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Los Ranchitos Homeowners Association
c/o Ralston Management
41874 Sixth Street
Temecula, CA 92590

(SPACE ABOVE LINE FOR RECORDER'S USE)

**2015 AMENDMENT TO
DECLARATION OF COVENANT, CONDITIONS AND RESTRICTIONS
FOR
LOS RANCHITOS HOMEOWNERS ASSOCIATION
A California Nonprofit Corporation
[LOT 27 OF TRACT 3752]**

**NOTICE
(Gov't Code §12956.1)**

If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, 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.

**2015 AMENDMENT TO
DECLARATION OF COVENANT, CONDITIONS AND RESTRICTIONS FOR
LOS RANCHITOS HOMEOWNERS ASSOCIATION**

This 2015 Amendment to Declaration of Covenants, Conditions and Restrictions for Los Ranchitos Homeowners Association (this "Amendment") is dated _____, 2015, for reference purposes only, and is made and executed on the dates set forth on the signature page below, by Los Ranchitos Homeowners Association, a California nonprofit mutual benefit corporation (the "Association"), with reference to the following:

RECITALS

A. This Amendment is recorded for the purpose of amending that certain Declaration of Restrictions which was recorded in the Office of the County Recorder of Riverside County, California on October 11, 1966, as Document No. 100757, which document was later extended and amended by a document recorded on June 3, 2008, as Document No. 2008-0300969, and any other amendments, annexations or similar documents containing restrictions to which the Covered Property (defined below) is subject that may appear of record, all in the Official Records of Riverside County, California, hereinafter referred to collectively as the "Declaration" or the "CCRs," unless the context clearly indicates otherwise.

B. The legal description of the property that has been subjected to the terms of the Declaration (the "Covered Property") is:

Lots 1 through 102 in Tract 3552, as shown on a map recorded October 5, 1966, as Document No. 98816 in Book 56, Pages 63 through 66 of Miscellaneous Maps, Records of Riverside County, California.

Lots 1 through 34, inclusive, of Tract 3646, as shown on a map recorded September 20, 1967, as Document No. 82856, in Book 57, Pages 86 through 87, both inclusive, of Miscellaneous Maps, Records of Riverside County, California.

Lots 1 through 23, inclusive, and 26 through 49, inclusive, of Tract 3752, as shown on a map recorded July 1, 1968, as Document No. 74102, in Book 59, Pages 53 through 55, both inclusive, of Miscellaneous Maps, Records of Riverside County, California.

Lots 1 through 4, inclusive, of Tract 3750, as shown on a map recorded October 2, 1968, as Document No. 95104, in Book 59, Page 100 of Miscellaneous Maps, Records of Riverside County, California.

C. The owners of Covered Property (the "Owner(s)") and the members of the Association (the "Member(s)") wish to modify the Declaration as to the Subject Property (defined below) by amending the Declaration as set forth in this Amendment.

D. The "Subject Property" is Lot 27 of Tract No. 3752, as more particularly described in **Exhibit A** attached hereto. Temecula M.O.B., LLC, a California limited liability company, the Owner of the Subject Property ("Subject Property Owner") desires to use the

Subject Property for the commercial use, more particularly as shown on the Development Agreement.

E. The Board of Directors (the "Board") and the Members have agreed to support this Amendment and to allow the commercial use of the Subject Property including any reasonable accessory purposes allowed by applicable zoning laws and regulations and subject to the terms, conditions and restrictions set forth in herein.

F. This Amendment has been adopted under Article VIII, Section 8.02 of the Declaration which requires approval by the written consent of Owners of at least fifty-one percent (51%) of the Property.

