shall not impede the Association's ability to use the enforcement remedies outlined in subsection (b), above.

(iv) Alternative Dispute Resolution. Prior to initiating foreclosure, the Board shall offer, and if requested in writing by a delinquent Owner, the Board shall participate in Alternative Dispute Resolution, as more fully provided in Civil Code Section 5705 et seq, except binding arbitration shall not be available if the Association intends to initiate judicial foreclosure.

(v) Record Inspection. The Owner has the right to inspect Association records, pursuant to Bylaw Section 15.01.

(vi) Application of Payments. Any payments made by the Owner shall first be applied to the Assessments owed, and, after the Assessments are paid in full, shall be applied to the charges, interest, costs of collection and attorney's fees. Upon request by the Owner, the Association shall provide a receipt that indicates the date of payment and the person who

received it. The Association shall provide Members with a mailing address for overnight payment of Assessments.

(d) Authority. Collection of delinquent assessments and related provisions shall be as provided in Civil Code Section 5700 et seq, and shall not be subject to the enforcement provisions in Section 9.05 et seq, below.

(e) Creation of a Lien.

(i) As more particularly provided in Civil Code Section 5675, the amount of any delinquent Assessment, together with any late charges, interest, collection costs, and reasonable attorneys' fees attributable thereto or incurred in the collection thereof, shall become a lien upon the Lot of the Owner so assessed from and after the Association records a Notice of Delinquent Assessment.

(ii) Prior to recording the Notice of Delinquent Assessment, the Board shall so decide at a regular or special meeting and, if requested in writing, "meet and confer" with the Owner.

(iii) Within ten (10) calendar days of Recordation, the Association shall send to all Owners of the assessed Lot, by registered or certified mail, a copy of the Notice of Delinquent Assessments showing the Recordation date.

(f) Foreclosure of Lien.

(i) As more fully provided in Civil Code Section 5700, no action may be brought to foreclose the lien created by Recordation of the Notice of Delinquent Assessment, whether judicially, by power or sale, or otherwise, until the:

(A) expiration of thirty (30) days after the date of Recordation;

(B) Board has so decided in executive session;

(C) Board has offered the Owner an opportunity to meet and confer (IDR, Civil Code Section 5900 et seq) or pursue alternative dispute resolution (ADR Civil Code 5925 et seq); and

(D) the amount of the Assessment secured by the lien is equal to or exceeds eighteen hundred dollars (\$1800) or the assessments are more than twelve (12) months delinquent.

(ii) Foreclosure by the Association of its lien may be by judicial foreclosure or, except for delinquent fines, by non-judicial foreclosure by the trustee

designated in the Notice of Delinquent Assessment or by a trustee substituted pursuant to Civil Code Section 2934a. Any sale of a Lot by a trustee acting pursuant to this Section shall be conducted in accordance with Civil Code Sections 2924 and 5710 applicable to the exercise of powers of sale in mortgages or deeds of trust.

(g) Priorities. When a Notice of Delinquent Assessment has been Recorded, such notice shall constitute a lien on the Lot prior and superior to all other liens except:

(i) all taxes, bonds, assessments and other levies which, by law, would be superior thereto; and

(ii) the lien or charge of any first Mortgage of record (meaning any Recorded Mortgage with first priority over other Mortgages) made in good faith and for value; provided, however, that such subordination shall apply only to the Assessments which have become due and payable prior to the transfer of such property pursuant to the exercise of a power of sale or a judicial foreclosure involving a default under such first Mortgage or other prior encumbrance.

Section 4.07. Maintenance of Association Funds.

(a) Bank Accounts and Investment of Association Funds. All sums received or collected by the Association shall be promptly deposited in one or more insured checking, savings or money market accounts in a bank or other financial institution selected by the Board. In addition, the Board shall be entitled to make prudent investment of funds in insured certificates of deposit, money market funds or similar investments consistent with the investment standards normally observed by trustees and any investment policy promulgated by the Board. The Board, and such officers or agents of the Association as the Board may designate, shall have exclusive control of said account(s) and investments and shall be responsible to the Owners for the maintenance at all times of accurate records thereof. The withdrawal of funds from Association accounts shall be subject to the minimum signature requirements imposed by Civil Code Section 5510 and Article XI of the Bylaws.

(b) Separate Accounts; Commingling of Funds. Operating and Reserve funds shall be maintained in separate bank accounts, however the initial deposit of Assessments need not be into separate accounts as long as a separate accounting of such funds is maintained and regular transfers of the Reserve funds are made promptly into the Reserve bank account(s). For purposes of accounting, but without requiring any physical segregation of assets, the Association shall keep a



separate accounting of each budget category of funds received and of all disbursements made therefrom.

(c) Expenditure of Association Operating Funds. Except as provided below, all funds shall be used only as provided in the approved annual budget and such funds shall be received and held by the Association for such purpose. Notwithstanding the foregoing, the Board, in its discretion, may make appropriate adjustments among the various line items in the approved annual budget if the Board determines that it is prudent and in the best interest of the Association and its Members to make such adjustments.

(d) Use of Surplus Funds. The Association shall not be obligated to spend in any year all the sums received by it in such year or to reduce the amount of the Regular Assessment in the succeeding year if a surplus exists from a prior year. The Association may carry forward from year-to-year any such surplus as the Board, in its discretion, may determine to be desirable for the greater financial security of the Association and the accomplishment of its purposes.

#### Section 4.08. Reserve Fund.

(a) Amounts Required. The amounts required to properly fund the Reserve Fund for repair, replacement, restoration, or maintenance of major components of the Common Area and Common Facilities shall be determined annually by the Board in accordance with Civil Code Sections 5550 et seq and prudent property management practices generally applied in "common interest developments" in the Placer County geographic region.

(b) Capital Contribution. Unless the Association is exempt from federal or state taxes, all sums allocated to Reserve Fund shall be accounted for as contributions to the capital of the Association and as funds segregated from the regular income of the Association, or in any other manner, authorized by law or regulations of the Internal Revenue Service and the California Franchise Tax Board, that will prevent such funds from being taxed as income of the Association.

(c) Use of Reserve Fund. The Board shall not expend funds designated as the Reserve Fund for repair, replacement, restoration, or maintenance of major Common Area components for any purpose other than the purpose for which the reserve fund was established, except for litigation involving the major components and as provided in subsection (d), below.

(d) Temporary Use of Reserve Fund.

(i) As provided in Civil Code Section 5515, the Board may authorize the temporary transfer of money from the Reserve Fund (for repair, replacement, restoration, or maintenance) to the Association's general operating fund to meet short-term cash-flow requirements or other expenses, provided the Board has given prior Notification of the meeting at which it will consider the transfer, including the reasons the transfer is needed and options for repayment, including whether a Special Assessment may be considered. If the transfer is authorized, the Board shall issue a written finding, recorded in the Board's minutes, explaining the reasons that the transfer is needed, and describing when and how the money will be repaid to the Reserve Fund.

(ii) The transferred funds shall be restored to the Reserve Fund within one year of the date of the initial transfer, except that, after giving the same Notification required for considering the transfer, the Board may temporarily delay the restoration upon making a finding supported by documentation that a temporary delay would be in the best interests of the Association.

(iii) The Board shall exercise prudent fiscal management in maintaining the integrity of the reserve account, and shall, if necessary, levy a Special Assessment to recover the full amount of the expended funds within the time limits required by this paragraph. Any such Special Assessment shall be subject to the limitations of Civil Code Section 5605 and the provisions of Section 4.03, above. The Board may, at its discretion, extend the date the payment of the Special Assessment is due. Any extension shall not prevent the Board from pursuing any legal remedy to enforce the collection of an unpaid Special Assessment.

(iv) When the decision is made to use the Reserve Fund or to temporarily transfer money from the Reserve Fund to pay for litigation, the Association shall notify the Members of that decision in the next available mailing to all Members pursuant to Corporation Code Section 5016, and of the availability of an accounting of those expenses. The Association shall make an accounting of expenses related to the litigation on at least a quarterly basis. The accounting shall be made available for inspection by Members of the Association's principal office.

### **ARTICLE V**

#### **Approval of Improvement Projects**

Section 5.01. Requirement for Review and Approval. All plans for any proposed Improvement on any Lot shall be submitted to and reviewed by the Architectural Review Committee. The Architectural Review Committee shall determine whether such

Improvements are consistent with the provisions of this Declaration, including the Design Standards in Article VI, below, the Association Rules, and the Design Guidelines, and are otherwise beneficial to the enhancement of Sun City Roseville. Owners shall obtain approval from the Architectural Review Committee prior to submitting an Improvement project to the City of Roseville for a building permit or other approvals (see Section 8.11(c), below). The term "Improvements" is defined in Section 1.26, above.

Section 5.02. The Architectural Review Committee.

(a) Scope of Authority. The Architectural Review Committee's scope of authority shall include:

- (i) approval or disapproval of requests for Improvements;
- (ii) proposing amendments to the Design Guidelines for consideration and adoption by the Board; and
- (iii) inspecting properties as to proper completion of the work of Improvement, including, if necessary, issuing Individual Notices of noncompliance in accordance with Section 5.05, below.

(b) Composition of the Architectural Review Committee. The Architectural Review Committee shall be appointed by the Board. The qualifications, number and term of members shall be as provided in the Bylaws or by Board resolution. The Architectural Review Committee may delegate its plan review responsibilities to subcommittees of two or more members of the Committee.

(c) No Compensation for Services; Reimbursement of Expenses. Members of the Architectural Review Committee shall not be entitled to any compensation for services performed pursuant to their duties as Committee members. The Committee members shall be entitled to reimbursement for reasonable expenses incurred by them in the performance of any Architectural Review Committee function, as determined and approved by the Board.

(d) Professional Assistance. Nothing herein shall limit the right of the Association to retain the services of a person or persons as employees or independent contractors with responsibility for assisting the Committee in such matters as:

- (i) the day-to-day administration of the process of architectural review and approval;

- (ii) the intake and review of plans and specifications;

- (iii) communications with plan applicants;

- (iv) making recommendations with respect to the approval, denial or modification of submitted plans and specifications;

- (v) if delegated by the Architectural Review Committee, the processing and approval of certain Improvement projects as specified in the Design Guidelines;

- (vi) communications with Owners and contractors during the course of construction; and

- (vii) inspection of properties as to compliance with an approved plan of Improvement.

Section 5.03. Basis for Approval of Improvements.

(a) Criteria. When a proposed improvement is submitted to the Architectural Review Committee for review, the Committee shall grant the requested approval only if the Committee, in its sole discretion, makes all of the following findings regarding the proposed project:

- (i) the Owner's plans and specifications conform to this Declaration and to the Design Guidelines in effect at the time such plans are submitted to the Committee;

- (ii) the Improvement will be in harmony with the external appearance of other structures and landscaping within Sun City Roseville;

- (iii) the Improvement, as a result of its appearance, location or anticipated use, will not interfere with the reasonable enjoyment by any other Owners of their Lot or the Common Areas; and

- (iv) the proposed Improvement, if approved, will otherwise be consistent with the architectural and aesthetic standards prevailing within Sun City Roseville and with the overall plan and scheme of development within Sun City Roseville.

(b) Good Faith. While it is recognized that the decisions of the Architectural Review Committee will be subjective to some degree, the members of the Committee shall act reasonably and in good faith. In reaching a decision, the Committee members shall consider such factors as the:

- (i) quality of workmanship and materials proposed for the Improvement project;

(ii) harmony of its exterior design, finished materials and color with that of other existing structures; and

(iii) proposed location of the Improvement in relation to the existing topography, finished grade elevations, drainage, and visibility from streets, Common Areas and existing structures.

(c) Effect of Approvals. The approval by the Architectural Review Committee of any plans, drawings or specifications for any work of Improvement done or proposed, or for any other matter requiring the approval of the Architectural Review Committee under this declaration, or any waiver thereof, shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification, or matter subsequently submitted for approval by the same or some other Owner. Additionally, approval in one instance does not bind the Architectural Review Committee to grant approval to other similar projects.

(d) Conditional Approval. In acting on a request for construction of an Improvement, the Architectural Review Committee may condition approval upon the adoption of modifications in the plans and specifications or observance of restrictions as to location, noise abatement or similar mitigating conditions.

(e) Notice of Action. Within thirty (30) days after submission of plans and specifications, the Architectural Review Committee shall act on the application and provide the Owner with a written notice of the action. If the action is disapproval or conditional approval, the notice shall include the reason for that decision and a description of the procedure for reconsideration.

(f) Reconsideration. An Owner may request reconsideration of an Architectural Review Committee decision by submitting additional information in a written request within fifteen (15) days of the decision. Within thirty (30) days of receipt of the request, the full Architectural Review Committee shall reconsider the matter at a regularly scheduled meeting. The Committee shall provide prior Notice to the applicant of the meeting date and the applicant must be present at the meeting. Written Notice of its decision shall be provided to the applicant within fifteen (15) days of that meeting. Such decision of the Committee shall be final and not be subject to further reconsideration.

