

KINGSWOOD ESTATES HOMEOWNERS' ASSOCIATION

**DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS ON
RESIDENTIAL PROPERTY**

ARTICLE I

DEFINITIONS

The following words when used in the Declaration or any supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

(a) **"Association"** shall mean and refer to the **KINGSWOOD ESTATES HOMEOWNERS' ASSOCIATION, INC.**

(b) **"Common Properties"** shall mean and refer to those areas of land and facilities, if any, acquired from time to time, by the Association for the common use, recreation and enjoyment of the Owners of the Properties.

(c) **"Living Area"** shall refer to interior floor area with a minimum height clearance of 5 feet from floor to ceiling.

(d) **"Living Unit"** shall mean and refer to any building situated upon the Properties designed and intended for use and occupancy as a residence by a single family.

(e) **"Lot"** shall mean and refer to any plot of land, zoned for residential use, shown upon any recorded subdivision map of the Properties except parcels or lots specifically excluded from the operation of these protective restrictions.

(f) **"Member"** shall mean and refer to all those Owners who are members of the Association.

(g) **"Owner"** shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Living Unit situated upon the Properties but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee; trustee or beneficiary under any deed of trust unless and until such mortgagee or trustee or beneficiary has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

(1) The "**Properties**" shall mean and refer to such "Existing Properties" (as defined in Article II, Section 1, hereof), and additions thereto as are subject to this Declaration or any supplemental Declaration under the provisions hereof.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

ADDITIONS THERETO

Section 1. Existing properties. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration (which shall hereinafter be referred to as "Existing Properties") is described as follows:

Lots 1 through 129, inclusive, of KINGSWOOD ESTATES, Unit 1, as shown on the official map of said Subdivision, filed as KINGSWOOD ESTATES, UNIT I, for record in the Office of the County Recorder of Placer County, State of California, on November 15, 1966, in Book "1" of Maps, at page 11.

Lots 1 through 101, inclusive, as well as Lot A, of KINGSWOOD ESTATES, UNIT II, as shown on the official map of said Subdivision, filed As KINGSWOOD ESTATES, UNIT II, for record in the Office of the County Recorder of Placer County, State of California, on September 25, 1968, in Book 1 of Maps, at page 46.

Lots 1 through 29, inclusive, of KINGSWOOD ESTATES, UNIT 111, as shown on the official map of said Subdivision, filed as KINGSWOOD ESTATES, 111, for record in the Office of the County Recorder of Placer County, State of California.

Lots 1 through 36, inclusive, of KINGSWOOD ESTATES, UNIT IV, as shown on the official map of said Subdivision, filed as KINGSWOOD ESTATES, UNIT IV, for record in the Office of the County Recorder of Placer County, State of California, on September 25, 1968, in Book 1 of Maps, at page 47.

Lots 1 through 105 and parcels A through H, inclusive, of KINGSWOOD ESTATES, •UNIT V, as shown on the official map of said Subdivision, filed as KINGSWOOD ESTATES, UNIT V, for record in the Office of the County Recorder .Of Placer County, State of California, on May 14, 1969, in Book "I" of Maps, at Page 57.

Section 2. Additions to Existing Properties. Additional land may be come subject .to this Declaration in the following manner:

(a) Additions. Upon approval in writing of the Association pursuant to a vote of its members as provided in its Bylaws, the Owner of any property who desires to

add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association may file of record a Supplementary Declaration of Covenants and Restrictions. Such Supplementary Declaration may contain such complementary additions and modification of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme of this. In no event, however, shall such supplementary Declaration revoke, modify, or add to the covenants by tis declaration within the Existing Properties. For example, and without affecting the generality of the foregoing, if the development scheme of such additional properties shall include multifamily dwellings, condominiums, town houses, or similar developments, the provisions of Articles VII, VIII, and IX, insofar as they shall relate to lots, acreage or areas to be used for such purposes, may be modified as may be deemed appropriate by the Omer of said additional properties,

(b) **Mergers.** Upon a merger or consolidation or other legal combination of the Association with another association as provided in its Articles of Incorporation, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association of, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving coloration pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Existing Properties together with the covenants and restrictions established upon any other properties as one scheme. No such merger, combination or consolidation, however, shall affect any revocation, change or addition to the covenants established by this Declaration within the Existing Properties except as hereinafter provided.