G. The Association has designated the President and the Secretary of the Board to certify the approval of this Amendment, and the President's and Secretary's certification is attached hereto as **Exhibit B**.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the foregoing Recitals, which Recitals are incorporated herein by this reference, the Declaration is hereby amended as follows:

1. This Amendment shall apply only to the Subject Property and to no other portion of the Covered Property.
2. The Association and the Subject Property Owner are parties to that certain Development Agreement dated _____, 2015, for reference purposes only (the "Development Agreement"), which is attached hereto as **Exhibit C**, is thereby and hereby made a part of this Amendment.
3. With respect to the Subject Property only, Article VII of the Declaration shall be deleted in its entirety. The regulation of operations and permitted uses on the Subject Property shall be limited to the commercial use referenced in the Development Agreement, including any reasonable accessory purposes allowed by applicable zoning laws and regulations and subject to the terms, conditions and restrictions set forth in herein.
4. With respect to the Subject Property only, the following Article X is added to the Declaration:

ARTICLE X

ASSESSMENTS

10.01 Creation of Lien and Obligation of Assessment.

After this Amendment is recorded in the Official Records of Recorder of Riverside County, California, the Subject Property Owner shall pay, or cause to be paid, for as long as the amended CCRs remain in effect an annual assessment (the "Annual Assessment(s)") to the Association. The

calculation of the Annual Assessment(s) are set forth in the Development Agreement (Exhibit C). The initial baseline annual assessment for the prorated year shall be (i) the sum of \$5,000; (ii) prorated for the period starting on the Recording Date and ending on the June 30th immediately following the Recording Date; and (iii) is due and payable to the Association not more than ten (10) business days after the Recording date.

10.02 Purpose of Assessment.

The Annual Assessments shall be used exclusively by the Association to promote the economic interests, recreation, health, safety and welfare of all Members (including the Subject Property Owner).

10.03 Capital Contribution Assessment.

Within ten (10) business days following recordation of this Amendment, the Subject Property Owner shall pay or caused to be paid to the Association the amount of \$40,000.00 as a one-time capital contribution assessment.

10.04 Effect of Nonpayment of Assessment.

Assessments are delinquent fifteen (15) days after they become due. The Board shall set the date on which the Annual Assessment is due. A late charge of ten percent (10%) of the delinquent Annual Assessment shall be imposed upon any delinquent payment. Interest on delinquent Annual Assessments and late charges shall be imposed at an annual percentage rate of twelve percent (12%) interest commencing thirty (30) days after the applicable Annual Assessment becomes due but shall not exceed the maximum rate permitted under California law. Late charges and interest on past due amounts may be modified by the Board in subject to the maximum rate permitted by California law.

10.05 Enforcement and Remedies.

If any Annual Assessment is delinquent, the Association may record an assessment lien against the Subject Property which assessment lien shall be subordinate to the lien of any mortgage or deed of trust encumbering the Subject Property and may be enforced in accordance with, and using as a model, the provisions of California Civil Code §5660 et seq, as amended from time to time. The assessment lien shall be signed by an officer of the Association or any agent designated by the Board.

5. With respect to the Subject Property only, the following Article XI is added to the Declaration:

ARTICLE XI

ADOPTION AND ENFORCEMENT OF RULES

11.01 **Adoption and Enforcement.**

The Board may adopt reasonable operating rules for the Subject Property specifically to protect the quiet enjoyment of adjacent and nearby residential Owners. Such rules may supplement the provisions of this Amendment and the Declaration, provided that such rules shall not contradict, or be more restrictive than, the provisions of this Amendment or the CCRs.

6. The Board is authorized to execute the Development Agreement attached as **Exhibit C** on behalf of the Members and the Association. By approval of this Amendment in accordance with the CCRs and the Bylaws of the Association, the Members hereby ratify each and every provision contained in the Development Agreement.
7. Except as expressly amended by this Amendment, the CCRS is hereby ratified, reaffirmed and approved as to the Subject Property.

IN WITNESS WHEREOF, the undersigned have executed this Amendment and certified to its approval on the dates set forth in the attached acknowledgments.