(g) Appeal. After any Architectural Review Committee's reconsideration, the affected owner may appeal the decision to the Board by submitting a written request within ten (10) calendar days of the date of the Committee's Notice. The Board shall consider the appeal at a regular or special Board meeting, held within

forty-five (45) days of receipt of the request. Decisions of the Board shall be final. Within ten (10) calendar days following its action, the Board shall provide Notice of its action to the owner.

#### Section 5.04. Design Guidelines.

(a) Purpose. In addition to the minimum construction standards and architectural review and approval procedures contained herein, Design Guidelines have been adopted which interpret and implement the provisions of this Article V and Article VI (Design Standards). The Board may, from time to time, adopt, amend and repeal any Design Guidelines, as provided in Section 3.04, above.

(b) Contents. The Design Guidelines may include without limitation the following:

(i) Review Procedures. Procedures for Architectural Review Committee review and approval of Owner applications for proposed Improvement projects, including, without limitation, minimum requirements for plans, specifications and other requirements for submitting a complete application for project approval.

(ii) Guidelines for Particular Projects and Approved Colors. Guidelines for Improvements, including without limitation, architectural design, size, placement on Lots, color, exterior finishes and materials, and pre-approved plans and specifications for commonly recurring minor projects.

(iii) Construction Site Maintenance. Minimum requirements for the maintenance, supervision and restoration of construction sites by Owners and their contractors, including specific regulations regarding the activities (including, without limitation, hours of permitted construction activity) of contractors and subcontractors who shall be deemed to be the Owner's agents for purposes of rules enforcement and compliance matters.

#### (iv) Landscape Requirements.

(A) minimum requirements for the landscaping of a Lot;

(B) acceptable types of ground cover and hardscape;

(C) acceptable varieties of plant materials;

(D) acceptable watering systems;

(E) regulations as to size and placement of certain landscape materials; and

(F) restrictions relating to non-structural items on a Lot which are Visible from Neighboring Property, including, without limitation, yard decorations

and antennae or satellite dishes, as provided in Section 6.06(b), below.

(v) Identification of Projects Eligible for Staff Review. Categories of Improvement projects or components of the plan review and approval process which can be administered by Association staff without the need for direct involvement by the Committee, including the delegation and scope thereof.

(vi) Fees. Any requirements for the payment of inspection or plan processing fees and deposits to the Committee to assure the Owner's and contractor's proper and timely performance in accordance with the approved plans and specifications and the application, use or refund of such fees and deposits.

(vii) Time for Completion of Projects. Uniform and reasonable time limitations for completion of approved Improvement projects or other duly noted compliance matters, including procedures for requesting an extension of the usual completion time in order to avoid hardship or to accommodate other factors beyond the Owner's reasonable control which have interrupted the progress of the Improvement project.

(c) Conflict with Declaration. The Design Guidelines shall implement the provisions of this Declaration in a reasonable, uniform and nondiscriminatory manner and no Design Guideline shall be in conflict with the minimum standards required by the Declaration.

#### Section 5.05. Noncompliance with Architectural Review Requirements.

##### (a) Effect of Noncompliance.

(i) Stop Work Orders. If it comes to the knowledge and attention of the Association that a work of Improvement, or any modification thereof, is proceeding without proper approval, the Board shall be entitled to issue a "Notice of Noncompliance" which orders an immediate cessation and abatement of all aspects of the work of Improvement until such time as proper Architectural Review Committee review and approval is obtained. If such a Notice of Noncompliance is issued, the Owner and the Owner's contractor shall cease all construction activity until such time as the issue giving rise to the order is resolved. The Notice of Noncompliance shall clearly state the reasons why the abatement has been ordered.

(ii) After Completion of Improvement. If any work of Improvement has not been completed according to an approved plan within a reasonable period of time,

the Committee may provide written Notice of Noncompliance to the Owner. The Notice of Noncompliance shall specify the corrections needed and a deadline for completion.

(b) Effect of Failure to Remedy Noncompliance. If the owner fails to remedy any noticed noncompliance by the noticed deadline or within thirty (30) days from the date of such notice, whichever is later, the Architectural Review Committee shall refer the matter to the Compliance Committee for further action, in accordance with Article IX, below.

(c) No Waiver. No work for which approval is required shall be deemed to be approved simply because it has been completed without a complaint, Notice of Noncompliance, Notice of Violation, or commencement of a suit to enjoin the work.

(d) Attorneys' Fees and Costs. If any legal proceeding is initiated to enforce any of the provisions hereof, the prevailing party shall be entitled to recover reasonable attorneys' fees in addition to the costs of such proceeding.

Section 5.06. Variances. The Architectural Review Committee, in its sole discretion, may permit reasonable variances to the Design Standards, specified in Article VI, below, or to the Design Guidelines to overcome practical difficulties, avoid unnecessary expense, or prevent unnecessary hardships. The Committee shall provide neighboring Owners with prior notice of any consideration of a variance, unless the neighboring Owners were given prior notification of the Owner's request for Improvement. Any grant of a variance shall be supported by a written decision of the Committee containing findings as to why the variance is justified under the circumstances presented. The Committee's decision may also contain conditions which the applicant must honor if the variance is to remain in effect. The Design Guidelines may contain additional procedures and criteria relating to requests for variances.

Section 5.07. Non-liability of Association and the Committee for Approval of Plans. Architectural Review Committee approval of plans shall not constitute a representation, warranty or guarantee, whether expressed or implied, that such plans and specifications comply with good engineering design or with zoning or building ordinances, or other governmental regulations or restrictions. By approving such plans and specifications, neither the Architectural Review Committee, the members thereof, the Association, any Member thereof, nor the members of the Board assume any liability or responsibility therefor, or for any defect in the structure constructed from such plans or specifications. Neither

the Architectural Review Committee, any member thereof, the Association nor the Board shall be liable to any Member, Owner, occupant, or other person or entity for any damage, loss, or prejudice suffered or claimed on account of: (1) the approval or disapproval of any plans, drawings and specifications, whether or not defective; or (2) the construction or performance of any work, whether or not pursuant to the approved plans, drawings, and specifications.

Section 5.08. Compliance with Governmental Regulations. Review and approval by the Architectural Review Committee of any proposals, plans or other submittals pertaining to Improvements shall in no way be deemed to constitute satisfaction of, or compliance with, any building permit process or any other governmental requirements, the responsibility for which shall lie solely with the Lot Owner who desires to construct, install, or modify the Improvement.

## **ARTICLE VI Design Standards**

Section 6.01. Utility Installations. No lines, wires or cables for the communication or transmission of electrical current or power, including telephone, television, data transmissions, and radio signals, shall be erected, placed or maintained anywhere in or upon any Lot unless the same are contained in underground conduits, including cable drawn through a conduit or pre-manufactured cable in duct, or cable concealed in, under or on buildings, cabinets or other structures initially approved by Declarant, or subsequently approved by the Architectural Review Committee.

Section 6.02. Swimming Pools. In the event an Owner of a Lot constructs a swimming pool, spa, pond, or other man-made body of water on the Lot, such Owner shall comply with any local ordinances governing the construction of fences or other pool enclosures, the Design Guidelines, and shall obtain Architectural Review Committee Approval.

Section 6.03. Patio Enclosures and Other Projects Involving Structures in Rear Yards. No non-enclosed structures such as gazebos, patio improvements or screening material shall be placed, assembled, constructed or otherwise maintained on any Lot except as may be approved by the Architectural Review Committee.

Section 6.04. Walls and Fences. Architectural Review Committee approval is required for any Owner to construct or modify a wall or fence on any Lot. Approved wall and fence materials and specifications shall be described in the Design Guidelines and be

consistent with the requirements of the City of Roseville. No chain link or similar material shall be used on any Lot. With the exception of walls or fences constructed or installed by the Declarant, no solid walls or fences greater than two (2) feet in height from the finished floor elevation shall be erected on any Lot. If such a two-foot wall is constructed, up to an additional four feet of standard wrought iron bar fencing material may be installed on top of the two-foot wall. Except for walls, fences or hedges no greater than thirty (30) inches in height, no walls, fences or hedges may be installed closer than fifteen (15) feet from the front property line.

Section 6.05. Outside Storage Structures. Storage structures are permitted on Lots if they are not Visible from Neighboring Property and comply with the Design Guidelines which may restrict height, size, design, materials and location, and have been approved by the Architectural Review Committee.

### Section 6.06. Antennas and Satellite Dishes.

(a) Common Areas. The Association shall have the right, without the obligation, to erect, place or install and maintain any apparatus for the transmission or reception of television, radio, satellite, or other signals for the benefit of all or a portion of Sun City Roseville.

#### (b) Permitted Devices on Lots.

(i) "Permitted Devices" means antennas or satellite dishes with a diameter or diagonal measurement not greater than thirty-six inches (36") which are designed to receive direct broadcast satellite services, video programming services via multi-point distribution services, or television broadcast signals.

(ii) Unless the installation requirements in this paragraph, when applied to a given Lot:

(A) unreasonably delays or prevents installation, maintenance, or use;

(B) unreasonably increases the cost of installation, maintenance, or use; or

(C) precludes reception of an acceptable quality of signal.

A Permitted Device shall be erected, placed or installed in the least conspicuous location on the Lot and, if Visible from Neighboring Property, be screened from view from streets or other property. The Design Guidelines may impose additional requirements on any such installation.

(c) Prohibited Devices. Other than Permitted Devices, no outside television antenna, aerials or similar

devices for transmission or reception of television, radio, satellite or other signals which are Visible from Neighboring Property may be installed or maintained on a Lot.

Section 6.07. Solar Heating Systems. Subject to limitations imposed by California law, the installation of solar heating systems is subject to reasonable regulations in the Design Guidelines and shall require the prior approval of the Architectural Review Committee. The Guidelines may require such placement and design of the systems to prevent them from being Visible from Neighboring Property to avoid an unsightly appearance from neighboring Lots or Common Areas.

Section 6.08. Landscaping.

(a) Restrictions. The Design Guidelines landscape restrictions are intended to:

(i) enhance the appearance of a Lot and avoid interference with the quiet enjoyment by neighbors of their property;

(ii) encourage minimal use of landscape irrigation in order to control drainage, limit runoff, retard shifting or erosion of soils, and avoid risk to native oaks;

(iii) reduce the risk of fire; and

(iv) avoid excessive shade, limb overhang, and intrusive roots on neighboring Lots or Common Areas.

(b) Requirements. Only ground cover, hardscape and plant materials defined in the Design Guidelines, and which may be further restricted as to placement and size by the Design Guidelines, are permitted. Any changes to an approved basic landscape plan which may affect drainage or are Visible from Neighboring Property shall require the prior approval of the Architectural Review Committee. Minor changes in plant materials and the location thereof which are consistent with an existing landscape plan, the Covenants, and the Design Guidelines do not require such approval.

Section 6.09. Drainage Courses.

(a) No Alteration of Drainage Courses. There shall be no interference with the rain gutters, down spouts, drainage systems, or any other interference with the established drainage pattern over any Lot, Common Areas, or City Property, nor shall any Owner or resident materially add to the natural water volume of a drainage course, unless an adequate alternative provision is made for proper drainage of affected areas. For purposes of this Section, "established" drainage is defined as the

drainage pattern and drainage Improvements which exist at the time the Lot was conveyed to an Owner by the Declarant, or as subsequently approved by the Architectural Review Committee.

(b) Improvement Plans. Any submittal for Improvements which may affect drainage shall include a drainage plan. Drainage plans shall conform to all applicable State laws or local ordinances pertaining to drainage. There shall be no violation of the drainage requirements of the City of Roseville or the County of Placer, notwithstanding any approval of the Architectural Review Committee. In no event shall the Drainage on any Lot be altered so as to direct or divert water onto adjoining property.

(c) Owner Responsibility. If any Owner or Owner's agent alters an established drainage course to the detriment of neighboring Owners, neither the Association nor the Architectural Review Committee shall have any liability therefor. Instead, the responsibility to initiate appropriate corrective or remedial action and to properly engineer any alterations in established drainage courses will rest solely with the Owner who has altered the drainage course. Such Owner shall be strictly liable for all costs and expenses of repairing such changes, and any costs, liability, damages or causes of action arising out of such changes.

## **ARTICLE VII**

### **Association and Owner Maintenance Responsibilities**

Section 7.01. Association Maintenance Responsibilities.

(a) Common Areas Maintenance Obligations.

(i) The Association shall be solely responsible for all maintenance, repair, upkeep and replacement of all portions of the Common Areas and the Common Facilities, as defined in Sections 1.11 and 1.13, above.

