

Section 1.41 "Trustee" shall mean an individual or entity appointed by the Board to act take possession of insurance proceeds and shall be a commercial bank, or branch thereof, or a trust company with an office in Orange County, which has agreed in writing to accept such trust for the Association.

Section 1.42 "Vote" shall mean the vote of the Members entitled to exercise the voting power of the Association at any duly held regular or special meeting of the Members of the Association.

## ARTICLE II.

### USE CLASSIFICATION AND PERMITTED USES

Section 2.1 Single Family Residential Use. Each Lot shall be developed and used solely for single family residential purposes. Nothing in this Declaration shall prevent an Owner or Declarant from leasing or renting his Residence. Any lease or a rental agreement, however, shall be in writing and any tenant shall abide by and be subject to all provisions of this Declaration. A copy of this Declaration shall be made available to each tenant or lessee by the Owner so renting or leasing. Any lease or rental agreement must specify that failure to abide by such provision shall be a default under the lease or rental agreement and shall also be a default under this Declaration. No Owner may lease his Lot or Residence situated thereon for hotel, motel or transient purposes. Any lease which is either for a period of fewer than thirty (30) days or pursuant to which the lessor provides any services normally associated with a hotel or motel, shall be deemed to be for transient or hotel purposes. No Owner shall use a Residence for a "community care facility" as defined in Health and Safety Code Section 1502(a)(i), as amended from time to time.

Section 2.2 Residential Structures Only. No Lot shall be improved except with a Residence designed to accommodate no more than a single family and its servants and occasional guests, plus a garage, driveway, fencing and such other improvements as are necessary or customarily incident to a single family residence. Common walls between any structure or structures located on a Lot and a structure or structures located on adjoining Lots are permitted, providing such common walls meet all governmental requirements and all requirements of this Declaration at the time of their construction.

Section 2.3 Prohibited Activities. No business (other than an incidental home office or business conducted electronically or telephonically), professional, commercial, industrial, manufacturing, mercantile, storing, vending or other nonresidential use shall be conducted on any Lot or the Association Property; provided, however, that nothing in this Declaration shall prevent the rental of a Lot by the Owner thereof for single family

residential purposes, subject to the provisions of Section 2.1 above.

Section 2.4 Rights Reserved by Declarant.

(a) Nothing in this Declaration nor in the Articles or Bylaws shall limit the right of Declarant to complete excavation, environmental testing and monitoring, grading and construction of Improvements or sale of Residences or Lots within the Property owned in whole or in part by Declarant, or to alter the foregoing or to construct such additional Improvements as Declarant from time to time, in its sole and absolute discretion, deems advisable in the course of development of the Property, or any portion thereof, for so long as any Lot within the Property remains unleased or unsold and/or during such period to use any Lot or structure (if there are any structures) within the Property as a model Lot or model home or for a construction, real estate sales, leasing or decorator or design center. Until Declarant no longer has a fee ownership interest in the Property or any portion thereof, Declarant and its agents and invitees shall have the right to make reasonable use of any and all portions thereof owned in fee by Declarant, and any and all of the Association Property for ingress, egress, development, sales and construction purposes.

(b) Each Owner by acceptance of a deed to a Lot within the Property, acknowledges that there will be traffic, congestion, noise, vibrations, dust, signs and other conditions and irritations associated with the development of the Property and the construction and marketing of improvements thereon. Declarant, its officers, directors, shareholders, divisions, subsidiaries, partners and affiliated companies, shall not be liable for any cost, expense (including attorneys' fees), loss, damage, injury or claim of any kind or character including, but not limited to, causes of action for negligence, nuisance, trespass, assault or battery, or any person (including death) or property arising from or related to any of the activities or conditions described in this Section 2.4. Each Owner, by acceptance of a deed to a Lot, on such Owner's behalf and on behalf of such Owner's licensees, tenants, invitees, employees and agents, waives any and all such claims and demands. Notwithstanding the foregoing, the Declarant shall not be relieved of responsibility for any loss, damage, injury or claim which is determined by a court of competent jurisdiction to have been caused by the gross negligence or intentional misconduct of Declarant.