“ASSOCIATION”

LOS RANCHITOS HOMEOWNERS
ASSOCIATION, a California nonprofit mutual
benefit corporation

By: _____
Name: _____
Its: President
Date: _____

By: _____
Name: _____
Its: Secretary
Date: _____

EXHIBIT A

LEGAL DESCRIPTION

Lot 27 of Tract No. 3752, in the City of Temecula, County of Riverside, State of California, as per Map filed in Book 59, Page(s) 53 through 55 inclusive of Maps, in the Office of the County Recorder of said County.

Excepting therefrom that portion of Lot 27 of Tract No. 3752, as shown by Map on file in Book 59, Page(s) 53 through 55 of Maps, Records of Riverside County, more particularly described as follows;

Beginning at the Northwest corner of said Lot 2;

Thence North $73^{\circ} 26' 44''$ East, along the South boundary of the De Portola Road 75 feet;

Thence South $16^{\circ} 33' 16''$ East, 440 feet; Thence South $73^{\circ} 03' 54''$ West, 75.01 feet to the Southwest corner of said Lot 27;

Thence $16^{\circ} 33' 16''$ West 440 feet to the point of beginning.

Assessor's Parcel Numbers(s): 959-050-008-0, 959-080-035

EXHIBIT B

**CERTIFICATION OF PRESIDENT AND SECRETARY
AS TO APPROVAL OF AMENDMENT**

The undersigned do hereby certify the following:

1. We certify that we are the President and Secretary, respectively, of Los Ranchitos Homeowners Association, a California non-profit corporation (hereafter "Association").

2. This document is executed for the purpose of certifying the foregoing amendment to the Declaration and to certify that the amendment requirements of the Declaration have been met.

3. We certify that there are currently 516.78 acres in the Association. Thus, according to the requirements of Article VIII, Section 8.02, of the Declaration, the owners of at least fifty-one percent (51%) of the property subject to the Declaration must give their written consent to approve an amendment, thus the owners of at least two hundred sixty-three and fifty-six hundredths (263.56) acres must approve the amendment.

4. We further certify that, as of the date this document is executed, the following represents the written consent of the owners of the acreage cast for and against the amendment:

Owner Votes Cast For and Against the Amendment		
Section(s) Amended	Votes For	Votes Against
Pursuant to Exhibit "A" of Ballot (Date of Mailing _____, 2015)		

5. Since these totals reflect that the amendments outlined more fully in Exhibit "A" of the ballot mailed _____, 2015 was approved by the written consent of the owners of at least fifty-one percent (51%) of the property subject to the Declaration, we certify that the amendment was approved.

On behalf of the Association, we declare under penalty of perjury under the laws of the State of California that the foregoing facts are true and correct. Executed on _____, 2015 at Temecula, California.

Name: _____
Title: President of Los Ranchitos Homeowners Association

Name: _____
Title: Secretary of Los Ranchitos Homeowners Association

EXHIBIT C
DEVELOPMENT AGREEMENT

[See attached]

DEVELOPMENT AGREEMENT

This Development Agreement dated and effective as of _____, 2015, (“Effective Date”) is between the Los Ranchitos Homeowners Association, a California Non-profit Mutual Benefit Corporation (hereinafter referred to as “Association”), and Temecula M.O.B., LLC, a California limited liability company (hereinafter referred to as “TMOB”) owner of interest of Lot 27 (hereinafter referred to as “Subject Property”), of Tract No. 3752 in City of Temecula, County of Riverside, State of California as per Map filed in Book 59, page(s) 53-55 inclusive of Maps in the office of the County Recorder of the said County (also known as 31775 De Portola Road, Temecula, Ca).

RECITALS

- A. The Association is authorized to negotiate this Agreement on behalf of itself and the membership of Los Ranchitos Homeowners Association with regard to the commercial development of the Subject Property.