(ii) No person other than the Association or its duly authorized agents shall construct, reconstruct, refinish, alter or maintain any improvement upon, or shall create any excavation or fill or change the natural or existing drainage of any portion of the Common Areas. In addition, no person shall remove any tree, shrub or other vegetation from, or plant any tree, shrub, or other vegetation upon the Common Areas without express approval of the Association.

(iii) The Board shall manage the Common Areas using as reasonably high standard of care in providing for the repair, management and maintenance so that Sun City Roseville will reflect and maintain a

high pride of ownership. The Board shall be the sole judge as to the appropriate maintenance of all Common Areas and other properties maintained by the Association.

(iv) All drainage structures, culverts and canals improved by the Association for the collection of storm runoff and any natural drainage courses within Common Areas shall be maintained by the Association.

(v) Notwithstanding the foregoing, the Association shall have no responsibility to provide maintenance services to any portion of the Common Areas which is accepted for maintenance by any state, local or municipal governmental agency or entity.

(b) Boundary Wall Maintenance.

(i) The Association shall perform, or cause to be performed, any maintenance, repair, or replacement of Boundary Walls on Lots and the cost thereof shall be the responsibility of the affected Lot Owners, as provided in Section 4.04(a)(iii), above, and Section 7.02(c), below.

(ii) Notwithstanding the foregoing, the Association shall be responsible for the cost of any damage to a Boundary Wall caused by the Association or its agent.

(iii) Before any such work is undertaken, the Association shall provide Individual Notice to the affected Owners, as provided in Section 10.02(b), below.

(c) Maintenance of Lot Areas Adjacent to Rights-of-Way. The Association also has the right, by agreement with the Owners, to maintain parts of lots directly adjacent to public or private rights-of-way at the expense of the Association when the Board determines that it is to the benefit of its Members that the Association accept such responsibility. However, in the absence of such an agreement, maintenance of these Lot areas shall be the responsibility of the Lot Owner.

(d) Maintenance of City Property Within Sun City Roseville. The Development Agreement obligates the Association to provide certain maintenance and repair services with respect to City-owned public parcels within the boundaries of Sun City Roseville, as more fully described in Section 16.01, below. In the event the Association fails to perform such maintenance and the City of Roseville is required to do so, the City is entitled to reimbursement from the Association of one-hundred and fifty percent (150%) of its actual cost of such work.

Section 7.02. Owner Maintenance Responsibilities.

(a) Maintenance of Lots and Residences. All Owners shall be responsible for the maintenance and repair of their Lot, Residence and other Improvements erected or placed thereon, which shall at all times be maintained in such a manner as to prevent their becoming unsightly.

(b) Maintenance of Landscaping on Lots.

(i) General Obligations. The vegetation and landscaping on any Lot shall be maintained by the Owner or resident in such a manner as to reduce the risk of fire, prevent or retard shifting or erosion of soils, encourage the growth of indigenous ground cover and to cause the proper diversion of water into streets and natural drainage channels. Landscaping after installation shall be maintained as required to provide a neat and attractive appearance and to meet the restrictions and requirements for landscaping as provided in Section 6.08, above.

(ii) Oak Trees. Some Lots may have native oak trees or oak trees planted on or transplanted to the Lot in conjunction with construction. Each Owner shall abide by the applicable ordinances of the City of Roseville and by landscaping restrictions adopted by the Association which conform to such ordinances to protect oak trees. Such provisions may include, but shall not be limited to, restrictions governing the type of landscaping around oak trees, provisions for minimum required maintenance of oak trees, provisions limiting landscape irrigation in the vicinity of oak trees and provisions restricting removal of oak trees.

(iii) Drainage Structures, Ditches and Swales. Each Owner shall keep drainage courses, ditches and swales on such Owner's Lot, if any, free and clear of all obstructions. In cooperation with contiguous property Owners (including the Association as to any Contiguous Common Areas), each Owner shall maintain all such drainage ditches, swales and culverts common to their Lots in good order.

(c) Maintenance of Boundary Walls. Lot Owners shall be responsible for the cost of maintenance, repair, and replacement of Boundary Walls on their Lots, except as provided in Section 7.01(b)(ii), above. The Association shall perform, or cause to be performed, all such work and charge the cost against the affected Owners and the Owners' Lots as Special Individual Assessments, as provided in 4.04(a)(iii), above. Boundary Walls are defined in Section 1.09, above.

(d) Common Area Walls. A “Common Area Wall” is any wall constructed on the Common Area or City Property which is adjacent to a Lot, including the barrier walls between Lots and Blue Oaks, Fiddymont, Pleasant Grove, Sun City and Del Well Boulevards. The Owners of Lots adjacent to Common Area Walls shall be responsible only for the maintenance of the interior surface of such walls in a clean and attractive appearance that is substantially the same as the wall’s original appearance. In no event shall any trellises, personal property or plant materials be affixed to the Common Area Wall. No soil which raises the ground level above that which existed when the Lot was first purchased shall be placed or maintained against a Common Area Wall, except as may be approved by the Architectural Review Committee.

(e) Owner Default in Maintenance Responsibilities.

(i) If an Owner (or a tenant of the Owner) maintains, or fails to maintain the Owner’s Lot, so that it presents a public or private nuisance, or substantially detracts from the appearance or quality of the surrounding property, or in the event any portion of the Owner’s Lot is being maintained in a manner which violates this Declaration, the Design Guidelines or the Association Rules, the Board or its Compliance Committee may make a finding to such effect.

(ii) The finding shall specify the particular condition or conditions which exist, and give Individual Notice to the offending Owner that unless corrective action is taken within fifteen (15) days, the Board may cause such action to be taken, including entering the Lot to perform the work, subject to the hearing requirements of Section 9.05, below, and the right-of-entry provisions of Section 10.02, below. Any cost incurred by the Association in performing such action shall be charged against the Owner and the Owner’s Lot as a Special Individual Assessment (see Section 4.04, above).

(iii) If the Association undertakes corrective action provided for in this subsection (e), it shall not be liable for damage, loss, personal injury or property damage caused by such action.

Section 7.03. Shared Owner Maintenance Responsibilities with Respect to Party Walls.

(a) Rights of use. The Owners of contiguous Residential Lots who have a Party Wall, retaining wall or fence along their common boundary line shall both equally have the right to use such wall provided that such use by one Owner does not interfere with the use and enjoyment of same by the other Owner.

(b) Retaining Walls. Retaining walls located along common Lot lines shall be maintained by the Owner of the downhill Lot; provided, however, that the Owner of the up-hill Lot may install a fence along the top of the retaining wall with the prior consent of the Architectural Review Committee and the Owner of the adjacent downhill Lot.

(c) Maintenance and Repair.

(i) If any Party Wall is damaged or destroyed through the act of an Owner or any of such Owner’s tenants, agents, guests, or family members (whether or not such act is negligent or otherwise culpable), it shall be the obligation of such Owner to rebuild and repair promptly the Party Wall without cost to the Owner of the adjoining Lot. Any dispute over an Owner’s liability for such damage shall be resolved as provided in subsection (e), below, but any liability imposed on an Owner hereunder shall not prevent the Owner from seeking reimbursement therefore from the persons causing such damage.

(ii) If any Party Wall is destroyed or damaged (including deterioration from ordinary wear and tear, lapse of time or act of God), other than by the act of an adjoining Owner, such Owner’s tenants, agents, guests, or family members, it shall be the obligation of all Owners whose Lots adjoin such Party Wall to rebuild and repair promptly such wall at their joint expense, such expense to be allocated among the Owners in accordance with the frontage of their Lots on the Party Wall.

(d) No structural Impairment. Notwithstanding any provision to the contrary herein contained, there shall be no impairment of the structural integrity of any Party Wall without the prior consent of all Owners of any interest therein, whether by way of easement or in fee.

(e) Dispute Resolution. In the event of a dispute between Owners with respect to the construction, repair or rebuilding of a Party Wall or with respect to any other matter in connection therewith, upon the written request of any affected Owner to the Association, the matter shall be submitted to arbitration under such Association Rules as may be adopted from time to time.

(f) Rights Pass with Title to Lot. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the Owner’s Lot and shall pass to and be binding upon such Owner’s heirs, assigns and successors in title.



## **ARTICLE VIII**

### **Property Use Restrictions**

#### **Section 8.01. Age Restrictions.**

(a) Permitted Occupancy. Except as otherwise provided in subparagraph (b), below, each Residence within Sun City Roseville shall be occupied by at least one (1) person who is a Qualifying Resident fifty-five (55) years of age or older and who intends to reside in the Residence as his or her primary residence on a permanent basis. All other persons occupying a Residence shall either be Qualified Permanent Residents or a Permitted Health Care Resident, as defined in Sections 1.42 and 1.43, above.

(b) Exceptions.

(i) Continued Occupancy by Certain Qualified Permanent Residents. Upon the death or dissolution of marriage, or upon hospitalization, or other prolonged absence of the Qualifying Resident from the Residence, any Qualified Permanent Resident shall be entitled to continue occupancy, residency or use of the Residence as a permitted resident of Sun City Roseville, except as provided in paragraph (ii), below. This paragraph (i) shall not apply to a Permitted Health Care Resident.

(ii) Right to Terminate Occupancy of Certain Qualified Permanent Residents. On six (6) months' prior written notice, the Board shall have the right to terminate the occupancy of any person who is a Qualified Permanent Resident because of disabling illness or injury whose disabling condition ends. However, the Board may permit the person to remain a resident for up to one (1) year after the disabling condition ends. The Board shall also have the right to terminate the occupancy of a disabled Qualified Permanent Resident that the Board finds, based on credible and objective evidence, is likely to pose a significant threat to the health or safety of others. Any action to terminate occupancy is subject to the procedural requirements set forth in Civil Code 51.3(b)(3)(B).

(iii) Continued Occupancy by Certain Permitted Health Care Residents. A Permitted Health Care Resident shall be entitled to continue occupancy, residency, or use of the Residence in the absence of the resident to whom care was being provided only if both of the following are applicable:

(A) said resident became absent due to hospitalization or other necessary medical treatment and expects to return to the Residence within ninety (90) days from the date the absence began; and

(B) the absent resident, or the resident's authorized representative, submits a written request to the Board stating that the resident desires that the Permitted Health Care Resident be allowed to continue occupancy in order to be present when the resident returns to the Residence. Upon written request by the absent resident, or the resident's authorized representative, the Board, shall have the discretion to allow a Permitted Health Care Resident to remain for up to another ninety (90) days if it appears that the resident will return within that time.

(iv) Hardship Exceptions. In addition to the foregoing exceptions, as provided in Section 8.22, below, in cases of hardship the Board may grant a variance to the age restriction. However, no exception to these residency restrictions may be granted or continued if such exception results in less than eighty percent (80%) of the Residences being occupied by at least one Qualifying Resident.

(c) Guests. Any person under fifty-five (55) years of age may temporarily reside in a Residence as a guest of the Qualifying Resident or Qualified Permanent Resident, for up to sixty (60) days in any calendar year.

(d) Intent to Comply With Law. This Section 8.01 is intended to comply with Civil Code Section 51.3, the Fair Housing Act Amendments of 1988, and the Housing for Older Persons Act of 1995, as they may be amended from time to time. In the event of any conflict between those statutes and the text of this restriction, the statutory restrictions shall prevail.

Section 8.02 No Multiple Kitchen Facilities. No more than one kitchen facility shall be installed or maintained in any residence.

Section 8.03. Household Pets. The following restrictions regarding the care and maintenance of pets on Lots within Sun City Roseville shall be observed.

(a) Reasonable Number of Common Household Pets. Owners and residents may maintain a reasonable number of "generally recognized" household pets on a Lot or within a Residence so long as the same are not kept, bred or maintained for commercial purposes. The Association Rules shall:

(i) define what constitutes a "generally recognized" household pet;

(ii) define what constitutes a "reasonable number" of pets, depending on their size, disposition and maintenance requirements; and

(iii) impose standards for the reasonable control and keeping of household pets in, upon and around Sun City Roseville to ensure that the same do not interfere with the quiet and peaceful enjoyment of other Owners and residents of Sun City Roseville.

(b) Pet Facilities. Unless approved by the Architectural Review Committee, no structures for the care, housing or confinement of any pet on any Lot shall be maintained at locations on the Lot which are Visible from Neighboring Property.

(c) Control of Pets Within Common Areas. No pets shall be permitted upon Common Areas except as controlled on a leash or similar device held by its owner or his agent. Pet owners shall be responsible for the prompt removal and disposal of pet wastes, deposited by their pets in any portion of Sun City Roseville.

(d) No Tethering. Household pets, if unaccompanied by the pet owner or the owner's agent, shall not be left chained or otherwise tethered in front of a Lot or in the Common Areas.