ARTICLE III

MEMBER AND VOTING RIGHTS THE ASSOCIATION

Section 1. Membership. Every Owner of a fee or undivided fee interest in any Lot or Living Unit which is subject by covenants of record to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member, and provided that any person or entity who is not an Owner as defined in Article I shall not be a member.

Section 2. Voting Rights. The Association shall have one class of voting membership. Members shall be all those Owners as defined in Section 1, Members shall be entitled to one (1) vote for each Lot or Living Unit in which they hold the interests required for membership by Section 1. When more than one person holds such interest or interests in any Lot or Living Unit, all such persons shall be Members and the vote for such Lot or Living Unit shall be

exercised subject to such rules and regulations as may be imposed by Association's Bylaws, as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Lot or Living Unit. For purposes of determining the votes allowed under this Section, when Living Units are counted, the Lot or Lots on which such Living Units are situated shall not be counted.

Section 3. Proxy Voting. The proxy form distributed to a Member shall provide the opportunity to designate the person or group to which the member wants his or her proxy assigned. The proxy form shall also give the issuing Member the opportunity to specify a choice between approval or disapproval of each matter to be acted upon at the meeting for which the proxy is solicited, and shall state that if the issuing member has specified a choice with respect to a particular issue, the proxy will be voted in accordance with the Member's direction. The Board of Directors may solicit proxies to be assigned to the Board. In the event proxies are assigned to the Board, the Board shall vote the proxies as it sees fit, unless a Member has specified a choice with respect to a particular issue or issues. With respect to the following matters, the proxy form distributed to a Member must generally describe the issue to be voted upon: .

- (a) Removing a director without cause;
- (b) Voting for directors;
- (c) Approving a transaction in which a director has a financial interest;
- (d) Approving a change in proxy rights;
- (e) Selling or disposing of all or most of the Association's assets;
- (f) Merging or dissolving the Association;
- (g) Approving any changes in assessments which requires approval from the members;
- (h) Amending the Declaration;
- (i) Amending the articles of incorporation; (j) Amending the Bylaws.

Section 4. Rights, etc. Governed by Articles and Bylaws. Each member and membership in the Association and all rights and privileges with respect to said membership, shall, in all respects, conform to and be governed and bound by the Articles and Bylaws of the Association, and all the amendments and changes thereto, and any and all rules adopted by the Board of Directors or governing body of the Association.

ARTICLE IV

COVENANT FOR ASSESSMENTS

Shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; (2) special assessment for capital improvements and acquisitions, such assessments to be fixed, established, and collected from Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot or Living Unit, by acceptance of a deed therefor, whether or not it time to time as hereinafter provided. The annual and special assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety, and welfare of the residents in The Properties and in particular for the acquisition, improvement and maintenance of properties, services, and facilities devoted to this purpose, and related to the use and enjoyment of the Common Properties and of the homes situated upon The Properties including, but not limited to, the cost of acquisition and improvement, the payment of taxes and insurance thereon and repair, replacement, and additions thereto, and for the cost of labor, equipment, materials, management, and supervision thereof, and the cost of all activities in connection with the enforcement of these covenants and restrictions.

Section 3. Basis and Maximum of Annual Assessments. The annual assessment shall be \$100 per Lot or Living Unit. Subsequent annual assessments shall be determined by the Board of Directors, provided that (i) an annual increase of more than 20%, or special assessments which exceed 5% of a that year's budget, must be approved by a majority vote of the members, as hereinafter provided; and (ii) the Board of Directors has complied with section 1365 of the California Civil Code, as amended, which requires preparation and distribution to the members of an annual pro forma budget.

Section 4. Special Assessments for Capital Acquisitions and Improvements. In addition to the annual assessments authorized by Section 3, hereof, the Association may levy in any assessment year a special assessment, applicable to that year only but payable over a period of years if the Association so determines, for the purposes of defraying, in whole or in

part, the cost of any acquisition, construction or reconstruction, repair or replacement of a described capital asset or improvement upon the Common Properties, including the necessary fixtures and personal property related thereto. A special assessment which does not exceed 5% of the budgeted gross expenses for. The year shall not require approval of the members.