(c) Declarant has the right to transfer fee title to a portion of the Additional Property to the Association which consists of the front guard gate to the Project, provided, however, the Declarant shall retain operation and control of the front guard gate and all other gates and entrances to the

Property until the later to occur of (i) five (5) years after recordation of a grant deed for conveyance of the first Lot within the Property or (ii) ninety-five percent (95%) of the Lots are conveyed to an Owner. Declarant and the Association shall enter into a Maintenance Agreement setting forth the terms and conditions under which Declarant shall control, operate and maintain such gates. Declarant shall have the unilateral right at any time to terminate its rights and obligations to operate, maintain and control the guard gates under such agreement and transfer such obligations to the Association as more particularly set forth in the Easement and Maintenance Agreement.

Section 2.5 Garage Doors. Garage doors, if any, shall be closed at all times when such doorways are not actually being used for access to or from the garage.

Section 2.6 Basketball. No basketball structures (whether portable or secured) or other fixed sports apparatus shall be placed upon any Lot except as approved by the Architectural Committee.

Section 2.7 Fires. There shall be no exterior fires whatsoever except fires contained within receptacles designed for such purpose.

Section 2.8 No Temporary Structures. No shed, tent, trailer or temporary building shall be erected, maintained or used on any of the Property; provided, however, that temporary buildings for use by the Declarant for purposes of selling or constructing improvements and dwellings on any portion of the Property may be maintained by Declarant.

Section 2.9 Parking Restrictions.

(a) No area improved as a driveway on any Lot shall be used for the parking of any mobile home, motor home, recreational vehicle, truck, truck camper larger than a three quarter (3/4) ton pick-up truck, commercial vehicle, trailer and/or boat (except for temporary parking of any such vehicle for a period of not to exceed four consecutive hours for loading and/or unloading purposes). Nor shall any vehicle described above remained parked on any street adjacent to the Property for more than twenty-four continuous (24) hours.

(b) No parking of any motorized vehicle of any kind shall be permitted within the alleyways or the area adjacent to the garage of a Residence within the "Balboa" subdivision of the Project.

(c) Except within the garage located on any Lot, no portion of the Property shall be used for repairing any vehicle and/or boat.

(d) In addition to the foregoing restrictions, the Association may promulgate rules regulating the parking of vehicles, mobile homes, motor homes, trucks, trailers and/or boats in any portion of the Property, Association Property, and/or in the driveway of any Lot.

Section 2.10 Signs. Owner may display on a Lot one (1) standard type real estate sign reasonable as to color and display qualities per street frontage not exceeding four (4) square feet in area and four and one-half (4-1/2) feet in height provided that it is unlit and is removed within fifteen (15) days after the close of escrow. Signs placed on the rear street frontage are prohibited. Freestanding signs shall maintain a seven (7) foot setback from all property lines. No more than five (5) "Open House" signs not exceeding four (4) square feet in area and five (5) feet in height are permitted for directing prospective buyers to property for sale, located a minimum of three (3) feet from the sidewalk or seven (7) feet from the curb or edge of pavement where no sidewalk exists. In addition, no sign advertising a Lot for sale or lease, no sign whatsoever (including, without limitation, commercial, political and similar signs) or other advertising device of any character shall be erected, maintained, or displayed upon any portion of a Lot, without the prior written consent of the Board; provided, however, that Declarant, its agents and assigns, may erect and maintain any signs and other advertising devices or structures as it may deem necessary or proper in connection with the conduct of its operations for the development, improvement, subdivision, sale and/or leasing of said Property or any portion thereof until the recordation of a grant deed for the conveyance of the last Lot within the Property.

Section 2.11 Limitation of Animals. No animals, fowl, reptiles, rodents, birds, fish, livestock or poultry may be kept, bred or raised on a Residence except that a maximum of two (2) usual and ordinary household pets such as domestic dogs (except pit bulls), cats, fish and birds (inside bird cages) may be kept as household pets within a Residence, provided that they are not kept, bred or raised for commercial purposes and they are kept under reasonable control at all times. No pets shall be allowed in the Association Property except as may be permitted by the Rules of the Board. Notwithstanding the foregoing, no pets may be kept on the Property or any portion thereof, which cause residents in the vicinity to be annoyed and/or bothered thereby. Each person bringing or keeping a pet upon any portion of the Property shall be absolutely liable to other Owners, their family members, guests, invitees, tenants, contract purchasers and their respective family members, guests and invitees, for any damage to persons or property caused by the pets of such person or by members of such person's family, other person's guests or invitees. All dogs shall be kept on a leash when on the Property but outside the Owner's Lot. Each Owner shall carry a plastic bag or other receptacle when walking animal in the Project and shall immediately pickup all excrement from such animals and comply with all the requirements of Municipal Code Section 7.20.020, as may be amended.