- B. TMOB has made a request to the Board of Association (hereinafter referred to as “Board”) and membership to support and adopt an amendment to the CC&Rs which would permit commercial development on Subject Property. Under terms and conditions of the CC&Rs as they existed on the date of execution of this Agreement, commercial activity anywhere in the Association was prohibited – except as exempted pursuant to the various Amendments as recorded in the Official Records of the County of Riverside, as set forth below:
 - 1. CC&R Amendment recorded as Doc # 2000-023473 on 01/21/2000;
 - 2. CC&R Amendment recorded as Doc # 2003-1010667 on 12/30/2003;
 - 3. CC&R Amendment recorded as Doc #2006-0053794 on 01/24/2006
 - 4. CC&R Amendment recorded as Doc #2008-0300969 on 06/03/2008
 - 5. CC&R Amendment recorded as Doc #2009-0052427 on 02/03/2009
 - 6. CC&R Amendment recorded as Doc #2012-0585039 on 12/03/2012
 - 7. CC&R Amendment recorded as Doc #2013-0288653 on 06/18/2013

- C. TMOB and the Board have negotiated the following Agreement which will not be binding on any parties unless and until the members of the Association approve a CC&R amendment, and this Agreement, permitting commercial use of Subject Property. In the event that this CC&R amendment and Agreement is approved by the membership, this Development Agreement will be attached as “Exhibit C” and become a covenant running with the land and be fully binding on all parties. In the event the CC&R amendment is not approved by the membership, then this Agreement shall have no force or effect.

AGREEMENT

In consideration of the mutual promises made herein, the parties agree as follows:

1. Commercial Use: Endorsement of CC&R Amendment. The Subject Property will remain within the Los Ranchitos Homeowners Association. Board will recommend to the membership that a CC&R Amendment be approved allowing commercial use of the Subject Property, with certain enumerated terms and conditions, which will be part of the Amendment. While Board will endorse the Amendment; it will not be responsible for securing the votes for passage. It will cooperate with TMOB in that respect.
2. Architectural Control. Subject Property will be subject to the Association's Architectural and Environmental Control Committee (hereinafter referred to as "Committee") approval requirements, including site design, lighting, architectural design, and landscape design. Signage on Subject Property Temecula shall be acceptable as long as it is not above the roof line of any buildings on Subject Property and consistent with the sign ordinances and regulations of the City of to the Association.
3. Regular Assessment. The Subject Property will be assessed and pay dues to the Association on an annual basis a regular assessment, which (i) shall be in the amount of \$5,000 for the first year, increasing by five percent (5%) per year every year thereafter, (ii) shall commence on Subject Property at such time as this Agreement and CC&R Amendment is recorded in the Official Records of Riverside County, California and (iii) the first year's assessment shall be due and payable upon approval and recording of said Amendment, with subsequent years' assessments thereafter due and payable upon the first day of the Association's fiscal year, July 1. The Association may change the payment date to a later date, but may not advance it, upon no less than ninety (90) days written notice given to owner.
4. Effect of Non-Payment of Assessment. Assessments are delinquent fifteen (15) days after they become due. The Board of Directors shall set the date upon which the annual assessment is due. A late charge of ten percent (10%) of the delinquent assessment shall be imposed upon any delinquent payment. Interest on delinquent assessments and late charges shall be imposed at an annual percentage rate of twelve percent (12%) interest commencing thirty (30) days after the assessments become due. Late charges and interest on past due amounts may be modified by the Board in accordance with any changes permitted by law.
5. Capital Contribution Assessment. TMOB will pay to the Association \$40,000.00 upon recordation of the Amendment. This shall be a one-time payment as a Capital Contribution Assessment.