Section 5. Member Approval of Assessments. If the Board of Directors recommends imposition of a regular annual assessment which is more than 20% greater than the preceding year's regular assessment, or a special assessment which exceeds 5% of the Association's budget for the year, approval of the members shall be required. The necessary approval shall consist of votes by a majority of the members voting, in person or by proxy, in an election in which a quorum of the members is represented. For purposes of this Article IV only, "quorum" means more than 50% of the Association's total membership. The vote shall be conducted at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30), but not more than sixty (60), days in advance and which shall set forth the purpose of the meeting. The voting requirements set forth herein shall not apply to assessment increases necessary for emergency situations, - as defined in section 1366(b) of the California Civil Code, as amended.

Section 6. Date of Commencement of Annual Assessment: Due Dates. The annual assessments provided for herein shall Commence on the date (which shall be the first day of a month) fixed by the Board of Directors of the Association to be the date of commencement. The assessments for any year shall become due and payable on the first day of January of said year, or on such other date as may be determined by the Board of Directors. Properties which become subject to the assessments in the future shall bear proportionate shares of the assessments for a given year, calculated from the date a property becomes subject to the assessments. The due date of any special assessment under Section 4. hereof shall be fixed in the resolution authorizing such assessment.

Section 7. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot or Living Unit for each assessment period at least thirty (30), and no more than sixty (60), days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessments shall thereupon be sent to every Owner subject thereto. The Association shall upon demand at any time furnish to any Owner liable for said assessment, a

certificate in writing signed by an officer of the Association setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Collection of Assessments; Enforcement of Liens. The Personal Obligation of the Owner; the Lien; Remedies of Association. If the any regular or special assessments are not paid within 30 days of the date when due, then such assessment shall become delinquent and shall, together with interest thereon at the rate of twelve percent (12%) per annum, and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns, once the Association has recorded with the Placer County Recorder a Notice of Delinquent Assessment. The personal obligation of the then Owner to pay such assessments, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them. In addition to the accrual of interest, the Board of Directors is authorized to promulgate a schedule of reasonable late charges for any delinquent assessments, subject to limitations imposed by sections 1366 and 1366, 1 of the California Civil Code, or comparable superseding statutes.

Section 9. Remedies Available to the Association to Collect Assessments. The Association may bring an action at law against the Owner personally obligated to pay the delinquent assessment, foreclose the lien against the property, or accept a deed in lieu of foreclosure. Foreclosure by the Association of its lien may be by judicial foreclosure or by non-judicial foreclosure as provided by law. In the event the Association brings an action at law, forecloses the lien against the property, or accepts a deed in lieu of foreclosure, there shall be added to the amount of the assessment the costs of preparing and filing the complaint in such action, other reasonable costs of collection', and reasonable attorneys' fees. Foreclosure Or acceptance of a deed in lieu of foreclosure shall not affect the Association's right to maintain an action for the collection of delinquent assessments against the foreclosed party personally.

Section 10. Subordination of the Lien to Mortgages. The lien created by the Notice of Delinquent Assessments provided for herein shall be prior and superior to all other liens or encumbrances recorded subsequent thereto, except (a) all taxes, bonds, assessments and other levies which are superior thereto by law, and (b) the lien or charge of any first deed of trust of record or first mortgage of record, made in good faith and for value, now or hereafter placed upon the properties subject to assessment; provided, however, that such

subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, exercise of power of sale, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

ARTICLE V

POWERS OF THE ASSOCIATION

Section 1. Powers and Authority of the Association. The Association shall have the responsibility of owning, managing, and maintaining the Common Properties and discharging the other duties and responsibilities imposed on the Association by its Bylaws, Articles of Incorporation, and this Declaration. In the discharge of such responsibilities and duties, the Association shall have all the powers of a nonprofit mutual benefit corporation organized under the laws of the State of California, subject to any restrictions imposed by the Bylaws, Articles of Incorporation, and this Declaration. .

Section 2. Association Rules. The Board may, from time to time and SubjéOt to the provisions of this Declaration, propose, enact and amend rules and regulations of general application to Owners within the Properties. Such rules may concern, but need not be limited to, (i) matters pertaining to the maintenance, repair, management and use of the Common Properties; (ii) architectural control and the rules of the Architectural Control Committee; (iii) regulation of parking, pet ownership, and collection and disposal of refuse; and (iv) any other subject or matter within the jurisdiction of the Association. Rules and regulations enacted by the Association shall not be inconsistent with or materially alter any provision of the Bylaws, Articles of Incorporation, or this Declaration; in the event of conflict, the provisions in the Bylaws, Articles or Incorporation, and this Declaration shall prevail. A copy of the Association rules shall be mailed to each Owner whenever the rules, or any rule, is adopted, amended, or repealed.