Section 2.12 No Nuisance.

(a) No obnoxious, illegal or offensive odors or activities shall be placed or permitted to accumulate on a Lot or upon any portion of the Property, nor shall anything be done or maintained thereon which may be or become an annoyance or nuisance to or which may interfere with the quiet enjoyment of any other Owner or the neighborhood, or which will impair the structural integrity of any building. Without limiting any of the foregoing, no horns, whistles, bells or other sound devices, except security devices used exclusively for security purposes, shall be located, used or placed on a Lot. No exterior speakers shall be located, used or placed on any Lot or Residence within the "Balboa" or "Carmel" subdivisions of the Project. Exterior speakers on any other Lots within the Property may only be used between the hours of 8:00 a.m. and 10:00 p.m. or as otherwise determined by the Board.

(b) Without in any way limiting the foregoing, each Owner shall be responsible for complying with all municipal noise control provisions within the City, including without limitation, Municipal Code Chapter 10.26, as may be amended ("Sound Ordinance") at Owner's own expense. Declarant makes no representation or warranty that the equipment installed on the Lot and/or the Residence now or in the future will comply with the Sound Ordinance. Each Owner shall be obligated to assume responsibility for compliance with the Sound Ordinance. Upon conveyance of a Lot to an Owner, such Owner shall be deemed to have automatically granted permission to every other Owner of a Lot within the Project to operate all equipment originally installed on such Lot by Declarant even if operation of such equipment exceeds the noise levels permitted by the Sound Ordinance.

Section 2.13 Rubbish. No weeds, rubbish, debris, objects or materials of any kind shall be placed or permitted to accumulate upon any portion of the Property, which render such portion unsanitary, unsightly, offensive or detrimental to any property in the vicinity thereof or to the occupants of any such property in such vicinity.

Section 2.14 No Infected Plants. No Owner shall permit anything or condition to exist upon a Lot which shall induce, breed, or harbor infectious diseases, noxious substances or pests including, without limitation, any plants or seeds infected with noxious insects or plant diseases.

Section 2.15 Storage Areas. All rubbish, trash, garbage, waste and refuse containers, woodpiles, storage piles, storage areas, machinery and equipment shall be prohibited upon any Lot, unless obscured from view of other Lots by a fence or appropriate screen and such fence or screen is approved by the Architectural Committee. The Architectural Committee may, at its discretion, prepare pre-approved screen guidelines. Garbage or rubbish

containers may be temporarily placed for pick-up subject to the Rules from time to time promulgated and in effect. No Owner shall use any balcony, if any, attached to the Residence included within his Lot for storage purposes.

Section 2.16 Machinery and Equipment. No heavy machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Lot except such machinery or equipment as is usual and customary in connection with the use, maintenance or construction of a Residence, a swimming pool, spa or landscaping on a Lot. Notwithstanding the foregoing, machinery or equipment which is used for home-hobby purposes may be used on a Lot provided such machinery or equipment (i) is obscured from view of other Lots by a fence or appropriate screen and such fence or screen is approved by the Architectural Committee; (ii) does not constitute a nuisance; and (iii) is not used between the hours of 9:00 p.m. and 7:00 a.m.

Section 2.17 Clothes Lines. No clothes shall be dried nor exterior clothes lines erected or maintained upon the exterior of any Residence or the Association Property.

Section 2.18 Exterior Lighting. Any exterior electrical, gas or other artificial lighting installed on any Residence shall be positioned, screened, or otherwise directed or situated and of such controlled focus and intensity so as not to unreasonably disturb the residents of any other Lot and shall be approved by the Architectural Committee. Further rules regarding exterior lighting may be promulgated by the Architectural Committee.

Section 2.19 Restrictions on Exploration and Removal of Minerals. Declarant has reserved all mineral rights to the Property and no other person or entity may use the surface area within the Property, nor any other area within five hundred (500) feet below the surface of the Property to explore for or to remove any water, oil or other hydrocarbons, minerals of any kind, gravel, earth or any earth substance or natural gas of any kind.