6. Compliance with Governing Documents. Owner agrees further to abide by Association's governing documents as they apply to the Subject Property, including, but not limited to, the CC&Rs, Bylaws, rules and regulations.
7. City Zoning. Owner and Lessees Leases of the Subject Property must comply with the land uses and requirements specified within the City of Temecula's De Portola Road Planned Development Overlay District-8, in effect and as amended December 9, 2008, subject however to any more restrictive requirements as set forth in this Development Agreement. If the land uses and requirements within the City of Temecula's De Portola road Planned Development Overlay District-8 as of December 9, 2008 are later changed, then Owner and Lessees shall be required to comply with whatever land uses and requirements are the most restrictive whether found in the De Portola Road Planned Development Overlay District-8 requirements as of December 9, 2008, or as later amended after December 9, 2008, or as otherwise expressly set forth in this Development Agreement.
8. Use Restriction. While the following uses are permitted (P) or permitted by conditional use permit (C) within the De Portola Road Planned Development Overlay District-8 of the City of Temecula, Owner and Lessees will not be allowed to engage in certain specified activities upon the Subject Property without written approval from Association. Those activities are as follows: alcohol or drug treatment facilities (C); banks and financial institutions with drive through ATM facilities (C); community care facilities (P); dry cleaners (C); health care facilities (P); hospitals (P); auditoriums and conference facilities; automobile dealers (new and used); automobile repair services; automobile painting and body shop; automotive service stations; hotel/motels exceeding two stories in height as viewed from street level on De Portola; membership clubs; organizations; lodges; parking lots and parking structures (except as may be incidental to other authorized uses, contiguous properties, and as required by the City of Temecula); any "off sale" of liquor, beer, or wine sales; and sports recreational facilities.
9. Restaurants; Entertainment. No restaurants with live entertainment permitted. No restaurants or fast food.
10. Hours of Operation. The primary activity of the lessees shall terminate by 11:00 p.m. Ancillary activity to close up business establishments will be permitted until 12:00 a.m., after which no appreciable activity on the part of the lessees or their customers should occur.
11. Lease Provisions. The Association shall have the right to require provisions in leases which subject tenants to follow rules and regulations of Association to be promulgated for the limited purpose of protecting the quiet enjoyment of Association member's property in the immediate area, so long as such rules and regulations do not contradict, or are more restrictive than this Development Agreement and the CC&Rs, Bylaws and other governing documents of the Association.

12. Fines: Quiet Enjoyment. Both TMOB and lessees of Property shall be subject to the imposition of fines, as determined by the Board of Directors, for violation of the provisions contained herein, Association rules directed specifically to protect the quiet enjoyment of adjacent and nearby property owners within the Association, or Association governing documents applicable to the Subject Property.
13. Building Compatibility with Nearby Property. All buildings shall be of scale to be compatible with the adjacent and/or nearby residences on De Portola Road within the Association and the appearance of which shall not appear to exceed two stories in height from De Portola Road, with tile roofs and no exposed mechanical equipment. The trash enclosures shall be enclosed on all four sides. Exterior lighting on the buildings and parking lots shall be low profile, low-pressure sodium, and shielded downward. The ambient acoustic noise signature of any use and/or equipment shall not exceed the ambient noise level of Margarita Road or De Portola Road.
14. Continuation and Connection of Equestrian trail. The equestrian trail which is scheduled to run at the front of proposed site along De Portola Road, per City plans, is to be completed as part of the 1st phase of site preparation. The Trail shall be fenced on both sides and the trail bed shall be made of decomposed granite. All maintenance of the trail shall be the responsibility of the owner. This trail will conform to City requirements and be completed between both east and west property lines so that it may connect to the trail at those adjacent properties as they are developed. The 1st phase is to be defined as the site preparation for future development, including but not limited to removal of existing structure and scraping of the lot, but before any further development plans may have been established. If site is to be marketed for sale to another developer, or to be developed by another division associated with TMOB, the trail is to be completed prior to that effort by TMOB as part of its initial site preparation.
15. Additional Restrictions. Additional restrictions with regards to the actual construction upon the Site will be composed and become part of that separate Development Agreement which will govern the actual building(s) to be constructed upon the site. These restrictions will include, but not be limited to, (i) the diligent effort to complete approved construction, (ii) construction hours, (iii) conduct of construction personnel (iv) stockpiles and storage of materials (v) trash (vi) dust control and (vii) construction fencing.
16. Documents. Owner shall provide to the Association, at the Owner's expense, the following documents. The Association reserves the right to request and require additional documents consistent with the Association's architectural control requirements.
 - a. Copies of all plans and applications submitted to the City of Temecula and/or County of Riverside pursuant to the construction described herein, including without limitation building plans, architectural plans, landscaping

plans, development agreements and use permits, etc., at the time such are submitted to the City and/or County. A true and correct copy of the Elevation Plans and Planting Plans are attached hereto as **Exhibit A** and incorporated herein by reference.