Section 3. Limitation of Liability. No director or officer of the Association (collectively and individually, "Released Party") shall be personally liable to any Owner or Association member, or to any other person, for any error or omission in the discharge of their duties and responsibilities or for their failure to provide any service required hereunder or under the Bylaws, provided that such Released Party has acted in good faith, in a manner that such person believes to

be in the best interests of the Association, and with such care as an ordinarily prudent person would use under similar circumstances.

Section 4. Restrictions on Contracts. Neither the Board of Directors nor any management body shall enter into any contract which binds the Association for a period in excess of one year, unless reasonable cancellation provisions are included in the contract.

ARTICLE VI

ARCHITECTURAL CONTROL COMMITTEE

Section 1. Review by Committee. No building, fence, wall, or other structure shall be commenced, erected, or modified upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications and such further data as may be requested showing the nature, kind, shape, height, materials, colors, and locations, of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by Association Architectural Control Committee.

Section 2. Appointment of Architectural Control Committee. The Board of Directors shall appoint an Architectural Control Committee composed of five (5) members. Committee members appointed shall be from the membership of the Association, with three (3) Committee members also being members of the Board of Directors. Members of the Committee shall serve for a term of one (1) year, or until successors have been appointed. Any member of the Committee may be removed without cause by a vote of a majority of the Board or by a vote of fifty percent (50%) percent of the members of the Association. All members of the Board of Directors who are not Committee members shall be Committee alternates, with the Board selecting as many alternates to participate and vote at a Committee meeting, as there are absences of regular Committee members.

Section 3. Submission of Plans. In the event the Committee fails to approve, disapprove, or request more information concerning such plans and specifications with 30 days after submission, the request shall be deemed approved. The Committee may grant conditional approvals requiring the applicant to modify certain aspects of the plans and specifications originally submitted. All plans, specifications and other data shall be submitted in duplicate and one copy thereof, as finally approved, shall be retained by the

Committee. The Committee may require a reasonable inspection fee for review of plans and specifications.

Section 4. Architectural Rules and Regulations. The Committee may from time to time, with the approval of the Board of Directors, adopt, amend, and repeal rules and regulations to be known as "Architectural Review Rules and Regulations." These rules shall interpret and implement the provisions of this Declaration by setting forth the standards and procedures for review and approval of proposed improvements and development of standards and guidelines for improvements within the Properties. In the event of any conflict between the rules and this Declaration, the Declaration shall prevail.

Section 5. Variances. The Architectural Control Committee shall be entitled to allow reasonable variances with respect to any restrictions specified in the rules or in Article VIII herein in order to overcome practical difficulties, avoid unnecessary expense or prevent unnecessary hardships, provided that it conducts a hearing on the proposed variance after giving at least 10 days' prior notice to the Board and all members owning property within one hundred feet (100') of the property to which the variance applies. The Committee shall not grant a variance if it makes a good faith determination that (i) the variance does not constitute a material deviation from the requirements of this Declaration or the Architectural Review Rules and Regulations; (ii) the variance relates to a requirement that is unnecessary or unduly burdensome under the circumstances; or (iii) granting the variance will not cause a material detriment or unreasonable nuisance with respect to any other common area or property or property within the Properties.

ARTICLE VI

RESIDENTIAL DWELLINGS ONLY

Section 1. Nothing but a single family, detached, private dwelling or residence designed for the occupancy of one family, together with a garage or carport and one storage shed for the sole use of the family occupying such single private dwelling, shall be erected on any lot in the Existing Properties. The term "private dwelling" is intended to exclude every form of multi-family dwelling, boarding or lodging house, sanitarium, hospital, and the like, but is not intended to exclude servants' premises.