Section 2.20 Prohibition Against Exterior Antennae, Etc. No Owner, resident or lessee (other than Declarant undertaking initial construction of dwellings, if any) shall install or permit to be installed wiring for electrical or telephone installation, television or radio antennae, satellite dishes, machines or air-conditioning units, etc., on the exterior of the buildings located within the Property or that protrude through the walls or the roof of the buildings, except for variances from the foregoing which may be from time to time authorized by the Architectural Committee; and except that the prohibition set forth in this Section 2.20 above shall not be applicable to the installation and/or use of a video or television antenna (including a satellite dish) which is not visible from any street and has a diameter or diagonal measurement of thirty-six (36) inches or less (any such video or television antenna, including satellite dish, qualifying for the preceding exception shall be referred to herein as an "Excepted Antenna");

provided, however, that no Excepted Antenna shall be installed within the Property (other than any installation made by Declarant in undertaking initial construction of any dwelling on the Property) until complete plans and specifications have been submitted to and approved by the Architectural Committee in accordance with the provisions of Article IV hereof. In no event shall the Architectural Committee's decision on any such application be wilfully or unreasonably delayed nor shall the Architectural Committee's approval be unreasonably withheld or conditioned.

Section 2.21 Solar Energy Systems. The Association may impose reasonable restrictions on the installation of solar energy systems provided in Civil Code Sections 714 and 714.1 and any amendments thereto.

Section 2.22 Window Covers. Curtains, drapes, shutters, or blinds may be installed as window coverings; however, any such covering visible from the street shall be in color and patterns which are approved by the Board or the Architectural Committee. No newspaper or aluminum foil shall be used as window coverings. Every Owner shall install window coverings within one hundred eighty (180) days after recordation of the grant deed conveying the Lot to Owner unless such deadlines shall be extended by the Architectural Committee.

Section 2.23 Gutters. Each Residence or Improvements on each Lot must have appropriate gutters and downspouts for collection and drainage of water which gutters and downspouts shall be maintained by each Owner. All gutters and downspouts must be approved by the Architectural Committee.

Section 2.24 Restricted Use of Easement Area. The Owners shall be prohibited from constructing or positioning any permanent Improvements, other than fences, gates and landscaping on any easement area referred to in the grant deed conveying the Lot from Declarant to the original purchaser.

Section 2.25 Restrictions on Further Subdivision. No Lot shall be further subdivided nor shall less than all of the fee ownership in such Lot be conveyed by an Owner thereof including, without limitation, creation of a time share estate as defined in California Business and Professions Code Section 11003.5, as amended.

Section 2.26 Compliance with Declaration. Each Owner, tenant or occupant of a Lot shall comply with the provisions of the Restrictions as lawfully amended from time to time, and failure to comply with any such provisions shall be grounds for an action to recover sums due, for damages, or for injunctive relief. These remedies are intended to be cumulative, and shall not prevent the exercise of any other right or remedy available at law or in equity. There shall be no violation of the Restrictions. If any Owner, his family, servants, guests, licensees, tenants or invitees

violate the Restrictions or any of them, enforcement action may be taken in accordance with the Bylaws.

Section 2.27 Compliance with Laws. No Owner shall permit anything to be done or kept in, on or about his or her Residence that violates any law, ordinance, statute, rule or regulation of any local, county, state or federal body.

Section 2.28 No Material Changes Permitted. Nothing shall be done in the Association Property which would change or modify the Association property to any material extent, except with the prior written approval of the Board and the Architectural Committee. The Architectural Committee shall determine, in its sole discretion, whether any proposed change or modification constitutes a material change.

Section 2.29 Association Property.

(a) The Association Property and any facilities and improvements located thereon shall be primarily for the use and enjoyment of the Owners of the Lots located within the Original Property and within any Additional Property which may be hereafter added to the Property by annexation, and their families, tenants, and guests.

(b) The use of the Association Property shall be in accordance with and subject to such additional limitations as may be determined from time to time by the Association; provided, however, that any such limitation shall not be unreasonable and shall not be generally inconsistent with the provisions of this Declaration.

(c) Nothing shall be done or kept in the Association Property which will increase the rate of insurance on the Association Property without the approval of the Association. If by reason of the use of the Association Property by any Owner, the rate of insurance on such area shall be increased, such Owner shall become personally liable for the additional insurance premiums.