- b. Copies of marketing materials
 - c. Copies of all bonds or letters of credit issued in favor of the project, regardless of whether or not the Association is the named beneficiary, including but not limited to, Completion Bonds.
 - d. Color boards showing all exterior surface colors and combinations.
17. The Board wishes to make it clear that should this Development Agreement be reached with regard to commercial development of Subject Property, it will not be considered a precedent or open the possibility of any other land in the Association being considered for commercial development.
18. It is understood that Subject Property will not be subdivided into both residential and commercial land use.
19. No Precedent. Except as otherwise provided herein, should this Development Agreement be reached with regard to commercial development of Subject Property, it will not be considered a precedent or open the possibility of any other land in the Association being considered for commercial development.
20. Indemnification; Maintenance; Warranties. Owner shall indemnify and hold Association, its members, Board, employees, servants, agents, attorneys, successors and assigns (“Indemnitees”) harmless from all claims, demands, liability and/or expenses (including without limitation attorneys’ fees) arising out of or encountered in connection with the performance of work performed by Owner, its agents, employees and/or vendors, pursuant to its development of the Subject Property, whether such claims, demands, liability and/or expenses are caused by Owner, or its officers, agents, employees, contractors, or subcontractors, or others employed by same, or products installed on the project by said persons/entities, excepting only such injury or harm as may be caused by an Indemnitee’s own negligence (whether active or passive) or willful misconduct. Such indemnifications shall extend to claims, demands, expenses and/or liabilities occurring after completion of development of the Subject Property as well as during the work’s progress. Further, Owner, expressly covenants, warrants and agrees that all grading, design, construction, maintenance and continued use of the improvements on the Subject Property shall be in accordance with generally accepted design, construction, maintenance and repair practices and in compliance with all local, state and federal regulations, ordinances, laws and building codes. Association’s consent to the terms of this Agreement shall not be construed as an acknowledgement that the development and/or improvements comply with applicable laws, and Owner shall be obligated

to obtain any necessary building and grading permits and inspections and to verify compliance with all requirements imposed by law.

21. Hold Harmless. The Owners shall indemnify and hold the Association and its Members, Board, employees, agents, successors and assigns (collectively, the "Association Agents") harmless from all claims, demands, liability and/or expenses (including, without limitation, attorneys' fees) related to the Owners' use and/or lease of the Subject Property.
22. Release and Covenant not to Sue. The Owners agree (i) that the Association and the Association's Agents shall be released from any claim or liability for damage or injury that Owners may suffer as a direct or indirect result of Association's failure to obtain approve of the Amendment (collectively, "Damages"), and (ii) not to sue the Association or the Association Agents for such Damages. Notwithstanding the foregoing, if the Amendment and this Agreement are approved, the Association shall provide the original, executed and notarized Amendment and this Agreement to the Owners and the Owners shall record the same or cause the same to be recorded in the Official Records of the Riverside County Recorder.
23. Binding. This Agreement is binding upon, inure to the benefit of, and be enforceable by each Party and its respective legal representatives, successors, and assigns, and upon recordation, the Amendment shall be a covenant running with the land.
24. Entire Agreement; Amendment. This Agreement (including all exhibits referred to in this Agreement) and the Amendment contain the entire agreement of the Parties with respect to the matters contained herein and therein, and no prior or contemporaneous agreement, oral or written pertaining to such matters shall effective for any purpose. This Agreement may be modified, waived or amended only upon the written agreement of the Parties, which shall be subject to any prior approval of the Association, the Board and/or the Members required by the CCRs or the other Governing Documents, and any amendment of the CCRs that may be required. The Association, the Board and/or the Members are not obligated to endorse and/or approve any further amendment to the CCRs with respect to the Subject Property, except as provided in this Agreement and/or the Amendment.
25. Attorneys' Fees. In any legal or equitable proceeding between the Parties related to this Agreement, the prevailing Party in such proceeding, as determined by the final arbiter thereof, shall be awarded, in addition to any applicable damages, injunctive or other relief, its reasonable attorneys' fees.
26. Mediation. Prior to commencement of any proceeding or litigation by either Party, the Parties shall first attempt to settle any dispute or claim by mediation in accordance with the then-current rules of the Judicial Arbitration and Mediation Service ("JAMS") at a JAMS location nearest to Temecula, California, unless the Parties mutually agree otherwise. A demand for mediation shall be made by written notice within a reasonable time after the dispute or claim arises or is discovered but