(e) Responsibility of Pet Owners. Each person bringing or keeping a pet within Sun City Roseville shall be solely responsible for the pet's conduct. The Association, its Board, officers, employees and agents shall have no liability whether by virtue of this Declaration or otherwise, to any Owners, their family members, guests, invitees, tenants and contract purchasers for any damage or injury to persons or property caused by any pet.

Section 8.04. Temporary Structures; Occupancy. A recreational vehicle (such as a trailer, mobile home, or camper), tent, shack, structures of a temporary character, or other outbuildings shall not be used on any Lot or street at any time for overnight occupancy or as a Residence. Temporary buildings or structures used during the construction of Improvements on any property shall be removed promptly after the completion of construction.

Section 8.05. Outside Storage. Except as provided for herein and except for a reasonable number of common patio furnishings, no other goods and chattels not in active use shall be stored in any building or open area or on any Lot in such a manner that such material is "Visible from Neighboring Property."

Section 8.06. Prohibition of Noxious Activities.

(a) General Prohibition. No illegal, noxious or offensive activities shall be carried out or conducted upon any Lot or Common Area, including the use of

storage of hazardous materials, nor shall anything be done within Sun City Roseville which is or could become an unreasonable annoyance or nuisance to neighboring property Owners. The Board in its sole discretion shall have the right to determine the existence of any nuisance.

(b) Noise Activities.

(i) Prohibited Noises. No Owner shall permit noise, including, but not limited to barking dogs, the operation of stereo amplifier systems, television systems, horns, whistles, firecrackers, bells or other sound devices to emanate from an Owner's Lot or from activities within the Common Areas, which would unreasonably disturb any other resident's enjoyment of such resident's Lot or the Common Areas.

(ii) Exceptions to General Prohibitions. The following shall not be considered a nuisance or otherwise prohibited noises from:

(A) wind chimes, unless such wind chimes are audible within the closed interior of a neighbor's Residence;

(B) security devices used exclusively for security purposes;

(C) periodic use of power tools and gardening equipment;

(D) normal construction activities and parking in connection with the building of Improvements on a Lot; and

(E) events in Common Areas.

(c) Trash and Debris. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot and no odors (excepting use of lawn or garden fertilizer) shall be permitted to arise or emit therefrom, so as to render any such property or any portion thereof, or activity thereon, unsanitary, unsightly, offensive or detrimental to any other property (including Common Areas) in the vicinity thereof or to the occupants of such other property.

(d) Outdoor Lighting. Fluorescent, mercury vapor, sodium, or amber vapor lights, or standard outdoor lights of the type used on Lots for security shall be enclosed in a manner that directs the light in a specific area without causing a visual impairment to passing motorists or unreasonable glare to neighboring Residences or Common Areas. Provided, however, the Association may maintain lighting on, in or around tennis courts, parking lots, recreation centers, driving ranges and other Common Areas where such lighting is necessary or appropriate for the use and enjoyment of the community or for health and safety reasons.

(e) Exterior Fires. No open fires shall be lighted or permitted within Sun City Roseville, except for:

(i) fires in a contained outdoor fireplace or barbeque unit while attended and in use for cooking purposes (provided that such fireplace or unit is not located so as to direct an unreasonable amount of smoke onto a neighbor's property); or

(ii) fires within a safe and well-designed interior fireplace.

(f) Diseases and Insects. No Owner shall permit any thing or condition to exist upon any Lot which shall induce, breed or harbor infectious plant diseases or noxious insects. Woodpiles or other material shall be stored in a manner so as not to attract rodents, snakes, and other animals and to minimize the potential fire danger.

Section 8.07. Trash Containers and Collection. No garbage or trash shall be placed or kept on any Lot, except in covered containers of a type, size and style which comply with the City of Roseville requirements. In no event shall such trash containers be maintained on any Lot so as to be Visible from Neighboring Property without approval of the Architectural Review Committee, except when, for a reasonable period before and after collection, the containers are being made available for collection. No outdoor incinerators shall be kept or maintained on any Lot.

Section 8.08. Clothes Drying Facilities. Outside clotheslines or other outside facilities for drying or airing clothes are not permitted on any Lot if Visible from Neighboring Property.

Section 8.09. Window Covers. Commonly accepted window coverings such as curtains, drapes, shutters, shades or blinds may be installed as window covers. No window shall be covered with aluminum foil, cardboard, bed sheets, newspaper or other not commonly acceptable material.

Section 8.10. Machinery and Equipment. No machinery or equipment is permitted upon or adjacent to any Lot, except machinery or equipment (1) which is usual and customary in connection with the use, maintenance or construction (during the period of construction) of Improvements or landscaping, (2) which the Association may require for the operation and maintenance of Sun City Roseville, or (3) which is used by a resident in a hobby, provided such use does not interfere with neighboring residents and complies with the applicable provisions of this Declaration.

Section 8.11. Restriction on Further Subdivision: Property Restrictions and Rezoning.

(a) Subdivision Lots. No Lot shall be further subdivided or separated into smaller Lots by any Owner, and no portion less than the entire Lot, nor any easement or other interest therein, shall be conveyed or transferred by any Owner, without the prior written approval of the Board, which approval shall be evidenced on the instrument creating the subdivision, easement or other interest.

(b) Further Covenants. No further covenants, conditions, restrictions or easements shall be recorded by any Owner, or other person against any Lot without the provisions thereof having been first approved in writing by the Board. Any covenants, conditions, restrictions or easements recorded without such approval being evidenced thereon shall be null and void.

(c) Rezoning; Use Permits. No application for rezoning of any Lot and no applications for variances or use permits shall be filed with any government authority unless the proposed use of the Lot has been approved by the Board and the proposed use otherwise complies with this Declaration.

Section 8.12. Overhead Encroachments. No tree, shrub, or planting of any kind on any Lot shall be allowed to impede vehicular or pedestrian traffic.

Section 8.13. Vehicle and Parking Restrictions.

(a) Prohibited Vehicles. No motor vehicle classified by manufacturer rating as exceeding one ton, recreational vehicle, mobile home, travel trailer, tent trailer, trailer, camper shell, detached camper, boat, boat trailer, or other similar equipment or vehicle (collectively "Prohibited Vehicles") may be parked, maintained, constructed, reconstructed or repaired on any Lot or on any street in Sun City Roseville so as to be Visible from Neighboring Property.

(i) Excepted Prohibited Vehicles. If used on a regular and recurring basis for basic transportation, the parking provision of this subsection (a) shall not apply to:

(A) pickup trucks of one ton or less capacity with camper shells not exceeding seven (7) feet in height measured from ground level; or to

(B) mini-motor homes or passenger vans not exceeding eight (8) feet in height and eighteen (18) feet in length. Such vehicles shall be parked as provided in subsection (d) below and shall be subject to all other restrictions in this Section 8.13.

(ii) Short-term Parking. Non-commercial Prohibited Vehicles may be parked on the street for cleaning, loading or unloading and short-term parking, not to exceed forty-eight (48) consecutive hours and not to exceed a cumulative period of one-hundred and twenty (120) hours in any calendar month.

(b) Motor Vehicle Maintenance. No automobile, motorcycle, motorbike or other motor vehicle shall be constructed, reconstructed or repaired upon any Lot, street or Common Areas in Sun City Roseville. Provided, however, that the provisions of this subsection (b) shall not apply to: (1) emergency vehicle repairs; (2) vehicles parked in garages on Lots; or (3) routine washing of cars in driveways.

(c) Vehicle Storage. No inoperable vehicles or vehicles not in regular use shall be stored on any Lot or street so as to be Visible from Neighboring Property.

(d) Parking.

(i) Parking, Generally. In order to maintain the aesthetic environment of Sun City Roseville, on-street parking is prohibited overnight, except as provided in paragraph (a)(ii), above, or in the Association Rules. Vehicles of all Owners, residents and their guests and invitees, shall be kept in garages, residential driveways on the Lot, or in other designated parking areas. Provided, however, this subsection (d) shall not be construed to permit the parking in the above described areas of any vehicle whose parking in Sun City Roseville is otherwise prohibited by this Section 8.13.

(ii) Commercial Vehicles. If Visible from Neighboring Property, commercial trucks or any vehicle that bears signage on the exterior shall not be parked within Sun City Roseville, except for purposes of loading or unloading and then for periods not in excess of four (4) hours. This restriction shall not apply to commercial vehicles involved in construction activities on a Lot, any Common Area or City Property, or vehicles owned and operated by persons providing services to a Lot or Residence during the time when the services are being rendered.

(e) Additional Rules. The Board shall have the authority to promulgate as part of the Association Rules further rules and restrictions regarding parking and vehicles within Sun City Roseville.

Section 8.14. Golf Carts and Golf Course.

(a) Authorized Golf Carts. The City of Roseville requires that all golf carts have a permit issued by the

City to be driven on the streets of Sun City Roseville. All carts must pass a biennial golf cart inspection by the Association.

(b) Operation of Golf Carts on Streets and Cart Lanes within Sun City Roseville. As permitted by the City of Roseville ordinance adopted pursuant to Section 21115 of the California Vehicle Code, it shall be lawful for licensed drivers to drive authorized golf carts on streets within Sun City Roseville in strict compliance with the rules and regulations set forth in the authorizing resolution or ordinance. Golf Carts on the two arterial streets (Sun City Boulevard and Del Webb Boulevard) are to be driven in the designated "Golf Cart Lanes" except to turn left within a marked Left Turn Lane or to cross the boulevards within a designated cart crossing lane. Golf Carts shall not be driven on Sun City Roseville sidewalks or pedestrian paths. Golf Carts shall not be driven on city streets that are outside of Sun City Roseville.

(c) Restriction on Use of Golf Course. The Golf Course shall not be used by any person for activities unrelated to the game of golf, unless otherwise specifically authorized by the Association Rules or resolution of the Board.

(d) Intrusion of Golf Balls. As provided in Section 10.05, below, no person may enter into a Lot to retrieve any ball. The player is liable for any personal injury or property damage caused by the player's golf ball.

Section 8.15. No obstruction of Common Areas. There shall be no obstruction of the Common Areas nor shall anything be stored by Owners or residents in or upon the Common Areas without the written consent of the Association.

Section 8.16. Commercial Activities.

(a) Generally Not Allowed. Except as provided in this Section 8.16, no business or commercial activities of any kind whatsoever shall be conducted in any Residence, garage or outbuilding on or in any portion of any Lot.

(b) Allowable Activities. The restrictions in subsection (a), above, shall not be construed to prohibit any Owner from:

(i) engaging in any activity related to the Owner's or tenant's business profession that can be conducted from a Residence using computers and other technology so long as the home or business activities do not generate traffic or noise, involve employees, contractors, or clients in the Residence, involve the use

of signs on the Lot or otherwise violate any Covenant in his Declaration or the Association Rules;

(ii) leasing or renting a Lot in accordance with Section 2.05(g), above;

(iii) conducting any other activities on the Owner's Lot otherwise compatible with residential use and the provisions of this Declaration which are permitted under applicable zoning laws or regulations, provided that, any such activity shall not necessitate or require obtaining a special use permit.

Section 8.17. Signs. No signs whatsoever (including, but not limited to, commercial and similar signs) which are Visible from Neighboring Property shall be erected or maintained on any Lot, except: (1) signs required by legal proceedings; (2) no more than one "for sale," "for rent," or "for lease" sign for the individual Lot on which the sign is located; (3) other signs, which have been approved in advance by the Architectural Review Committee; (4) signs posted by the Association on the Common Areas; and (5) signs otherwise permitted by Civil Code Section 4710 or City of Roseville ordinance.

Section 8.18. Activities Affecting Insurance. Nothing shall be done or kept on any Lot or within the Common Areas which will increase the rate of Common Area insurance, cause any portion of the Common Areas to be uninsurable against loss by fire or casualty, or result in the cancellation of such insurance.

Section 8.19. No Guarantee of Continued Views. Neither the Association, the Architectural Review Committee, the Compliance Committee, the City of Roseville nor any Owner shall have any responsibility to create or preserve any view in any direction from any Lot. All Owners have acquired their Lot subject to the possibility that the view from such Lot existing at the time of purchase may be altered by the acts or failure to act of: (1) other Owners with the approval of the Architectural Review Committee; (2) the Association; or (3) governmental or quasi-governmental agencies. Such acts may include without limitation, the Association adding or removing landscaping on or near the Golf Course in order to enhance the playability of the Golf Course, or, without assuming any liability, to protect Lots from errant golf shots.

Section 8.20. Golf Course Lots.