(d) Each Owner shall be liable to the Association for all losses or damage to the Association Property or equipment or improvements thereon caused by such Owner or by any occupant, tenant or guest of his Residence (except for that portion of said damage, if any, fully covered by insurance), and in addition, for any costs thereby incurred including, without limitation, reasonable attorneys' fees. In connection therewith, each Owner shall indemnify and hold harmless the Association for any losses or damage to the Association Property or to any of the equipment or improvements thereon and, in addition, for any costs thereby incurred including, without limitation, reasonable attorneys' fees, which may be sustained by reason of the negligence or willful misconduct of said Owner or of his family members, relatives, guests,



tenants or invitees, both minor and adult. The cost of repairing or maintaining the Association Property due to an Owner's actions may be levied as an individual extraordinary assessment against such Owner and his Lot.

(e) The Association Property and every portion thereof and all structures, improvements and landscaping located thereon shall be maintained in good and clean condition by the Association.

Section 2.30 Maintenance of the Lots. The Lots and every portion thereof, including all landscaping and improvements located thereon, shall be maintained in good and clean condition by the Owner in accordance with Section 3.1 below.

Section 2.31 Additional Provisions. Notwithstanding the provisions contained in this Declaration, the Association and the Owners should be aware that there may be provisions or various laws including, without limitation, the Davis-Stirling Common Interest Development Act codified at Sections 1350, et seq. of the California Civil Code, which may supplement or override the Restrictions.

Section 2.32 Potential for Tree Damage. Each Owner by acceptance of a deed to a Lot and the Association by acceptance of a deed to the Association Property hereby acknowledge that in connection with the development of the Property, trees have been or will be planted within the Property as part of the overall landscaping plan. Declarant (except as an Owner), its officers, directors, shareholders, partners, divisions, subsidiaries, partners and affiliated companies, shall not be liable for any cost, expense (including attorneys' fees), loss, damage, injury or claim of any kind or character, arising from or related to any of the risks and/or activities described above; and each Owner, by acceptance of a deed to a Lot, and the Association, by acceptance of a deed to the Association Property, for himself/itself and on behalf of all of his/its licensees, tenants, invitees, employees and agents, waives any and all claims and demands against Declarant in any way related to the risks associated with potential tree damage to a Lot and/or the Association Property.

Section 2.33 Environmental Disclosure.

(a) Ownership and Development History. In 1957, Ford Motor Company ("Ford") leased a 200-acre parcel of property from The Irvine Company for a term of 95 years ("Ford Site"). The Ford Site included within its boundaries an approximately 98 acre parcel which constitutes the Property.

In 1958, the City approved Ford's application for the construction of approximately 2.65 million square feet of research and development facilities on the Ford Site. From 1958 through 1979, approximately 993,000 square feet of improvements were constructed on approximately 98 acres of the

1995 a radioactive materials site survey was performed on the Property under the direction of OCHCA. The survey indicated that radioactivity levels on the Property were equal to the background levels throughout the Newport Beach area and well within the limits considered acceptable by the State of California and the Nuclear Regulatory Commission. As a result, in 1995 OCHCA found the Property suitable for residential occupancy.

(c) Property Assessment and Cleanup. In 1990 Ford initiated environmental assessment activities on the Property, and has performed groundwater and soil investigations, groundwater and soil remediation, building demolition, and project improvements. All of these activities were conducted under the oversight of RWQCB, OCHCA and the City.

The initial step in the property investigation was to review the Property use history. A document prepared by the environmental consulting firm of Geraghty and Miller, was developed to identify the nature and location of hazardous substances on the Property. The primary objective of this activity was to identify areas of potential environmental concern (APECs) on the Property. The identification of APECs was followed up by employee interviews, screening surveys, passive soil gas surveys and soil borings. As a result of this process, environmentally impacted areas were identified.

Following identification of the impacted areas on the Property, appropriate cleanup goals were determined based on established health and environmental risks. These health-based goals were established in cooperation with, and subject to the approval of, the OCHCA and the RWQCB. Impacted soil was removed from the Property to meet established health-based cleanup goals, and impacted groundwater was remediated through the installation of groundwater and vapor extraction systems, pursuant to the requirements of the governing agencies.

Following completion of the soil and groundwater remediation activities, human health risk assessments were prepared for the Property. The results of the human health risk assessments were reviewed and approved by all appropriate regulatory agencies including, without limitation, the OCHCA and the RWQCB, thereby establishing the Property as suitable for residential development and use. As a result, all City-imposed Environmental Impact Report (EIR) requirements related to issuance of residential building and occupancy permits have been met.