in no event later than the date on which the dispute or claim would be barred by the applicable statute of limitation.

27. Authority. Each of the Parties represents and warrants to the other that the individual signing this Agreement on its behalf is duly authorized by such Party to execute and deliver this Agreement and such execution is binding on such Party. The signature of each such individual shall be acknowledged as set forth in the acknowledgements attached hereto.
28. Governing Law. This Agreement is governed by California law without regard to conflicts of laws principles. Jurisdiction for any dispute or claim arising in connection with this Agreement shall be in only in and with the courts of the State of California, and venue shall be exclusively in Riverside County, California.
29. Construction of Agreement. This Agreement has been negotiated at arm's-length by the Parties and shall not be construed for or against any Party on the grounds that such Party drafted the Agreement or any specific provision.
30. Gender; Headings. All references to any gender shall include all other genders and the singular shall include the plural and vice versa. All headings of articles, paragraphs and subparagraphs are for convenience only and do not limit or amplify such provisions.
31. Notices. Any notices or other communications between the Parties shall be in writing and may be mailed by U.S. certified mail, return receipt requested, postage prepaid, and deposited with the U.S. Postal Service, or may be delivered by hand or by any other method or means permitted by law. For purposes hereof, a notice shall be deemed delivered upon the first to occur of the following: (i) personal delivery thereof, (ii) delivery by courier or a nationally-recognized overnight delivery service, (iii) delivery refusal, or (iv) 48 hours following deposit of such notice with the U.S. Postal Service.
32. Severability. Whenever possible, each provision of this Agreement including exhibits shall be interpreted in a manner as to be effective and valid under applicable law, but if any provision, paragraph, section, sentence, clause or phrase herein or any exhibit hereto becomes, or is held by any court of competent jurisdiction to be, illegal, null or void, against public policy, or otherwise unenforceable for any reason, the remaining provisions, paragraphs, sections, sentences, clauses or phrases herein or any exhibit hereto shall not be affected thereby and shall remain in full force and effect.
33. Ballot and Voting Costs. The Owners are responsible for all costs associated with the creation of this Agreement. The Owners shall pay Association for any out-of-pocket expenses actually paid by Association in connection with the preparation of this Agreement or in connection with voting process, including, without limitation, the ballot, postage, legal fees, etc. (collectively, the "Voting Costs"). The reimbursement to the Association by the Owners shall be made within thirty (30)

days receipt of a written invoice by the Owners with proper back-up documents (invoices, etc.). The Association shall not incur more than Five Thousand Dollars (\$5,000) in Voting Costs reimbursable to the Association pursuant to this Section without the Owner's express prior written approval.

34. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. Electronically reproduced or displayed signatures are valid as original signatures for all purposes of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set forth below.

ASSOCIATION

LOS RANCHITOS HOMEOWNERS
ASSOCIATION, a California nonprofit
mutual benefit corporation

By: _____
Name: _____
Its: President

Date: _____

By: _____
Name: _____
Its: Secretary

Date: _____

OWNERS

TEMECULA M.O.B., LLC, a California
limited liability company

By: _____
Ann E. Owens, President of Pacific Media
Properties, Inc., Managing Member

Date: _____