(a) Burdens and Risks. Each Owner of a Lot abutting the Golf Course acknowledges the following disclosures with respect to the Golf Course, as follows:

(i) maintenance activities on the Golf Course begin early in the morning and extend late into the evening, ordinarily occurring from sunrise to sunset, unless in an emergency situation;

(ii) pesticides, fertilizers and other chemicals will be used in connection with Golf Course maintenance;

(iii) the Golf Course will be watered with reclaimed water from the City, with other sources as backup supplies and Lots may experience "overspray" from the irrigation system;

(iv) portions of the Golf Course are within the City's conservation easement, as more specifically described in Section 10.03(b), below, and are subject to periodic inundation by storm water; and

(v) golf balls which are not hit correctly, may enter the Owner's airspace, and strike a resident, a guest or any other person. Such golf balls may also strike a Lot, Residence and other Improvements, including windows, landscaping and personal property. As a result personal injury and property damage may occur for which the player is liable. A golf ball easement for entry of golf balls onto each Lot has been created in Section 10.05, below.

(b) Immunity for Injury or Damage. Neither the Association nor the City of Roseville shall be liable for personal injury or property damage caused by any of the matters covered by subsection (a), above. By accepting a Deed to the Owner's Lot, each Owner, on behalf of such Owner's family, guests or tenants, acknowledges and agrees to the same and releases the Association and the City of Roseville and their respective officers, directors, and employees from any and all liability in connection therewith.

Section 8.21. Health, Safety and Welfare. In the event additional uses, activities, and facilities are deemed by the Board to be a nuisance or to adversely affect the health, safety or welfare of Owners and residents, the Board may adopt additional restrictions or regulations as part of the Association Rules or Design Guidelines.

Section 8.22. Variances. Upon application by any Owner, the Board shall be authorized and empowered to grant reasonable variances from the property use restrictions set forth in this Article and in Article VII (Maintenance Responsibilities), if specific application of the restriction is determined by the Board to either (a) cause an undue hardship to the affected Owner; or (b) is necessary for reasons of health, safety or welfare.

**ARTICLE IX**  
**Enforcement of Property Use Restrictions and**  
**Maintenance Responsibilities**

Section 9.01. Enforcement of Governing Documents. An objective of this Declaration is to promote and seek voluntary compliance by Owners and tenants with the design standards, maintenance responsibilities, and property use restrictions contained herein and the Association Rules. Accordingly, in the event that the Association becomes aware of a Violation that does not necessitate immediate corrective action under Section 9.05(c), below, the Owner or tenant responsible for the Violation shall be given a reasonable opportunity to comply voluntarily with the pertinent Governing Document provisions.

Section 9.02. Violations, Generally.

(a) Remedy at Law Inadequate. Except for the nonpayment of any Assessment, which may be enforced in the manner provided in Section 4.07, above, it is hereby expressly declared and agreed that the remedy at law is inadequate to recover damages for any breach, default or Violation of the Covenants or Association Rules and that any such breach, default or Violation may be enjoined by appropriate legal proceedings instituted by any Owner or the Association. Without limiting the generality of the foregoing, it is hereby declared that the result of every Violation is a nuisance, and every remedy against nuisance, either public or private, shall be applicable against every such act or omission.

(b) Violations Cumulative. A Violation is any single failure to comply with the Covenants or Association Rules occurring on a single day. If the detrimental effect of a Violation continues for additional days, discipline imposed by the Board may include one component for the Violation and, according to the Board's discretion, a per diem component for so long as the detrimental effect continues. Similar Violations on different days shall justify cumulative impositions of disciplinary measures. The Association shall take reasonable and prompt action to repair or avoid the continuing damage effects of a Violation or nuisance occurring with the Common Areas at the expense of the responsible Owner.

Section 9.03. Compliance Committee.

(a) Composition of the Compliance Committee. The Compliance Committee shall be appointed by the Board. The qualifications, number and term of members shall be as provided in the Bylaws.

(b) Scope of Authority. The scope of authority of the Compliance Committee shall be to:

(i) monitor and encourage Residents' compliance with the Covenants and the Association Rules, including, without limitation, maintenance of landscaping and Improvements on Lots;

(ii) make findings as to apparent Violations based on written complaints, referrals from the Architectural Review Committee or Association staff, or the Committee's monitoring activities;

(iii) report findings of apparent Violations to the Board or its authorized hearing committee, recommend penalties, and appear at any meeting to consider such Violations;

(iv) periodically recommend to the Board any Association Rules for adoption, amendment or repeal.

(c) No Compensation for Services; Reimbursement of Expenses. Members of the Compliance Committee shall not be entitled to any compensation for services performed pursuant to their Committee duties. The Committee members shall be entitled to reimbursement for reasonable out-of-pocket expenses incurred by them in the performance of any compliance functions.

(d) Professional Assistance. Nothing herein shall limit the right of the Association to employ a person or persons, or to retain the services of independent contractors, to assist the Committee in such matters as:

(i) intake and review of complaints;

(ii) communication with persons accused of a Violation to encourage voluntary compliance;

(iii) general administration of required Notice and hearing procedures; and

(iv) maintaining records of compliance and enforcement matters.

In cases of a sensitive, personal nature, the staff may elect to refer the matter directly to the Board, with the consent of the Compliance Committee chair.

Section 9.04. Rights and Remedies of the Association.

(a) Rights, Generally. In the event of a Violation of any Covenant or Association Rule by an Owner or the Owner's family, guests, employees, invitees, licensees or tenants, the Board, or its duly authorized enforcement

committee, for and on behalf of all other Owners, may enforce the obligations of each Owner to obey such Rules and Covenants through the use of such remedies as are set forth in this Article IX or as are deemed appropriate by the Board and available in law or in equity. Notwithstanding the foregoing, the collection of delinquent Assessments shall be subject to Section 4.07, above.

(b) Remedies. Subject to the limitations in Section 9.05, below, remedies may include:

(i) the imposition of fines and monetary penalties, including monetary penalties to reimburse the Association for costs incurred in gaining Member compliance as provided in Section 4.04(a)(ii), above;

(ii) the temporary suspension of the Owner's rights (or other persons claiming such rights through the Owner) to use the Recreational Facilities and to vote, seek election or serve as director (A) for any period an Assessment remains delinquent, (B) for an initial period not to exceed sixty (60) days for any Violation, and (C) for successive sixty (60) day periods if the Board determines that any such violation is not corrected during any prior sixty (60) day suspension period; and

(iii) the pursuit of legal action, including the hiring of legal counsel.

(c) Remedies Cumulative. The respective rights and remedies provided by this Declaration or by law shall be cumulative, and the exercise of any one or more of such rights or remedies shall not preclude or affect the exercise, at the same or at different times, of any other such rights or remedies for the same or any different default or breach, or for the same or any different failure of any Owner or others to perform or observe any provision of this Declaration.

(d) Schedule of Fines. The Board may implement a schedule of reasonable fines and penalties for particular offenses that are common or recurring in nature and for which a uniform fine schedule is appropriate, such as fines for illegally parked vehicles. If changes are made to an adopted schedule, the amended schedule shall be delivered or otherwise made available to Owners, as specified in the Bylaws. Any changes in the schedule only apply to future violations.

(e) Costs and Attorneys' Fees. In any action brought because of any alleged breach or default of any Owner or other party hereto under this Declaration, the court may award to the prevailing party in such action such attorneys' fees and other costs as it may deem just and reasonable.

(f) Decision to Enforce. The decision of whether it is appropriate or necessary for the Association to take enforcement or disciplinary action in any particular instance shall be within the discretion of the Board. If the Association declines to take action in any instance, any Owner shall have such rights of enforcement pursuant to Civil Code Section 5975 or otherwise by law.

(g) Failure Not a Waiver. The failure of any Owner, the Association, or its agents to enforce any of the Covenants or Association Rules shall not constitute a waiver of the right to enforce the same thereafter, nor shall such failure result in or impose any liability upon the Association, the Board, or any of its agents.

#### Section 9.05. Disciplinary Hearing.

(a) Notice.

(i) Right to Prior Notice. Except as otherwise provided in Section 9.07, below, whenever the Board, or its authorized hearing committee is to meet to consider or impose discipline upon an Owner, the Board or its disciplinary committee shall give Individual Notice to the Owner, at least ten (10) days prior to the meeting, as provided in paragraph (ii), below.

(ii) Notice. The Individual Notice shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which an Owner may be disciplined, and a statement that the Owner has a right to attend and may address the Board or its committee at the meeting. It shall be delivered as provided in Section 17.07, below.

(b) Hearing.

(i) Manner of Meeting. The Board or its duly authorized hearing committee shall meet in executive session to consider and act upon the disciplinary matter.

(ii) Hearing Rules. At a hearing, the accused shall be given the opportunity to be heard, including the right to present evidence and to present or question witnesses. The Board may adopt and amend rules that further elaborate and refine the procedures for conducting the hearing. Such rules shall become part of the Association Rules.

(iii) Notice of Hearing Outcome. Within ten (10) days of the hearing, by either personal delivery or first-class mail, written notice shall be given to the accused by the body hearing the Violation. The notice shall state the decision and any disciplinary action imposed. Such disciplinary action shall be held in

abeyance for ten (10) days from the date of the notice, unless earlier commencement is necessary to preserve the quiet enjoyment of other residents or to prevent further damage to, or destruction of, Sun City Roseville or any portion thereof.

#### Section 9.06. Disputes.

(a) Appeal to the Board. Owners may appeal any disciplinary action to the Board by submitting a written request to the Board within ten (10) days of the date of the Notice of Hearing Outcome (paragraph (b)(iii), above). The Board shall have the discretion to hear any appealed matter or decline to take the appeal and thus affirm the decision of the hearing committee. Any decision to decline an appeal shall be based on a reasonable determination from the record that the appeal lacks merit. Decisions of the Board shall be final. The Board shall promptly provide Individual Notice to the Owner of its action and any disciplinary action shall be held in abeyance until ten (10) days following the date of such Notice.

(b) Internal Dispute Resolution. The Association or an Owner may submit a written request to the other party to meet and confer in an effort to resolve the dispute, as more fully provided in Civil Code Section 5900 et seq.

(c) Monetary Disputes. In addition, for monetary disputes, if the amounts are not in excess of the jurisdictional limits of the small claims court, the Owner has the right to pay under protest and commence action in small claims court, as more fully provided in Civil Code Section 5658.

(d) Alternative Dispute Resolution; Court Action. The Board or an Owner may file an enforcement action seeking declaratory, writ, or injunctive relief to interpret or enforce the Governing Documents in the Superior Court only after the parties have endeavored to submit their dispute to alternative dispute resolution pursuant to Civil Code Section 5925 et seq.

#### Section 9.07. Circumstances Allowing for Immediate Corrective Action.

(a) Exceptional Conditions. Notwithstanding the foregoing, the Board may take immediate corrective action under circumstances involving conduct that constitutes:

(i) an immediate and unreasonable infringement of, or threat to, the safety or quiet enjoyment of neighboring Owners;

(ii) a traffic or fire hazard; or

(iii) a threat of material damage to, or destruction of, the Common Areas or Common Facilities.

(b) Notice and Hearing. If there is to be a meeting of the Board or its authorized hearing committee to consider disciplinary action resulting from a necessary corrective action, the provisions of this Section 9.07 shall apply to any such meeting.

Section 9.08. Applicability. Collection of delinquent assessments in the manner provided in Section 4.06, above, shall not be considered as the imposition of discipline against an Owner and shall not be subject to the provisions in this Article IX.

### **ARTICLE X Easements; Right of Entry**

#### Section 10.01. Utility Easements.

(a) Blanket Easement. A blanket easement is reserved and granted in favor of the Association and any utility or service company providing utility services to Lots or Common Facilities within Sun City Roseville upon, across, over, and under the Common Areas for utilities and the installation, replacement, repair, and maintenance of utilities including, but not limited to, water, sewer, gas, telephone, electricity, and cable television systems and the Association television antenna systems, if any, provided that said blanket easement shall not extend upon, across, over, or under any Residence constructed on a Lot. By virtue of this blanket easement, it shall be expressly permissible to erect and maintain the necessary facilities, equipment, and appurtenances on the Common Areas and to affix, repair, and maintain water and sewer pipes, gas, electric, telephone, and television wires, circuits, conduits and meters.

(b) Specific Easements. In the event any utility, quasi-utility company, public agency, cable television company, or similar entity furnishing a service covered by the general easement created herein requests a specific easement by separate recordable document, the Association reserves and has the right and authority to grant such easement upon, across, over, or under any part or all of the Common Areas without conflicting with the terms hereof.

(c) Easements on Lots. No sewers, electrical lines, water lines, or other utilities, service or cable television lines may be installed or relocated on any Lot, except as approved by the Owner and the Architectural Review Committee.



(d) Effect on Prior Easements. The easement provided for in this section shall in no way affect, avoid, extinguish, or modify any other recorded easement(s) affecting any portion of Sun City Roseville.

Section 10.02. Association Limited Easements on Lots.

(a) Types of Easements.