Section 1.5, No storage shed shall be erected which is greater than 120 square feet in area, is greater than 12 feet in height, or which has any exterior dimension greater than 12 feet and limited to one shed per lot. No storage shed shall be erected without prior approval from the Architectural Control

Committee, including new storage sheds intended to replace existing storage sheds. Existing sheds may not be extended, enlarged, or rebuilt if more than 50% destroyed, without prior approval from the Architectural Control Committee. No temporary structure or tent constructed of plastic, canvas, metal, or any other material and designed to cover or shelter a vehicle or vehicles shall be erected at any time.

Section 2. No business, profession or other type of commercial activity shall be carried on or conducted upon any portion of the Properties covered by these restrictions, except that Home Occupations as defined and regulated by the Placer County Zoning Ordinance in effect on July 1, 2001 may be allowed provided that (1) the existence of such activity is not visible from the exterior of any building, (2) no sign associated with such activity shall be displayed, and (3) materials, equipment, and/or supplies associated with any such activity, including construction equipment, may not be stored or placed outside any building, except inside an approved storage shed. This Section 2 shall not preclude any Owner from renting or leasing said dwelling or residence so long as said tenant or lessee does not conduct any proscribed activity on the property.

Section 3. No guest house, garage, shed, tent, trailer, recreational vehicle or temporary structure of any kind shall be erected, constructed, permitted or maintained on any portion of the Properties prior to commencement of the erection of a principal dwelling house thereon and no guest house, garage, shed, tent, trailer, recreational vehicle, basement, or temporary building shall be used for permanent or temporary purposes. A construction shed may be placed on a lot and remain there temporarily during the course of active construction of a private dwelling. No camping shall be permitted on any lot in the Properties at any time.

ARTICLE VIII

BUILDING OF STRUCTURES AND SET BACK LINES

Section 1. No building or structure shall be erected or permitted on any lots nearer than 20 feet from any street bordering the side of any lot, or 20 feet from the rear property line of any lot or nearer than 10 feet to any side lot lines. No currently existing building or structure situated less than 20 feet from a street bordering the side of a lot shall be extended, enlarged, or rebuilt.

Section 2. The maximum height of any building or structure shall be 30 feet above the top of the curb or building pad or site, whichever is higher. No

principal dwelling house shall have a living area, exclusive of garage, patio, terraces, and porches, of less than 1200 square feet.

Section 3. Off-street parking comprising a minimum of the greater of: (i) 700 square feet, which includes garage floor space, or (ii) the amount of parking required by Placer County, must be constructed and maintained by the lot owner. To the extent required by the Tahoe Regional Planning Agency, Placer County, or any other governmental entity with jurisdiction, all off-street parking shall be paved and the pavement maintained in a good state of repair.

Section 4. All structures shall be built in accordance with applicable governmental laws, ordinances or statutes and/or building codes.

Section 5. When construction of any building is once begun, the work thereon must be prosecuted diligently and exterior construction and finishing work must be completed, and all construction sheds, materials, tools, equipment, and debris removed, within a period of 24 months from the date of commencement, If work is not so completed and construction-related items removed, it may be treated as a nuisance and a violation of these Restrictions, and abated by appropriate action by anyone herein empowered to enforce these Restrictions.

ARTICLE IX

Article IX FENCES AND WALLS

Section 1. No fence or wall higher than four feet shall be erected or modified on any of the Properties, except that a height of six feet is permitted on those portions of lots directly abutting State Highway 267, nor shall any fence or wall be constructed or modified on any easement or common areas as hereinafter defined. After 2007 No chain link fence of any height shall be constructed in any location. Prior to the construction of any fence on a portion of a lot directly abutting State Highway 267, plans for such fence shall be submitted to the Architectural Control Committee for review. No such fence shall be constructed without the approval of the Architectural Control Committee, which shall consider the aesthetic value of the proposed fence, as well as consistency with nearby fences facing State Highway 267, in determining whether to approve or reject fence plans.

ARTICLE X

REFUSE

No refuse pile, garbage, obnoxious or offensive material shall be allowed to be placed or suffered to remain anywhere on the Properties and the owner thereof shall cause all refuse and other like material to be disposed of by and in accordance with the accepted sanitary practice. In the event of the owner of any lot failing or refusing to keep the said lot free of all refuse piles or other unsightly growth or objects then the Association or its successors and assigns, have the right to enter upon the land and remove the same at the expense of the lot owner who shall repay the same on demand and such entry shall not be deemed as trespass. All garbage cans shall be placed within "bear-resistant garbage can enclosures", as that term is defined by Placer County and as it may be amended.