Section 2.34 Ongoing Environmental Activities. While the health risk assessments verify that all known impacted areas on the Property have been remediated to a level acceptable to the reviewing governmental agencies, there still exists residual environmental impact to the groundwater and deeper soils. It is noted, however, that the groundwater underlying the Property is not

Ford Site. In 1976, Ford Aerospace and Communications Corporation created the Aeronautronic Division which took over control of the facilities. In 1979, Ford sold and assigned its leasehold rights to approximately 102 acres of the Ford Site to another entity and this acreage was eventually developed into the residential communities now known as Bayridge, Belcourt Terrace, Belcourt Park, and Belcourt Hill.

In 1993, Ford acquired an option to purchase the Property from The Irvine Company and began the land planning process to convert the industrial use to a use more compatible with the surrounding area. Ford subsequently assigned the option to Declarant and in 1996 Declarant acquired fee title to the Property.

In 1995, the City granted the necessary development entitlements, including a General Plan Amendment and a Development Agreement dated July 24, 1995, recorded as Instrument No. 950419516 in the Orange County Recorder's Office ("Development Agreement"), a Tentative Tract Map and an Environmental Impact Report No. 153 certified on July 10, 1995 ("EIR"), for a residential project of up to 500 units on the Property. The City placed conditions on the development entitlements mandating that no residential building permits could be issued until the applicant demonstrated that either (i) all appropriate remedial actions had been completed to the satisfaction of the Orange County Health Care Agency (OCHCA) and the California Regional Water Quality Control Board (RWQCB); or (ii) any remedial actions that continue after commencement of residential construction have been determined by OCHCA to have no health risk to occupants.

(b) Site Use History. Prior to 1958, the Ford Site was vacant and the only consistent use of the Property was the annual Orange County Boy Scout Jamboree. From 1958 to 1994, the Site was used for aerospace and defense related research, development and production. Programs included among other things, rocket propellant research, missile valve testing, prototype manufacturing, electronics production and assembly, electro-optical hardware development, computer software development and image processing development.

The industrial activities involved the use of governmentally regulated substances such as solvents, petroleum fuels, acids, caustics and metals. Some of these substances were inadvertently released into the soil and groundwater during the normal course of operations on the Ford Site. It is noted, however, that the groundwater underlying the Property is not used for domestic water supplies or irrigation because the naturally occurring salt content of the water is too high.

In addition, limited amounts of radioactive materials contained within equipment were used at the Ford Site. In

used for domestic water supplies or irrigation because the naturally occurring salt content of the water is too high. Ongoing environmental monitoring on the Property will continue under the direction of RWQCB to insure that the current water quality is maintained. Such monitoring will involve regular visits to several wells to be located within the Association Property and outside the boundaries of the Property as generally depicted on Exhibit "D" attached hereto. Wells within the Property are currently planned to be installed flush with the surrounding terrain. Well sampling will involve periodic visits of limited duration. There is a possibility that further remediation may be required of Ford which will be determined by the reviewing agencies and the results of the ongoing monitoring. However, if the concentrations of the regulated substances in the groundwater diminish over time, the monitoring program will be gradually phased out. The Association and each Owner agree to cooperate with such monitoring and potential remediation and not to interfere with such activities. Declarant hereby reserves a non-exclusive easement for ingress and egress to the Property at any time for purposes of performing (i) environmental monitoring (including without limitation, maintenance and repair of the monitoring equipment); (ii) any additional remediation work; and (iii) removal of the monitoring equipment upon termination of the monitoring.

Section 2.35 Prohibition on Self-regenerative Water Softeners. In order to meet the reclaimed water quality standards established by the Regional Water Quality Control Board, Santa Ana Region, no Owner shall install, use or operate a self regenerative water softener on his or her Lot.

Section 2.36 No Representations or Warranties. No representations or warranties of any kind, express or implied, have been given or made by Declarant, or its agents or employees in connection with the Property, or any portion thereof, its physical condition, zoning, compliance with applicable laws, fitness for intended use, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes or regulation thereof, except as specifically and expressly set forth in this Declaration and except as may be filed by Declarant from time to time with the DRE.

### ARTICLE III.

#### RESTRICTIONS ON CONSTRUCTION

Section 3.1 Maintenance/Alteration of Residences. The exteriors of all Residences shall be maintained in a clean, attractive and well-kept condition and in conformity with the general plan established by this Declaration and the aesthetic appearance of the Property. In the event that the exterior of any Residence or fence needs to be painted, said Residence or fence shall be painted in a color identical or substantially similar to the original color of the Residence at the time that the Residence