(i) Association Maintenance Easement. The Association has perpetual easements for access over such portions of Lots as are reasonably necessary for the Association to maintain:

- (A) the Common area and Common Facilities;
- (B) drainage facilities;
- (C) portions of City Property required by Section 16.01, below; and
- (D) Boundary Walls on Lots.

(ii) Easement for Enforcement of Governing Documents. The association and its agents have the right and power to enter any Lot to perform the Association's obligations under this Declaration, and have easements for access over such portions of each Lot as are reasonably necessary:

(A) to meet its obligations to enforce the architectural review and approval requirements, design standards and land use restrictions of Articles V, VI and VIII, above; and

(B) to perform maintenance on Lots, including drainage areas, or to make necessary repairs that an Owner has failed to perform which, if left undone, will pose a threat to, or cause an unreasonable interference with the quiet enjoyment of other residents or the ambiance and attractiveness of Sun City Roseville, as provided in Section 7.02(e), above.

(b) Limitations on Exercise of Right.

(i) In an Emergency. The Association right of entry may be exercised immediately and without prior notice to the Owner or resident in case of an emergency originating in or threatening the Lot where entry is required on any adjoining Lots or Common Areas. The Association's work may be performed under such circumstances whether or not the Owner or such Owner's tenant is present.

(ii) For Routine Maintenance. In all non-emergency situations involving routine repair or maintenance activities (Section 10.02(a)(i), above), the Association, or its agents, shall furnish the Owner or

such Owner's tenant with at least twenty-four (24) hours prior written Notice of its intent to enter the Lot, specifying the purpose and scheduled time of such entry, and shall make every reasonable effort to perform its work and schedule its entry in a manner that respects the privacy of the persons residing on the Lot.

(iii) For Enforcement of Violations. In all non-emergency situations involving access by the Association for purposes of enforcing the Governing Documents against an Owner in default (Section 10.02(a)(ii), above) the Association's entry shall be subject to observance of the Notice and hearing requirements imposed by Section 9.05, above. In the event the Association undertakes corrective action pursuant hereto, the Association shall not be liable for any loss, personal injury or property damage caused by such action.

(iv) No Entry of Residence without Owner Permission. In no event shall the Association's right of entry hereunder be construed to permit the Association or its agents to enter any Residence without the Owner's express permission.

(c) No Interference. No owner shall interfere with the use of such easements by the Association or its agents or employees.

Section 10.03. Drainage Easements.

(a) Description. There exists a blanket easement upon, across, over and under Lots, the Common Areas for drainage of surface water, whether such water originates from surface streets, drainage basins, retention areas, Lots, or other Common Areas and City Property.

(b) City Easement. In addition, the City of Roseville has a conservation, habitat preservation, flow and maintenance easement, together with related rights of access, over all open Common Areas lying within the post-construction one-hundred-year (100) floodplain. The purpose of such easement is to maintain such areas as open space which, with the exception of on-site storm water retention and other uses as permitted, will not unduly restrict the flow of storm water and will allow the City to maintain Best Management Practices in such areas if the Association fails to do so in accordance with Article XVI, below. In the event the City of Roseville is required to perform such maintenance, it is entitled to reimbursement from the Association of one hundred and fifty percent (150%) of its actual cost of such work.

Section 10.04. Easements of Encroachment. Each Lot within Sun City Roseville is hereby declared to have an easement of encroachment, maintenance and use over

immediately adjacent Lots and Common Areas for the purpose of accommodating any encroachment due to fences, walls, patio areas and other similar structural improvements between each Lot and any adjacent Common Areas and between adjacent Lots built in accordance with the original design, plans and specifications, or due to engineering errors, errors in original construction, settlement or shifting of the improvement or similar causes. Any easement created by this section shall not exceed a distance of three (3) feet, as measured from any point on the common boundary line along a line perpendicular to such boundary.

Section 10.05. Easement for Intrusion of Golf Balls. The Association has reserved for its benefit a perpetual non-exclusive easement right upon, over and across any Lot for the entry, passage and landing of golf balls which are struck from any part of the Golf Course. This easement does not grant the right to any person benefitting from this easement to enter any Lot for the purpose of retrieving any golf ball. All such golf balls which land on any Lot shall become the property of the Owner. Nothing in this section shall exempt a golf player from potential individual liability for personal injury or property damage caused by the player's golf ball.

Section 10.06. Easements Deemed Created. All conveyances of Lots hereafter made shall be construed to grant and reserve the easements contained in this Article X, even though no specific reference to such easements or to this Article X appears in the instrument of such conveyance.

## **ARTICLE XI**

### **Insurance**

Section 11.01. Association Insurance. The Association shall maintain the following types of insurance, to the extent that such insurance is reasonably available, considering the availability, cost, and risk coverage provided by such insurance.

(a) Casualty Insurance. A policy of all risk property insurance covering all real property, insurable improvements, and personal property owned by the Association located on Common Areas, with a "Replacement Cost Endorsement" provided that any claim shall be settled on a full replacement cost basis without deduction for depreciation. Since insurance as maintained by the Association pursuant to this subsection shall afford protection against such other risks as shall customarily be covered with respect to projects similar in construction, location, and use

including, but not limited to, earthquake coverage and flood coverage.

(b) General Liability Insurance. A policy of commercial general liability insurance insuring the Association in an amount not less than five million dollars (\$5,000,000) covering bodily injury, including death of persons, personal injury, and property damage liability arising out of a single occurrence, and such other risks as shall customarily be covered with respect to projects similar in construction, location, and use.

(c) Fidelity Insurance. A policy or bond providing adequate fidelity coverage to protect against dishonest acts on the part of Officers, Directors, trustees, and employees and agents (including chartered club officers) of the Association and all others who handle or are responsible for handling funds of the Association. Such fidelity coverage or bonds shall name the Association as an additional insured or as an obligee and shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

(d) Flood Insurance. If the Common Areas or any portion thereof is located within an area identified by the Federal Emergency Management Agency ("FEMA") as having special flood hazards, and flood insurance coverage on improvements on the Common Areas has been made available under the National Flood Insurance Program, then such a policy of flood insurance on the Common Areas located therein in an amount at least equal to the lesser of:

(i) The maximum coverage available under the National Flood Insurance Program for all buildings and other insurable property located within a designated floor hazard area; or

(ii) one hundred percent (100%) of current replacement cost of all buildings and other insurable property located within a designated flood hazard area. To the extent Common Areas improvements are located in an area designed by FEMA as having special flood hazards, but the area has been modified through the land development process in a manner such that it is no longer located in such a FEMA area, but the FEMA maps have not been updated to reflect such development modification, then the insurance requirements of this subsection (d) may, with respect to such improvements, be waived.

(e) Other Insurance. Any other insurance deemed by the Board to be in the best interests of the Association including, but not limited to, Directors and Officers Liability insurance.

Section 11.02. Policy Terms. All policies of insurance shall contain waivers of subrogation and waivers of any defense based on invalidity arising from acts of a Member of the Association, and shall provide that the policies may not be canceled or substantially diminished or reduced in coverage without at least thirty (30) days prior written Notice to the insured, as well as to any Eligible Holder. Duplicate originals of all policies and renewals thereof, together with proof of payment of premiums, shall be delivered to any Eligible Holder upon written request.

Section 11.03. Annual Review of Insurance Policies. All insurance policies carried by the Association shall be reviewed annually by the Board to ascertain that the coverage provided by such policies is reasonably adequate in view of expected and likely risks incurred by the Association.

Section 11.04. Insurance on Lots. The Association is not responsible for obtaining any policies of fire or casualty insurance or personal liability for a Residence, contents, or Improvements on any Owner's Lot.

## **ARTICLE XII**

### **Damage or Destruction**

#### Section 12.01. Common Areas.

(a) Bids and Determination of Available Insurance Proceeds. In the event any Common Areas are ever damaged or destroyed, then, and in such event, as soon as practicable thereafter the Board Shall:

(i) obtain bids from at least two reputable, licensed contractors, which bids shall set forth in detail the work required to repair, reconstruct and restore the damaged or destroyed portions of the Common Areas and the itemized price asked for such work; and

(ii) determine the amount of all insurance proceeds available to the Association for the purpose of effecting such repair, reconstruction and restoration.

(b) Restoration Requirement. The work shall repair the damaged or destroyed portions of the Common Areas to substantially the same external appearance as existed prior to the damage. However, in the event of a total destruction of a facility, the Association shall not be obligated to restore the facility to its prior appearance and condition if, in the Board's opinion, architectural or design modifications to the facility will result in providing the members with an improved facility available for the same use and enjoyment as the destroyed facility.

Section 12.02. Sufficient Insurance Proceeds. In the event of damage to or destruction of any portion of any Common Areas, if the insurance proceeds available to the Association are sufficient to cover the costs of repair, reconstruction and restoration, then the Association shall cause such facilities to be repaired, reconstructed and restored, as provided in Section 12.01, above.

#### Section 12.03. Insufficient Insurance Proceeds.

(a) Special Assessment Required. In the event of damage to or destruction to any portion of the Common Areas, if the insurance proceeds, Reserve Fund, and funds borrowed, offered or contributed to the Association from any other source, if any, are insufficient to cover the costs of repair, reconstruction and restoration, the Board shall levy a Special Assessment for the amount needed therefor.

(b) Member Approval. If the amount of the Special Assessment needed exceeds the limitation imposed in Section 4.03(b), above, then the issue of whether repair or replacement of the Common Areas should be funded by a Special Assessment shall be presented by the Board to the Members for approval in accordance with Section 4.03(b), above.

(c) Information Required. The solicitation materials distributed to the Members in connection with any such vote shall include sufficient replacement cost and bid information to enable the Members to make an informed decision and the issue shall be presented on the ballot with the following alternatives:

(i) to repair, reconstruct and restore the damaged or destroyed Common Areas and specially assess all Owners for such additional funds as may be needed for such purpose, with the amount of the Special Assessment stated; or

(ii) in the alternative, not to repair, reconstruct or restore the damaged or destroyed Common Areas but rather to utilize the insurance proceeds available for such reconstruction, together with any sums otherwise available to the Association for such purpose, to demolish and remove the damaged or destroyed improvements from the Common Areas and to level and landscape the sites thereof and apply any balance of such proceeds or funds as the Members holding such voting power and their first Mortgages may determine.

(d) Board Action Following Vote. Subject to the provisions of Section 12.01, above, if the Assessment is approved, the Association shall proceed to make such repairs or reconstruction. If the Special Assessment is

not approved, the insurance proceeds may, after first being used to clear and landscape damaged areas, be applied in accordance with the wishes of the Membership upon the approval of Members and Eligible Holders as set forth in Article XIV, below, except that the proceeds shall not be distributed to the Owners, unless made jointly payable to Owners and the first Mortgagees, if any, of their respective Lots.

Section 12.04. Damage or Destruction of Residences.

(a) Obligation to Rebuild. If all or any portion of any Residence is damaged or destroyed by fire or other casualty, it shall be the obligation of the Owner of said Residence to rebuild, repair or reconstruct said Residence in a manner that will restore it substantially to the external appearance and condition which existed immediately prior to such casualty.

(b) Architectural Review Committee Approval. Any Owner whose Residence or other structural Improvements have been damaged or destroyed shall apply to the Architectural Review Committee for approval of plans for the reconstruction, rebuilding, or repair of the damaged or destroyed Residence or structure. Application for such approval shall be made in writing together with full and complete plans, specifications, working drawing and elevations showing the proposed reconstruction and the end result thereof. Any reconstruction, rebuilding, or repair shall be subject to the provisions of Articles V and VI, above, and to the approval of the Architectural Review Committee.

(c) Time Limitation for Reconstruction or Removal.

(i) The owner of any damaged Residence shall be obligated to proceed with all due diligence hereunder to remove damaged structures or portions thereof, prepare reconstruction plans and specifications, submit them for approval to the Architectural Review Committee, and complete the repair and restoration work.

(ii) Within sixty (60) days following the event, the Owner shall submit to the Architectural Review Committee for approval a timetable for submission of repair or reconstruction plans, commencement of work, and completion of construction. For good cause, including, without limitation, delays caused by inclement weather or the processing of insurance claims, the Architectural Review Committee may extend any of the deadlines of an approved timetable.

(d) Maintenance Responsibility. Prior to commencement of repair or reconstruction, the Owner

shall be subject to all of the provisions of Section 7.02, above, and may be required to provide sufficient landscaping and maintenance thereof, so that the property's appearance is neither unsightly nor constitutes a nuisance.

**ARTICLE XIII**  
**Eminent Domain**

Section 13.01. Definition of Taking. The term "taking," as used in this article, shall mean condemnation by eminent domain, or by sale under threat thereof, of all or part of the Common Areas.

Section 13.02. Representation by Association in Condemnation Proceeding. In the event of a taking, the Association shall represent all of the Members in an action to recover all awards, subject to the right of all Institutional Holders who have requested the right to join the Association in the proceedings. The Association is designated as the sole representative of the Members in all Aspects of condemnation proceedings.

Section 13.03. Award for Common Areas. In the event of a taking of all or any part of the Common Areas, the Association shall distribute the award from the taking authority after deducting therefrom fees and expenses related to the condemnation proceeding including, without limitation, fees for attorneys and appraisers and court costs. In the event that the taking is by judgment or condemnation, the said judgment apportions the award among the Owners and their respective Institutional Holders, the Association shall distribute the amount remaining after such deductions on the allocation basis set forth in the judgment. In the event that the taking is by sale under threat of condemnation, or if the judgment of condemnation fails to apportion the award, the Association shall distribute the award among the Owners and the Institutional Holders on a pro rata basis, with each Owner of Institutional Holder receiving an equal share of such award for each Lot owned by such Owner within Sun City Roseville. Unless otherwise agreed to by the Institutional Holders, all amounts payable to an Owner shall be paid to the Institutional Holder.

Section 13.04. Inverse Condemnation. The Association is authorized to bring an action in inverse condemnation. In such event, the provisions of this Article shall apply with equal force.

Section 13.05. Notice to Members. The Association, immediately upon having knowledge of any taking or threat thereof, shall promptly notify all Members.

## **ARTICLE XIV**

### **Rights of Institutional Holders of Mortgages**

The following provisions are for the benefit of Institutional Holders, Insurers, and Guarantors of first mortgages on Lots within Sun City Roseville and shall apply notwithstanding any provision to the contrary set forth elsewhere in this Declaration of the Bylaws. These provisions apply only to "Eligible Holders" as defined in Section 1.25, above.

#### Section 14.01. Rights of Eligible Holders.

(a) Notice of Pending Actions. Eligible Holders shall be entitled to timely written Notice, by first-class, return receipt mail, of any:

(i) default by the Owner of such Lot in the performance of such Owner's obligations under the Declaration, Articles or Bylaws which is not cured within sixty (60) from the date of such default;

(ii) condemnation proceedings affecting any portion of Sun City Roseville;

(iii) substantial damage to or destruction of any portion of the Common Areas;

(iv) proposed termination of the Association;

(v) lapse, cancellation or material modification of any insurance maintained by the Association; or

(vi) proposed action which would require the consent of Eligible Holders as further described in this Article.

(b) Other Rights. Eligible Holders, upon written request, are entitled to:

(i) inspect the books and records of the Association during normal business hours;

(ii) receive an annual audited financial statement of the Association within ninety (90) days following the end of any fiscal year of the Association, provided, however, that such audited statements shall be made available only if they have been prepared by the Association in the regular course of business;

(iii) receive written Notice of all meetings of Owners and be permitted to designate a representative to attend all such meetings;

(iv) receive an audited financial statement for the immediately preceding fiscal year; and

(v) receive current copies of this Declaration, the Articles of Incorporation, Bylaws and Association Rules.

#### Section 14.02. Consent of Eligible Holders.

(a) Actions Subject to Consent. The consent of Eligible Holders shall be required in order to take the following actions with respect to the Association and rights and obligations of Members and Institutional Holders:

(i) any restoration or repair of the Common Areas after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with this Declaration and the original plans and specifications, unless the approval of the Eligible Holders of first encumbrances on Lots to which at least fifty-one percent (51%) of the votes of the Owners of such Lots, subject to encumbrances held by such Eligible Holders are allocated, is obtained;

(ii) any election to terminate the Association after substantial destruction or a substantial taking in condemnation shall require the approval of the Eligible Holders of first encumbrances on Lots to which at least fifty-one percent (51%) of the votes of Owners of such Lots, subject to first encumbrances held by such Eligible Holders, are allocated.

(b) Approval of Financial or Property Adjustments. Unless at least seventy-five percent (75%) of the Owners have given their prior written approval, the Association and the Owners shall not be entitled to:

(i) change the pro rata interest or obligations of any Lot for the purposes of levying assessments and charges or allocating distributions of hazard insurance proceeds or condemnation awards;

(ii) partition or subdivide all or any part of the Common Areas of Sun City Roseville;

(iii) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Areas shall not be deemed a transfer within the meaning of this provision); or

(iv) use hazard insurance proceeds for losses to any portion of the Common Areas for other than the repair, replacement or reconstruction of such improvements, except as provided by statute.

(c) Amendment and Termination. The following provisions contained in this section do not apply to amendments to the Bylaws or this Declaration or termination of the Association made as a result of destruction, damage or condemnation pursuant to Section 14.02(a), above.

(i) Termination. The consent of one hundred percent (100%) of the voting power of the Association and the approval of the Eligible Holders of first encumbrances on Lots to which at least sixty-seven percent (67%) of the votes of Members owning Lots subject to such encumbrances pertain, shall be required to terminate the Association.

(ii) Certain Amendments. The consent of at least sixty-seven percent (67%) of the Members and the approval of Eligible Holders of first encumbrances on Lots to which at least fifty-one percent (51%) of the votes of Members whose Lots are subject to such an encumbrance pertain, shall be required in order to amend any material provision of the Declaration, Bylaws, or Articles, or to add any material provisions thereto, which establish, provide for, govern or regulate any of the following:

- (A) voting;
- (B) assessments, assessment liens or subordination of such liens;
- (C) reserves for maintenance, repair and replacement of the Common Areas;
- (D) insurance or fidelity bonds;
- (E) rights to use the Common Areas;
- (F) responsibility for maintenance and repair of Sun City Roseville;
- (G) expansion or contraction of the Sun City Roseville common interest development or the addition, annexation or withdrawal of property to or from the Association;
- (H) boundaries of any Lot or the Common Areas;
- (I) leasing of Lots and Units;
- (J) imposition of any right of first refusal or similar restrictions of the right of any Owner to sell, transfer, or otherwise convey the Owner's Lot;
- (K) establishment of self-management by the Association where professional management has previously been required; or
- (L) provisions included in the Declaration, Bylaws or Articles which are for the express benefit of Institutional Holders, Guarantors or Insurers of first encumbrances on Lots.

#### Section 14.03. Rights of Institutional Holders.

(a) Priority of Mortgage Lien. No breach of the covenants, conditions or restrictions contained in this Declaration, nor the enforcement of any lien provisions created herein, shall affect, impair, defeat or render invalid the lien of any first Mortgage made in good faith and for value, but all of the covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title to a Lot is derived through foreclosure, trustee's sale or otherwise.

(b) Rights Upon Foreclosure. Any Institutional Holder of a first mortgage on a Lot which comes into possession of that Lot pursuant to judicial foreclosure or foreclosure by power of sale shall:

(i) acquire title in such Lot free of any claims for unpaid assessments or charges against the Lot accruing prior to the Institutional Holder's acquisition of title;

(ii) not be obligated to cure any breach of this Declaration which is non-curable or of a type which is not practical or feasible to cure and which took place prior to acquisition of title to the Lot by the Institutional Holder; and

(iii) be exempt from any right of first refusal contained in this Declaration, or any amendment hereto, and such right of first refusal shall not impair the rights of an Institutional Holder to: (A) foreclose or acquire title to a Lot pursuant to the remedies provided in the mortgage; (B) accept an assignment in lieu of foreclosure in the event of default by the mortgagor; or (C) sell or lease a lot required by the Institutional Holder.

(c) Insurance. The Owners shall procure and maintain fire and liability insurance and such other insurance as may from time-to-time be required by Institutional Holders. All such insurance shall contain loss payable clauses naming the Institutional Holders which encumber a Lot by a first mortgage, as their interests may appear.

(d) Information. Any Institutional Holder is authorized to furnish information to the Board concerning the status of any loan encumbering a Lot.

Section 14.04. Special FNMA-FHLMC Provisions. So long as required by the Federal National Mortgage Association ("FNMA") and the Federal Home Loan Mortgage Corporation ("FHLMC"), the following provisions shall apply in addition to and not in lieu of the foregoing provisions contained in this Article.

(a) Consent of Institutional Holders. Unless two-thirds (2/3) of the Institutional Holders of first encumbrances or Owners of Lots subject to such encumbrances give their consent, the Association shall not:

(i) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas which the Association owns, directly or indirectly;

(ii) change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner;

(iii) by act or omission change, waive or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of the properties comprising Sun City Roseville, including the Common Areas;

(iv) fail to maintain fire or extended coverage insurance, as required by this Declaration; or

(v) use hazard insurance proceeds for any Common Area Common Area losses for other than repair, replacement or reconstruction of such property.

(b) Notice. The Association agrees to give written notice to FNMA or FHLMC or its designated representative of any loss to, or taking of, the Common Areas if such loss or taking exceeds ten thousand dollars (\$10,000).

(c) Insurance. If any loan secured by a mortgage encumbering a Lot is owned by the FNMA or FHLMC, its successors or assigns for purchase, the Owners shall obtain and maintain in full force and effect all insurance coverages which may at any time be required by the FNMA or FHLMC, its successors or assigns and shall otherwise comply in all respects with all insurance requirements of the FNMA or FHLMC which may be in effect at any time.

## **ARTICLE XV**

### **Amendment of Declaration**

#### Section 15.01. Scope of Board Authority to Adopt Amendments to Declaration.

(a) Amendments Limited to Conforming Declaration to Mandated Changes in Statutory Law. Many provisions of this Declaration reflect legal requirements imposed on the Association, its Directors, officers and Members by the Davis-Stirling Common Interest Development Act, Civil Code Section 4000 et seq, the Nonprofit Mutual Benefit Corporation Law,

Corporations Code Section 7110, et seq, and other state and federal statutes. In the event that any such statute is amended, revoked or supplemented in a manner which requires a corresponding amendment of this Declaration in order to properly reflect underlying state or federal law, the Board, upon written advice of legal counsel and after Notification of Members, may approve the amendment by an affirmative vote of two-thirds (2/3) of the directors. Any such amendment shall be Recorded and a copy shall be provided to Members with the next mailing to Members. A copy of the Board Resolution authorizing the corrections shall be included with the amendment for filing.

(b) Right of Amendment if Requested by City of Roseville. Anything in this article to the contrary notwithstanding, the Board shall have the right to amend, without the necessity of approval by the Members, all or any part of Article XVI, below, to such an extent and with such language as may be requested by the City of Roseville. Any such amendment shall be effectuated by the Recordation of a Certificate of Amendment by the Association, duly signed by or on behalf of the authorized agents, or authorized officers of the Association, as applicable, with their signatures acknowledged, specifying the City of Roseville requested the amendment and setting forth the amendatory language requested by the City. Recordation of such a Certificate shall be deemed conclusive proof of the City's request for such an amendment, and such Certificate, when Recorded, shall be binding upon all of Sun City Roseville and all persons having an interest therein. A copy of any such amendment shall be provided to Members with the next mailing to Members.

Section 15.02. Member Approval Requirements. Except as otherwise provided in Section 15.01, above, any amendment of this Declaration shall be approved by the assent by ballot of at least a majority of the Voting Power of the Members. Notwithstanding the foregoing, the percentage of the voting power necessary to amend a specific clause or provision of this Declaration shall not be less than the percentage of affirmative votes prescribed for action to be taken under that clause. The vote by ballot shall be conducted according to the provisions in Article V of the Bylaws.

#### Section 15.03. Additional Approvals for Amendments to Particular Provisions.

(a) Eligible Holder Approvals. The approval of Eligible Holders shall be required to adopt any material amendments to the provisions described in Section 14.02(c)(ii), above.

(b) Approval by the City of Roseville. No amendment to, or repeal of, any provision of Article XVI of this Declaration may be made without the prior written consent of the City of Roseville.

Section 15.04. Effective Date of Amendment. Amendments shall be effective upon the Recording of a Certificate of Amendment, duly executed and certified by the President and Secretary of the Association setting forth in full the amendment so approved and that the approval requirements have been duly met. If the consent or approval of any governmental authority, Institutional Holder, or other entity is required under this Declaration to amend or revoke any provision of this Declaration, no such amendment or revocation shall become effective unless such consent or approval is obtained. For the purposes of recording such instrument, the President and Secretary of the Association are hereby granted an irrevocable power of attorney to act for and on behalf of each and every Owner in certifying, executing and recording said amendment with the Office of the County Recorder.

Section 15.05. Restatements of Declaration. This section describes the methods for restating the Declaration after an amendment has been duly approved.

(a) Restatement in General. The Association Board has the right, by resolution, without the necessity of consent by the Owners, to restate this Declaration when it has been properly amended in accordance with this Article XV. The purpose of a restatement is to present the Declaration and all amendments in the form of a document which reads, as amended, in its entirety. Such restatement shall be effective upon execution of the restatement by any two (2) duly authorized officers of the Association and its Recordation in the Official Records of Placer County.

(b) Recordation of Restatement. Upon Recordation of the restatement, the restatement shall supersede the prior Declaration and its amendments in their entirety, without, however, affecting the priority of the Declaration in the chain of title to all properties that are subject to the Declaration as established by the Declaration's initial date of Recordation.

(c) Form of Restatement. The restatement shall restate the entire text of the original document, as amended, except that the restatement may:

- (i) change the Declaration to rearrange, add or delete text for consistency with approved amendments;
- (ii) change the Declaration to delete material no

longer legally effective or legally required;

(iii) change the Declaration to delete any provision declared illegal by constitutional or statutory enactment, by regulation, or by controlling judicial opinion;

(iv) change the Declaration to distinguish the restatement from the original document, such as title, section, or subsection numbering changes; and

(v) add a statement that the Board has authorized the restatement pursuant to this section.

Section 15.06. Reliance on Amendments. Any amendments made in accordance with the terms of this Declaration shall be presumed valid by anyone relying on them in good faith.

## **ARTICLE XVI**

### **Compliance with City of Roseville Requirements**

Section 16.01. Maintenance of Preserves and Landscape Corridors.

(a) Parks and Preserves. As provided in the Development Agreement between Declarant and the City of Roseville, the Association shall be responsible for maintenance of the portions of the following properties which constitute wetlands mitigation area as shown in Exhibit J to the Development Agreement in accordance with the Design Guidelines. Maintenance standards shall include those standards set forth in Exhibits I and K as same may be amended:

- (i) entire Central Park Preserve;
- (ii) Veterans Memorial Park;
- (iii) Blue Oaks North and South Preserves;
- (iv) School House Park; and
- (v) City-Wide Park.

(b) Medians and Corridors. The Association shall also be responsible for maintenance of the median and landscape corridors delineated in Exhibit L to the Development Agreement, in accordance with the Design Guidelines, which shall include the maintenance standards set forth in Exhibit M to the Development Agreement as the same may be amended.

(c) Backup Maintenance. The City of Roseville shall have backup maintenance rights with reimbursement and penalty provisions as set forth in Section 10.03(b), above.



(d) Environmental Permits. Without limiting the maintenance obligations described in this Article XIV with respect to parks and park preserves, nothing contained herein shall be construed as imposing any duty or obligation on the Association for responsibility or monitoring of the following permits, the same which have been expressly assumed by Declarant as the named permittee:

(i) the Department of the Army Permit, commonly known as the U.S. Army Corps of Engineers 404 Permit, issued, January 21, 1994, as permit number 198900023 and any amendments thereto; and

(ii) the Del Webb Tree Permit, permit number TP 93-2 issued by the City on June 13, 1994, and any amendments thereto.

Section 16.02. Indemnification of City and Waiver of Claims. As required in the Development Agreement, the Association shall defend, indemnify and hold the City of Roseville and its elected council and appointed commissions, officers, agents and employees harmless from and against all liability (including attorneys' fees and costs) for damages or claims for damage for personal injury (including death) and claims for property damage which may arise from the following:

(a) any act or omission of the Association, its successors in interest or their agents, employees, contractors or subcontractors pursuant to the Development Agreement related to property owned or maintained by the Association;

(b) the entry of a golf ball from the golf course areas owned by the Association onto any residential lot within Sun City Roseville or any public place;

(c) the maintenance, lack of maintenance or the condition of any property which the Association is required to maintain by the Development Agreement as described in this Article XVI, including park preserve areas, medians, landscape corridors and drainage areas. The City shall have backup maintenance rights with the aforementioned reimbursement and penalty provisions set forth in Section 10.03, above;

(d) any liability arising from the Association's compliance with the Oak Tree Regeneration agreement between the Declarant and the City of Roseville, dated February 16, 1994, and any amendments thereto, other than from the negligence of the City; or

(e) damage to the golf course arising from the City's entry to perform maintenance under the conservation easement described in Section 10.03, above; provided,

however, that the City will exercise reasonable care to avoid unnecessary damage.

#### Section 16.03. City Services.

(a) City Library Access. The Association shall install and maintain, commencing no later than six months after system access is made available by the City, computer access from the Common Facilities to the City's Main Library computer system.

Section 16.04. Reclaimed Water Operations. The operation of the reclaimed water systems shall be as described in the Agreement for Reclaimed Water Operations ("Operations Agreement") dated January 4, 1995, between the City and the Declarant, and any amendments thereto. The Operations Agreement provides, generally, only reclaimed water shall be used to irrigate parks, golf courses, landscaping corridors, median strips, recreation center landscaping or public landscape within Sun City Roseville. Potable water may be used, however:

(i) if reclaimed water is unavailable or emergency circumstances warrant as determined by the Environmental Utilities Director of the City or successor official; or

(ii) if necessary to remove accumulated salts subject to the terms of the Development agreement.

Section 16.05. Best Management Practices in Drainage Areas. The Association shall have the responsibility to maintain all stormwater retention basins and drainage ways and otherwise use Best Management Practices in accordance with the Stormwater Pollution Prevention and Monitoring Plan approved by the State of California Regional Water Quality Control Board. The City shall have backup maintenance rights with reimbursement and penalty provisions as set forth in Section 10.03, above. The maintenance of any cross-drainage feature for the preservation of oak trees on a Lot shall be the responsibility of the individual Lot owner.

Section 16.06. Golf Course Cart Crossings and Signage. The Association shall be responsible for annual reimbursement of direct expenses to the City for costs (including labor) incurred by the City in the maintenance and repair of all such signs, markings and lighting of golf course cart crossings of roadways as may be required by the City or otherwise by applicable law.

Section 16.07. City as Additional Insured. In its policy of commercial general insurance, the Association shall name, as additional insured, the City of Roseville

with respect to claims arising out of events or occurrences on City Property, and which policy shall be primary coverage as to the additional insureds and events. The Association shall maintain on file with the City a current insurance certificate evidencing such coverage.

Section 16.08. Potential Power Line Along West Boundary. The City of Roseville Electric Utility Department's Electric Master Plan calls for future construction of a 60 KV electric power line along the portion of Fiddymment Road that comprises the west boundary of Sun City Roseville. When construction will occur and whether the line will be on the east or west side of Fiddymment Road has not been determined, but the line could potentially be constructed along the east side of the road.

Section 16.09. Extent of Obligations. Notwithstanding anything to the contrary in this Declaration, and consistent with the Development Agreement, the covenants set forth in this Article XVI are obligations of either Declarant or the Association (or in some instances both) but are not otherwise binding on the owners of Lots.

Section 16.10. City Approval of Certain Modifications Required. Any amendment to this Declaration which has the effect of modifying any provision of this Article XVI or which purports to transfer Common Area property of the Association shall not be effective unless approved by the Planning Director of the City or a successor official. Nothing herein shall, however, be construed to apply this Declaration to the City as the owner of any property within or adjacent to Sun City Roseville.

Section 16.11. City Planning and Zoning Provisions. The Sun City Roseville common interest development is subject to all applicable planning and zoning ordinances of the City of Roseville and to specific conditions and restrictions of the approvals thereunder at the time of the adoption of the Development Agreement, and nothing in this Declaration shall be interpreted as waiving or modifying such provisions. In the event of a conflict in interpretation between the Declaration and the Development Agreement, the Development Agreement shall prevail. In the event that the City and Board of the Association agree on a modification which has the effect of altering any of the City-required provisions set forth herein, such modification shall be deemed an amendment requested by a governmental agency in accordance with Section 15.01(b), above.

Section 16.12. Installation of Water Softeners. No water softeners shall be installed within the community, except for those of a type approved by the Environmental Utilities Director of the City of Roseville, or a successor official of the City.

## **ARTICLE XVII General Provisions**

Section 17.01. Term. The covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of-way, liens, charges and equitable servitudes contained in this Declaration shall run with, and shall benefit and burden the Lots and the Common Areas as herein provided, and shall inure to the benefit of and be binding upon the Owners, the Association, its Board, and its officers and agents, and their respective successors in interest, for the term of sixty (60) years from the date of the recording of this Declaration. After the expiration of the initial term, the same shall be automatically extended for successive periods of ten (10) years each unless, within six (6) months prior to expiration of the initial sixty (60)-year term or any such ten (10)-year extension period, a written instrument, approved by Owners entitled to vote and holding at least a majority of the Voting Power of the Association terminating the effectiveness of this Declaration, is Recorded.

### Section 17.02. Construction.

(a) Restrictions Construed Together. All of the covenants, conditions and restrictions of this Declaration shall be liberally construed together to promote and effectuate the fundamental concepts of the development of Sun City Roseville as set forth in the Recitals of this Declaration. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce that provision in a subsequent application or any other provision hereof.

(b) Restrictions Severable. Notwithstanding the provisions of subsection (a) above, the covenants, conditions and restrictions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision.

(c) Singular Includes Plural. The singular shall include the plural and the plural the singular unless the context requires the contrary, and the masculine, feminine or neuter shall each include the masculine, feminine and neuter, as the context requires.

(d) Captions. All captions or titles used in this Declaration are intended solely for convenience of reference and shall not affect the interpretation or application of that which is set forth in any of the terms or provisions of the Declaration.

(e) Exhibits. All exhibits referred to herein are deemed to be incorporated herein by reference, whether or not actually attached.

(f) Conflict. To the extent of any conflict between the Governing Documents and the law, the law controls. To the extent of any conflict between the Articles of Incorporation and the Declaration, the Declaration controls.

Section 17.03. Interpretation. Except for judicial construction, the Association, by its Board, shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and property benefiting or bound by the Covenants hereof.

Section 17.04. Rule Against Perpetuities. If any interest purported to be created by this Declaration is challenged under the Rule against Perpetuities or any related rule of law, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest; the "lives in being" for computing the period of perpetuities shall be: (1) those which would be used in determining the validity of the challenged interest; plus (2) those of the issue of the Board who are living at the time the period of perpetuities starts to run on the challenged interest.

Section 17.05. Change of Circumstances. No change of conditions or circumstances shall operate to extinguish, terminate or modify any of the provisions of this Declaration.

Section 17.06. References to the Covenants in Deeds. Deeds to and instruments affecting any Lot may contain the covenants set forth in this Declaration or may incorporate this Declaration by reference; but regardless of whether any such reference is made in any deed or instrument, this Declaration shall run with the land, and be binding upon the grantee-Owner or other person claiming through any instrument and such Owner's heirs, executors, administrators, successors and assigns.

#### Section 17.07. Notice Requirements

(a) Individual Delivery Notice. As provided in Civil Code 4040, any Notice or other documents permitted or required to be delivered to an Owner as provided herein may be delivered by first-class or certified mail to the last address of the intended recipient as shown on the records of the Association. Notice given to one Owner of Record of a Lot shall be deemed given to all Owners of Record. Notices provided by electronic communication, such as email or facsimile, to Owners require the consent of the recipient and may be subject to other conditions as provided in Corporation Code Sections 8 and 20. Upon written request by a Member for delivery to a secondary address, the Association shall deliver an additional copy of any of the following documents requested: Annual Budget Report, Annual Policy Statement, Assessment payment and delinquency, notice of default.

(b) General Delivery Notice. As provided in Civil Code 4045, General Delivery Notices to the entire membership may use any method for Individual Notice. Other acceptable methods are: inclusion in billing statements, newsletter, posting in a prominent location that has been designated for posting of General Delivery Notices in the Annual Policy Statement. By written request, a Member may elect to receive General Delivery Notices by Individual Delivery, as provided in the Annual Policy Statement.


(c) Notice to the Association. As provided in Civil Code 4035, all notices intended to be served upon the Association shall be delivered to the person designated in the Annual Policy Statement to receive documents on behalf of the Association. If no person has been designated to receive documents, the document shall be delivered to the president or secretary of the Association. Delivery may be mailed, delivered personally, or, if the Association has assented to such delivery, it may be sent electronically. If the Association has assented to personal delivery, it shall provide a written receipt of delivery.

(d) Delivery of Notices. If a document is mailed, delivery is complete upon deposit into the US mail. If it is delivered electronically, delivery is complete at the time of transmission.

**SUN CITY ROSEVILLE COMMUNITY  
ASSOCIATION, INC.**

***Certification:***

**THIS THIRD RESTATED DECLARATION OF  
COVENANTS, CONDITIONS, AND  
RESTRICTIONS WAS ADOPTED BY THE  
BOARD OF DIRECTORS AT A DULY HELD  
MEETING NOVEMBER 22, 2013; BUT  
EXECUTED IN SEPTEMBER, 2014:**

  
By: /signed/ Rodger Page, President

Date: 9/22/14

  
By: /signed/ Mary Ann Chittick, Secretary

Dated: 9/22/14