ARTICLE VI

SEWAGE

No dwelling house shall be occupied for residence purposes until the same shall be connected to the sanitary sewage disposal system. No cesspool or outside toilet shall be permitted.

shall be drilled or used for this purpose on any lot in
the Properties..

WATER SUPPLY

**No individual water supply system, shall be permitted
on any lot and no wells allowed**

ARTICLE XIII

ANIMALS

No animals nor fowl of any description shall be raised, housed, (or kept on any lot except that a reasonable number of dogs and cats or other household pets that are of such nature as not to interfere with the safety and comfort of the adjoining owners may be so kept. No commercial animal breeding operations shall be operated or maintained.

ARTICLE XIV CLOTHES DRYING

Outdoor clothes drying shall be allowed shielded from view of the streets or the adjoining lots.

ARTICLE XV

NUISANCES

No obnoxious or offensive activity shall be carried on in-or on the Properties or any portion thereof, nor shall anything be done which shall be or become an annoyance or a nuisance to the neighborhood. An example is storage of a non-operative vehicle beyond 60 days. Other nuisances may be determined by the Board

ARTICLE XVI

SIGNS

No signs of a commercial character shall be permitted on any residential lot in the Properties, except that real estate signs which comply with Placer County's sign ordinance, as it may be amended, shall be permitted. The Association or any of its employees, agents or delegates, may remove any nonconforming sign after failure of the owner to remove same within ten (10) days after delivery of a demand from the Association so to do, and may enter

upon any lot and improvement thereon for such purpose without liability for damages for trespass and without interference by such owner.

Article XVII

LOT SPLITTING AND SEVERANCE OF INTEREST

There shall be no deed, conveyance, agreement, or other document executed with respect to any lot by the terms of which there shall be a division of said lot into two or more separate divided ownerships, lots or parcels or a separation of the surface and subsurface rights into different ownerships.

ARTICLE XVII EASEMENTS

For the purpose of installing, using and maintaining public utility facilities, pedestrian walkways, equestrian trails, drainage facilities, television cables, common recreational areas, and facilities, and for such other purposes incident to the development of the subject real property, certain easements have been reserved, as shown on the recorded subdivision map or plat of the Properties. In addition, thereto, the Association reserves for itself, its successors and assigns, the right to create, use and maintain easements and rights of way across, under and over any lot in the Properties; provided, however, that the said easements and rights of way will be located along one or more of the property lines and extending not more than 10 feet therefrom and the exercise of the rights thereunder do not interfere with any of the buildings or improvements located on the lot.

ARTICLE XIX

BREACH, DEFAULT, AND ENFORCEMENT

Section 1. Remedy at Law Inadequate. Except for the nonpayment of any assessment, it is hereby expressly declared and agreed that the remedy at law to recover damages for the breach, default or violation of any of the covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, liens, charges or equitable servitudes contained in this Declaration are inadequate and that the failure of any Owner, tenant, occupant, or user of any Living Unit to comply with any provision of the Bylaws, Articles of Incorporation, or this Declaration may be enjoined by appropriate legal proceedings instituted

by any Owner, the Association, its officers or Board of Directors, or by their respective successors in interest.

Section 2. Nuisance. Without limiting the generality of the foregoing Section 1, the result of every act or omission- whereby any covenant contained in this Declaration is violated in whole or in part is hereby declared to be a nuisance, and every remedy applicable to public or private nuisances shall be applicable against every such act or omission.

Section 3. 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 any party in any such action such attorneys' fees and other Costs as the court deems just and reasonable.

Section 4, Cumulative Remedies. 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 of for the same or any different failure of any Owner or others to perform or observe any provision of this Declaration.

Section 5. Rights and Remedies of the Association.

(a) In the event of a breach of violation of any Association rule or of any restrictions contained in the Association's Articles of Incorporation, Bylaws, or this Declaration, the Board may enforce the rule or restriction through the use of such remedies as are deemed appropriate by the Board and available at law or in equity, subject to the alternative dispute resolution requirements of section 1354 of the California Civil Code, as it may be amended from time to time.

(b) The Board may implement a schedule of reasonable fines and penalties for particular offenses for which a uniform fine schedule is appropriate. Any such fines or penalties shall not become or be treated as lien against an Owner's Lot or Living Unit enforceable by foreclosure, provided that this limitation on the Association's lien rights shall not apply to charges imposed against an Owner consisting of reasonable late payment penalties or interest imposed pursuant to Section 8 of Article IV herein. In addition to or in lieu of assessing a fine or penalty for violations of Association rules or restrictions, the

Board may suspend an Owner's membership rights pursuant to Article III of the Association's Bylaws, Reinstatement would follow with payment in full or at the Board's discretion.

(c) No penalty or temporary suspension of rights shall be imposed unless the Owner alleged to be in violation is given at least 15 days prior notice of the proposed penalty or temporary suspension and is given an opportunity to be heard before the Board of Directors or appropriate committee established by the Board, with respect to the alleged violation(s), at a hearing conducted at least 5 days before the effective date of the proposed disciplinary action. Notwithstanding the foregoing, the Board of Directors may undertake immediate corrective action where it is deemed necessary to do so, and either upon request of the offending Owner, or on its own initiative, conduct a hearing as soon thereafter as reasonably possible.

ARTICLE XX

GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns for a term of 50 years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods often (10) years unless an instrument signed by the then Owners of fifty percent (50%) of the total of the Lots and Living Units has been recorded, agreeing to terminate said covenants and restrictions. For purposes of meeting the fifty per cent (50%) requirement, when Living Units are counted, the Lot or Lots upon which such Living Units are situated shall not be counted. Provided, however, that no such agreement to terminate shall be effective unless made and recorded three (3) years in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every Owner at least ninety (90) days in advance of any action taken.

Section 2. Notices. Any notice required to be delivered to any member or owner under the provisions of this Declaration shall be deemed to have been properly delivered upon deposit in the United States mail, if postage is prepaid and said notice is addressed to the last known address of the person who appears as member or owner on the records of the Association at the time of such mailing.

Section 3. Waiver. Failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the light to do so thereafter.

Section 4. Severability. Invalidations of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect. All provisions herein shall be subject to local ordinances, rules and regulations of governmental bodies having jurisdiction over the Properties.

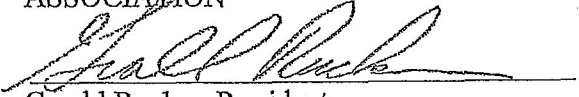
Section 5. Modifications, etc. This provision of these covenants and restrictions may be waived, abandoned, terminated, modified, altered, enlarged, or changed as to the whole of the Properties or any portion thereof by the Association upon the written consent of a simple majority of the Owners voting in an election in which a quorum of the members is represented. For purposes of this Article, "quorum" shall be defined as a simple majority of the Association's total membership. No such waiver, abandonment, termination, modification, alteration, or enlargement shall become effective until (1) obtaining the written consent of the Real Estate Commissioner if required under the then existing rules and regulations of the Real Estate Commissioner and laws of the State of California, and (2) a proper instrument in writing shall be executed and acknowledged by a proper official officer of The Association and recorded in the Office of the Recorder of Placer County. Notwithstanding anything herein to the contrary, the Architectural Control Committee, in its absolute discretion, may approve variances or deviations from the restrictions or provisions contained in Article VIII.

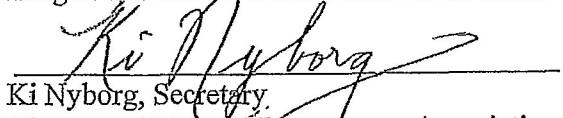
Section 6. Every person who acquired title to any Lot or Living Unit subject to these restrictions, thereby covenants that he/she will become a member of said Association and remain a member thereof so long as he/she holds said title and will observe and abide by the Articles and Bylaws of said Association as the same may be amended from time to time.

WHEREAS, on June 5, 2007, 71 percent of the owners of properties, voted to replace all previous Covenants, Conditions and Restrictions. As so, these restated and amended Covenants, Conditions and Restrictions set forth herein shall run with the Properties and shall be binding upon all Owners.

July 8, 2009

KINGSWOOD ESTATES HOMEOWNERS'
ASSOCIATION

By: 
Gerald Rucker, President
Kingswood Estates Homeowners Association

By: 
Ki Nyborg, Secretary
Kingswood Estates Homeowners Association

Date:

