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**MASTER DECLARATION OF COVENANTS,
EASEMENTS AND RESTRICTIONS
OF PARKMERCED PROJECT**

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ATTACHMENTS:

ATTACHMENT A – Project Site Diagram

ATTACHMENT B – Final Maps for Subphases 1A and 1 B (Blocks 1, 6, 20 & 22)

ATTACHMENT C – Relevant Specially Defined Terms from the Parkmerced Development Agreement

Exhibit 1 to ATTACHMENT C – Relevant Exhibits from Parkmerced Development Agreement

ATTACHMENT D – Stormwater Control Plan

ATTACHMENT E – Stormwater Management Improvements

**MASTER DECLARATION OF COVENANTS,
EASEMENTS AND RESTRICTIONS
OF PARKMERCED PROJECT**

THIS MASTER DECLARATION is made on the date hereinafter set forth by Parkmerced Owner LLC, a Delaware limited liability company ("Declarant").

RECITALS

Declarant is the owner of certain property located in the City and County of San Francisco, State of California more particularly depicted on Attachment A hereto, incorporated herein (the "Parkmerced Development Property"). The Parkmerced Development Property is an approximately 152-acre site located in the Lake Merced District in the southwest corner of San Francisco and is generally bounded by Vidal Drive, Font Boulevard, Pinto Avenue, and Serrano Drive to the north, 19th Avenue and Junipero Serra Boulevard to the east, Brotherhood Way to the south, and Lake Merced Boulevard to the west. The Parkmerced Development Property is improved with an existing multi-family residential development with 3,221 rental apartment units.

On June 7, 2011, the San Francisco Board of Supervisors approved pursuant to the "Development Agreement" (defined herein) a long-term mixed-use development project to comprehensively replan and redesign the Parkmerced Development Property, which project, upon implementation, would construct additional multi-family residential structures and open space areas, demolish existing apartments, provide a neighborhood core with new commercial and retail services, reconfigure the street network and public realm, improve and enhance the open space amenities, modify and extend existing neighborhood transit facilities, and improve utilities within the Parkmerced Development Property (the "Project").

The Project will be constructed in phases, each phase (a "Development Phase") being a portion of the Project. Each Development Phase may be comprised of sub-phases (each a "Subphase"). Subphases 1A and 1B of the Project, which form part of Development Phase 1, will be subject to this Master Declaration upon its recordation. Subsequent Development Phases and Subphases will each be made subject to this Master Declaration upon the recording of a Declaration of Annexation applicable to each such Development Phase or Subphase.

Subphases 1A and 1B of the Project consist of twenty-seven (27) Lots (collectively "Lots") in four (4) blocks. The four (4) blocks comprising Subphases 1A and 1B are blocks 1, 6, 20 & 22, as more particularly described on the Final Maps attached hereto as Attachment B and

incorporated herein (Block 21S, which is included on the attached Final Maps, is a remainder and is not part of Subphases 1A and 1B). Each Lot shall have appurtenant to it a membership in the Parkmerced Master Association, a nonprofit mutual benefit corporation to which will be delegated and assigned the powers of owning, maintaining and administering portions of the Project constituting Master Association Property (as defined below) and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created.

Declarant intends by this Master Declaration to impose upon Subphases 1A and 1B of the Project mutually beneficial restrictions under a general plan of improvement for the benefit of all Owners (as defined below) of Lots.

NOW, THEREFORE, incorporating the above Recitals, Declarant hereby declares that Subphases 1A and 1B described above, and all real property in each subsequent Development Phase upon recordation of a Declaration of Annexation for such Development Phase, shall be held, sold, leased, mortgaged, encumbered, rented, used, occupied, improved and conveyed subject to the following declarations, which are imposed as equitable servitudes pursuant to a general plan of development of the Project for the purpose of enhancing and protecting the value and desirability of the Project and every part of it, and which shall run with the land of the Project and be binding on Declarant and its successors and assigns, and on all parties having or acquiring any right, title or interest in or to the described Project or any part of it, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I

DEFINITIONS

Section 1.1 “AAA” shall mean the American Arbitration Association.

Section 1.2 “Annexation Property” shall mean Lots located in future Development Phases that are annexed to the portion of the Project already subject to this Master Declaration, which shall be subject to this Master Declaration and subject to the jurisdiction of the Master Association.

Section 1.3 “Arbitrating Entity” shall have the meaning provided in Section 9.1C.

Section 1.4 “Architectural Control Committee” shall mean the committee, which if established pursuant to Section 6.1, shall have the authority to approve or disapprove alterations or improvements upon and to the Property under the terms of Article VI.

Section 1.5 “Assessments” shall mean Regular Assessments and/or Special Assessments which are a portion of the cost of maintaining, repairing, improving, operating and managing the Property, or assessments which are imposed to bring an Owner into compliance with the Master

Association Documents, and which are to be paid by Owners as determined by the Master Association.

Section 1.6 “Blocks” shall mean the four (4) blocks comprising Subphases 1A and 1B, which are blocks 1, 6, 20 & 22, as more particularly described on the Maps and all other such blocks contained in such additional real property that becomes subject to this Master Declaration pursuant to a Declaration of Annexation.

Section 1.7 “City” shall mean the City and County of San Francisco, California.

Section 1.8 “Claims” shall have the meaning provided in Section 10.13.

Section 1.9 “Common Expenses” shall mean and include the actual and estimated expenses of operating the Property and any reasonable reserve for such purposes, as found and determined by the Master Board, and all sums designated common expenses by or pursuant to the Master Association Documents.

Section 1.10 “Community Gardens” shall mean the areas on the Lots designated by the Master Association for use as community gardens.

Section 1.11 “Community Improvements” shall mean any capital improvement or facility, on-going service provision or monetary payment, or any service within the scope of the definition of the term “Community Improvements” in the Development Agreement, the definition of which is provided on Attachment C hereto. Attachment C is incorporated herein.

Section 1.12 “Declarant” shall mean and refer to Parkmerced Owner LLC, a Delaware limited liability company, together with its successors and assigns.

Section 1.13 “Declaration of Annexation” shall mean any declaration by which additional property becomes subject to this Master Declaration as described in Section 2.6.

Section 1.14 “Design Review Approvals” shall have the same meaning ascribed to such term in the Development Agreement, the definition of which is provided on Attachment C hereto.

Section 1.15 “Development Agreement” shall mean that certain Development Agreement By and Between the City and County of San Francisco and Parkmerced Investors Properties LLC Relative to The Parkmerced Development Project recorded on July 7, 2011 with San Francisco Assessor-Recorder Document No. 2011-J209959-00.

Section 1.16 “Development Phase Approvals” shall have the same meaning ascribed to such term in the Development Agreement, the definition of which is provided on Attachment C hereto.

Section 1.17 "Development Phases" shall mean the phases in which the Project will be constructed, each phase being a portion of the Project.

Section 1.18 "Director" shall mean the director of the City's Department of Building Inspection.

Section 1.19 "Fire Marshal" shall mean the City Fire Marshal.

Section 1.20 "First Certificate of Occupancy" shall mean the first certificate of occupancy (such as a temporary certificate of occupancy) issued by the City Department of Building Inspection for a portion of the building that contains residential units or leasable commercial space. A First Certificate of Occupancy shall not mean a certificate of occupancy issued for a portion of the residential or commercial building dedicated to a sales office or other marketing office for residential units or leasable commercial space.

Section 1.21 "First Lenders" shall mean a lender who made a loan in good faith and for value, who holds a lien in first position on any Lot.

Section 1.22 "Implementing Approvals" shall have the same meaning ascribed to such term in the Development Agreement, the definition of which is provided on Attachment C hereto.

Section 1.23 "Indemnified Parties" shall have the meaning provided in Section 10.13.

Section 1.24 "Indemnify" shall have the meaning provided in Section 10.13.

Section 1.25 "Indemnitor" shall have the meaning provided in Section 10.13.

Section 1.26 "JAMS" shall mean Judicial Arbitration and Mediation Service/Endispute.

Section 1.27 "Lots" shall mean the twenty-seven (27) lots located in four (4) blocks, specifically blocks 1, 6, 20 & 22, comprising Subphases 1A and 1B more particularly described on the Maps and all other such lots contained in such additional real property that becomes subject to this Master Declaration pursuant to a Declaration of Annexation.

Section 1.28 "Maps" shall mean those certain subdivision maps entitled "Final Map No. 8530", recorded _____, 2017, in Book _____ of Condominium Maps, at Pages _____ through _____, "Final Map No. 8531", recorded _____, 2017, in Book _____ of Condominium Maps, at Pages _____ through _____, "Final Map 8532", recorded _____, 2017, in Book _____ of Condominium Maps, at Pages _____ through _____, all in the Official Records of the City and County of San Francisco. The Maps are attached hereto as Attachment B.

Section 1.29 "Master Articles" shall mean and refer to the Articles of Incorporation of the Master Association, as amended from time to time.

Section 1.30 "Master Association" shall mean and refer to the Parkmerced Master Association, a nonprofit mutual benefit corporation, the Members of which shall be Owners of Lots in the Project.

Section 1.31 "Master Association Documents" shall mean and include this Master Declaration, as it may be amended from time to time, the attachments, if any, annexed hereto, the Master Articles, the Master Bylaws, and the rules and regulations for the Members, as established from time to time.

Section 1.32 "Master Association Property" shall mean the Open Space Lots conveyed to the Master Association, the Private Streets conveyed to the Master Association, and all other property that is conveyed to the Master Association.

Section 1.33 "Master Board" or "Master Board of Directors" shall mean and refer to the governing body of the Master Association.

Section 1.34 "Master Bylaws" shall mean or refer to the Bylaws of the Master Association as amended from time to time.

Section 1.35 "Master Declaration" shall mean and refer to this enabling Master Declaration.

Section 1.36 "Member" shall mean and refer to a Person entitled to membership in the Master Association, as provided in this Master Declaration.

Section 1.37 "Open Space Lots" shall mean the Lots expressly designated for the purpose of open space as described in Section 2.4.

Section 1.38 "Owner" or "Owners" shall mean or refer to the record holder or holders of title, if more than one, of a Lot in the Project. This shall include any person having a fee simple title to any Lot but shall not include contract sellers and those persons or entities having any interest merely as security for the performance of any obligation. If a Lot is sold under a recorded installment land contract to a purchaser, such purchaser, rather than the fee owner, shall be considered the Owner.

Section 1.39 "Parkmerced Design Standards and Guidelines" shall mean the Parkmerced Design Standards and Guidelines dated as of June 23, 2011, as amended from time to time.

Section 1.40 "Parkmerced Special Use District" shall mean San Francisco Planning Code section 249.64, as amended or redesignated from time to time.

Section 1.41 "Parkmerced Development Property" shall mean certain property located in the City more particularly depicted on Attachment A.

Section 1.42 "Person" shall mean a natural person, a corporation, a partnership, a trust or other legal entity.

Section 1.43 "Plan Documents" shall mean the Parkmerced Vision Plan, the Phasing Plan, the Parkmerced Design Standards and Guidelines, the Transportation Plan, the Sustainability Plan, and the Infrastructure Plan, all dated as of June 23, 2011, and approved by the Board of Supervisors, as each may be revised or updated in accordance with the Development Agreement.

Section 1.44 "Private Streets" shall mean streets, alleyways, and pedestrian paseos that will not be dedicated to the City as described in Section 2.4.

Section 1.45 "Project" shall mean and refer to the long-term mixed-use development project to comprehensively replan and redesign the Parkmerced Development Property, which project, upon implementation, would construct additional multi-family residential structures and open space areas, demolish existing apartments, provide a neighborhood core with new commercial and retail services, reconfigure the street network and public realm, improve and enhance the open space amenities, modify and extend existing neighborhood transit facilities, and improve utilities within the Parkmerced Development Property.

Section 1.46 "Project Improvement" shall mean any Project improvement including but not limited to a building structure, Community Improvement, Stormwater Management Improvement, and/or Utility Facilities as described in Section 8.2.

Section 1.47 "Property" shall mean and include the real property subject to this Master Declaration as described herein and all improvements erected thereon and all property, real, personal or mixed, intended for or used in connection with the Project.

Section 1.48 "Public Improvements" shall have the same meaning ascribed to such term in the Development Agreement, the definition of which is provided on Attachment C hereto.

Section 1.49 "Public Improvement Agreement" shall refer to any Public Improvement Agreement by and between Declarant and the City, including the Public Improvement Agreements applicable to Subphase 1A and Subphase 1B.

Section 1.50 "Regular Assessment" shall mean an Assessment which is a portion of the cost of maintaining, improving, operating and managing the Property which is to be paid by each Owner, as determined by the Master Association.

Section 1.51 "Special Assessment" shall mean a supplemental Assessment to meet expenses which is to be paid by each Owner when the total amount of funds necessary to defray common expenses is determined to be inadequate by the Master Association.

Section 1.52 "Subphase 1A and 1B Improvements" shall have the meaning provided in Section 10.4.

Section 1.53 "Subphase 1A and 1B Services" shall have the meaning provided in Section 10.4.

Section 1.54 "Subphases" shall mean the subphases which may comprise a Development Phase.

Section 1.55 “Stormwater Control Plan” shall mean the Stormwater Control Plan approved by the City Public Utilities Commission and attached hereto as Attachment D. Attachment D is incorporated herein.

Section 1.56 “Stormwater Management Improvements” shall mean the facilities, both those privately-owned and those dedicated to the City, that comprise the infrastructure and landscape system that is intended to manage the stormwater runoff associated with the Project, as described in the Infrastructure Plan. Stormwater Management Improvements include but are not limited to: (i) swales and bioswales (including plants and soils), (ii) bio-gutters and grates (including plants and soils), (iii) tree wells, (iv) ponds, wetlands, and constructed streams, (v) stormwater cisterns, (vi) stormwater culverts, (viii) trench drains and grates, (ix) stormwater piping, (x) stormwater collection system, and (x) other facilities performing a stormwater control function.

Section 1.57 “Subdivider Infrastructure” shall have the same meaning ascribed to such term in the Public Improvement Agreement between Declarant and the City for the applicable Development Phase. For Subphase 1A and 1B, the Subdivider Infrastructure shall consist of those certain Stormwater Management Improvements and special street improvements described on Attachment E hereto and incorporated herein.

Section 1.58 “Utility Facilities” shall mean the sanitary sewer, storm sewer, Stormwater Management Improvements, drainage, water, electric, gas, television reception, telephone equipment, cables and lines, meters, catch basins, storage tanks, wires, ducts, flues, pumps, boilers, and pipes, exhaust flues, and heating and HVAC facilities as described in Section 2.5.

Section 1.59 Number and Gender The singular and plural number and masculine, feminine and neuter gender shall each include the other where the context requires.

Section 1.60 Mandatory and Permissive "Shall", "will", and "agree" as used herein are mandatory and "may" as used herein is permissive.

ARTICLE II

DESCRIPTION OF PROPERTY AND CREATION OF PROPERTY RIGHTS

Section 2.1 Description of Project. The Project is a mixed-use development which in Subphases 1A and 1B shall consist of all of the Lots contained in Blocks 1, 6, 20, and 22 and all of the improvements thereon. Blocks 1, 6, 20, and 22 have been subdivided pursuant to final subdivision maps nos. 8530, 8531, and 8532. Additional real property may be annexed to and become a part of the Project pursuant to Section 2.6 herein.

Section 2.2 Easements; Master Association Property. The Open Space Lots and Private Streets (defined hereinafter) in each Block shall be conveyed to the Master Association, and, once conveyed, shall be “Master Association Property”. The Master Association Property shall include only Open Space Lots and Private Streets in each Block and shall not include any

of the Lots shown on the Map that will be improved with residential or non-residential buildings. The Master Association Property is a subcomponent of the Property.

Each of the Lots shown on the Map shall have appurtenant to it as the dominant tenement a nonexclusive easement over any and all Master Association Property as the dominant tenements for ingress and egress, and for use occupancy and enjoyment, subject to the provisions of this Master Declaration, the Master Bylaws, and any rules and regulations adopted by the Master Association from time to time. Declarant hereby reserves to itself, and its successors and assigns, the right to, and agrees that it will, grant to, the Owners of Lots in subsequent Development Phases, as the dominant tenement, nonexclusive easements for ingress and egress over the Master Association Property in Subphases 1A and 1B of the Project as the servient tenement, and Declarant further agrees that it will reserve to itself and its successors and assigns the right to grant, and agrees that when it annexes any additional Development Phases, it will grant, to the Owners of Lots in Subphases 1A and 1B as the dominant tenements, nonexclusive easements for ingress and egress over the Open Space Lots and Private Streets of the additional Development Phases as the servient tenements upon annexation thereof.

The Master Association shall have the right to grant easements under, in, upon, across, over, above or through any portion of any of the Master Association Property in any Development Phase for purposes, including without limitation, access, utilities, and parking which are beneficial to the development of the Project in accordance with the general plan established by this Master Declaration.

Section 2.3 Easements to Accompany Conveyance of Lot. Easements that benefit or burden any Lot shall be appurtenant to that Lot and shall automatically accompany the conveyance of any Lot, even though the description in the instrument of conveyance may refer only to the fee title to the Lot.

Section 2.4 Conveyance of Open Space Lots and Private Streets to Master Association. The Blocks in Subphases 1A and 1B includes Lots expressly designated for the purpose of open space (the “Open Space Lots”) and streets, alleyways, and pedestrian paseos that will not be dedicated to the City (the “Private Streets”). Prior to the separate conveyance of title to the first Lot in a Block in each Subphase, Declarant shall deed any and all Open Space Lots and Private Streets in such Block to the Master Association to be held for the benefit of the Members of the Master Association. When any Open Space Lot or Private Street is conveyed by Declarant to the Master Association, an easement is automatically reserved over such area for the benefit of the remaining Development Phases not yet annexed, for ingress and egress, use and enjoyment.

Section 2.5 Owners’ Rights and Easements for Utilities. The rights and duties of the Owners of Lots with respect to sanitary sewer, storm sewer, Stormwater Management Improvements, drainage, water, electric, gas, television reception, telephone equipment, cables

and lines, meters, catch basins, storage tanks, wires, ducts, flues, pumps, boilers, and pipes, exhaust flues, and heating and HVAC facilities (collectively, "Utility Facilities") shall be as follows:

- A. Whenever Utility Facilities are installed within the Project, and which may lie in whole or in part upon a Lot or Lots owned by other Owners than the Lot Owner served by such Utility Facilities, the Owners of the Lots being served shall have the right of reasonable access for themselves or for utility companies or the City to repair, replace, and generally maintain said Utility Facilities as and when the same may be necessary due to failure or inability of the Master Board to take timely action to make such repairs or perform such maintenance.
- B. Whenever Utility Facilities are installed within the Project which serve more than one (1) Lot, the Owner of each Lot served by said Utility Facilities shall be entitled to the full use and enjoyment of such portions of said Utility Facilities as service such Owner's Lot.
- C. In the event of a dispute between Owners with respect to the repair or rebuilding of said Utility Facilities, or with respect to the sharing of the cost thereof, then, upon written request of one (1) Owner addressed to the other Owners, the matter shall be submitted first to the Master Board for mediation, and thereafter, if unresolved, to binding arbitration within sixty (60) days pursuant to Section 9.1B. The decision of the arbitrators shall be final and conclusive on the parties, and judgment may be entered thereon in any court having jurisdiction.

Section 2.6 Annexation of Additional Property. Additional property may be annexed to and become subject to this Master Declaration by any of the following means. Upon annexation, the additional property shall become subject to this Master Declaration.

- A. Annexation Pursuant to the Development Agreement. As required by Section 3.5.3 of the Development Agreement, Lots located in future Development Phases must be annexed to the portion of the Project already subject to this Master Declaration, subject to this Master Declaration, and subject to the jurisdiction of the Master Association ("Annexation Property"). Such annexation shall occur no later than the issuance of the First Certificate of Occupancy for the first building constructed in that future Development Phase. A declaration of annexation shall be recorded covering the portion of the Annexation Property to be annexed, and shall require compliance with the requirements of Section 3.5.3 and 3.5.5(a) of the Development Agreement ("Declaration of Annexation"). The Declaration of Annexation may contain such complementary additions and modifications of the covenants and restrictions contained in this Master Declaration, which are not inconsistent with this Master Declaration, as may be necessary to reflect the different character, if any, of the

annexed property. The Declaration of Annexation shall require the payment by Declarant to the Master Association, concurrently with the closing of the escrow for the first sale of a Lot in an annexed Development Phase, of appropriate amounts for reserves for replacement or deferred maintenance necessitated by or arising out of the use and occupancy of Lots under a rental program conducted by Declarant which has been in effect for a period of at least one (1) year as of the date of closing said escrow. This right of annexation can be exercised by any successor or assign of Declarant who acquires any part of the Annexation Property and who expressly assumes the rights and duties of Declarant.

- B. Annexation Pursuant to Approval. Property other than that described in Section 2.6A may be annexed to the portion of the Project already subject to this Master Declaration upon approval in writing of the Master Association pursuant to the vote or written consent of a two-thirds majority of the voting power of its Members excluding the vote of Declarant. A Declaration of Annexation shall be recorded covering the portion of the Annexation Property to be annexed, and shall require compliance with the requirements of Section 3.5.3 and 3.5.5(a) of the Development Agreement.
- C. Effect of Annexation. Assessments collected from Owners in the Project may be expended by the Master Association without regard to the particular Development Phase from which such Assessments came. All Owners shall have ingress and egress to all portions Master Association Property throughout the Project, subject to the provisions of this Master Declaration, the Master Bylaws, and any rules and regulations adopted by the Master Association from time to time.
- D. Failure to Annex. If any Annexation Property is not annexed as provided above and such property requires ingress and egress over Private Streets within the Project and access to and use of common utilities, easements shall exist for reasonable vehicular and pedestrian traffic and reasonable use of any common utilities within the Master Association Property.

Section 2.7 Encroachment Easements. Each Lot as the dominant tenement shall have an easement over adjoining Lots and Master Association Property as the servient tenements for the purpose of accommodating any encroachment due to foundations, exterior wall, windows, roof overhand and fences or walls which are built in accordance with the original design, plans and specifications of Declarant.

Section 2.8 Maintenance And Service Provision Easement. An easement over each Lot as the servient tenement is reserved by Declarant in favor of each other Lot as the dominant tenement, and in favor of the Master Association, for the purpose of allowing the Master

Association's agents to enter the Lot to perform such maintenance and to provide such services, if any, as the Master Association may be required to perform pursuant to this Master Declaration, including but not limited to maintaining the Community Improvements and providing the Community Improvements that represent services, all as required by Article X herein.

Section 2.9 Stormwater Management Improvements and Drainage Easements. An easement over and under each Lot as the servient tenement is reserved in favor of each other Lot as the dominant tenement for the purpose of allowing the Master Association's agents to enter the Lot to maintain that portion of any Stormwater Management Improvements located thereon. No Owner or occupant shall commit any act that would interfere with the operation of any Stormwater Management Improvements, including but not limited to drainage swales, bioretention tree wells, and/or permeable pavement installed on the Owner's Lot. The Master Association shall maintain such systems free of debris and other obstacles at all times. The Master Association shall maintain the Stormwater Management Improvements in the manner required by Article X herein. Reciprocal appurtenant easements between each Lot and the Master Association Property and between adjoining Lots are reserved for the flow of surface water.

Section 2.10 Other Easements. The Master Association Property and each Lot are subject to all easements, dedications, and rights of way granted or reserved in, on, over and under the Project as shown on any Map.

Section 2.11 Rights of Entry and Use. The Lots and Master Association Property shall be subject to the following rights of entry and use:

- A. The right of the Master Association's agents to enter any Lot to cure any violations of this Master Declaration or the Master Bylaws, provided that the Owner has received notice and a hearing, except in the case of emergency, and the Owner has failed to cure the violation or take steps necessary to cure the violation within thirty (30) days after the finding of a violation by the Master Association.
- B. The access rights of the Master Association to maintain, repair or replace improvements in the Master Association Property.
- C. The easements described in this Article II.
- D. The right of the Master Association's agents to enter any Lot to perform maintenance required of the Master Association.
- E. The rights of Declarant during Declarant's construction of the Project.

Section 2.12 Prohibition of Partition. There shall be no subdivision or partition of the Master Association Property, nor shall any Owner seek any partition or subdivision thereof.

Section 2.13 Right to Deannex. Notwithstanding any other provision of this Master Declaration or any Declaration of Annexation, any notice of addition of property or amendments or supplements to this Master Declaration as may be hereinafter filed of record to effect an annexation of property under this Article, Declarant shall have the right at any time after such annexation but before the close of escrow on the sale under the authority of a public report to an Owner other than the Declarant of the first Lot within the Project so annexed to deannex such property or any portion thereof by filing of record a notice of deannexation describing the property to be so deannexed and stating that such deannexation is undertaken in accordance with the terms and conditions of this Section 2.13. Deannexation is effective upon the recordation of such notice and need only be executed by Declarant. Deannexation shall not relieve Declarant from the obligation to continue to pay its equitable share of the cost of maintenance and repair of the Master Association Property to which it was previously obligated, and to continue to be subject to liens as provided herein.

ARTICLE III

MASTER ASSOCIATION, ADMINISTRATION, MEMBERSHIP AND VOTING RIGHTS

Section 3.1 Master Association to Own and Manage Master Association Property. The Master Association shall own and manage the Master Association Property in accordance with the provisions of this Master Declaration.

Section 3.2 Membership. The Owner of a Lot shall automatically upon becoming the Owner of such Lot become a Member of the Master Association, and shall remain a Member thereof until such time as such ownership ceases for any reason. Membership shall be deemed appurtenant to and may not be separated from ownership of a Lot. Membership shall be held in accordance with the Master Articles and Master Bylaws.

Section 3.3 Transferred Membership. Membership in the Master Association shall not be transferred, encumbered, pledged, or alienated in any way, except upon the sale or encumbrance of the Lot to which it is appurtenant, and then only to the purchaser, in the case of a sale, or the mortgagee, in the case of an encumbrance of such Lot. On any transfer of title to an Owner's Lot, including a transfer on the death of an Owner, membership passes automatically with title to the transferee. A mortgagee does not have membership rights until it obtains title to the Lot through foreclosure or deed in lieu of foreclosure. Any attempt to make a prohibited transfer is void. No Member may resign his, her or its membership. On notice of a transfer, the Master Association shall record the transfer on its books.

Section 3.4 Membership and Voting Rights. Membership and voting rights shall be as set forth in the Master Bylaws.

ARTICLE IV

ASSESSMENTS, LIENS AND FORECLOSURES

Section 4.1 Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot owned, hereby covenants, and each Owner of any Lot by acceptance of a deed for that Lot, whether or not it shall be so expressed in such deed, covenants and (i) agrees to pay Regular Assessments, Special Assessments and other Assessments as may be properly adopted and levied by the Master Association, and (ii) agrees to allow the Master Association to enforce any Assessment lien established under this Master Declaration by non-judicial proceedings under a power of sale or by any other means authorized by law.

Assessments, together with interest, late charges, collection costs, and reasonable attorney's fees, shall be a charge on the Lot and shall be a continuing Assessment lien upon the Lot against which each such Assessment is made, the Assessment lien to become effective upon recordation of a notice of delinquent Assessment. Each such Assessment, together with interest, late charges, collection costs, and reasonable attorney's fees, shall also be the personal obligation of each person who was the Owner of such Lot at the time when the Assessment fell due. No Owner shall be exempt from liability for his contribution towards the Common Expenses by waiver of the use or enjoyment of any Master Association Property or by the abandonment of the Owner's Lot.

The interest of any Owner in the amounts paid pursuant to any Assessment upon the transfer of ownership shall pass to the new Owner. Upon the termination of these covenants for any reason, any amounts remaining from the collection of such Assessments after paying all amounts properly charged against such Assessments shall be distributed to the then Owners on the same pro rata basis on which the Assessments were collected.

Section 4.2 Purpose of Assessments. The Assessments levied by the Master Association shall be used exclusively to promote the economic interests, recreation, health, safety, and welfare of all the Owners and other residents in the Project and to enable the Master Association to perform its obligations under this Master Declaration and the Development Agreement.

Section 4.3 Regular Assessment and Reserve Fund.

- A. The Master Board shall establish and levy annual Regular Assessments in an amount the Master Board estimates will be sufficient to raise the funds needed to perform the duties of the Master Association during each fiscal year, subject to the limitations contained in Section 4.5 hereof. Such annual Regular Assessments shall include an adequate reserve fund for maintenance, repairs and replacement of those major

components of the Master Association Property and facilities which the Master Association is obligated to maintain and that must be replaced on a periodic basis, and shall be payable in regular installments rather than by Special Assessments.

- B. Unless the Master Association is exempt from Federal or State taxes, all reserves shall be accounted for as contributions to the capital of the Master Association and as trust funds segregated from the regular income of the Master Association or in any other manner authorized by law or regulation of the Internal Revenue Service and the California Franchise Tax Board that will prevent such funds from being taxed as income to the Master Association.
- C. Failure of the Master Board to set Regular Assessments shall not be deemed a waiver of Regular Assessments but, rather, the prior fiscal year's Regular Assessment shall remain in full force and effect.
- D. The Master Board shall not expend funds designated as reserve funds for any purpose other than the repair, restoration, replacement, or maintenance of, or litigation involving the repair, restoration, replacement, or maintenance of, major components of the Master Association Property and facilities which the Master Association is obligated to repair, restore, replace, or maintain, and for which such reserve fund was established. However, the Master Board may authorize the temporary transfer of money from a reserve fund to the Master Association's general operating fund to meet short-term cash-flow requirements or other expenses, provided the Master Board has made a written finding, recorded in the Master Board's minutes, setting forth the reasons that the transfer is needed, and describing when and how the money will be repaid. The transferred funds shall be restored to the reserve fund within one (1) year of the date of the initial transfer, except that the Master Board may, upon making a finding supported by documentation that a temporary delay would be in the best interests of the Project, temporarily delay the restoration. The Master Board shall exercise prudent fiscal management in maintaining the integrity of the reserve account and shall, if necessary, levy a Special Assessment to recover the full amount of the expended funds within the time limits required by this Section. Such Special Assessment is subject to the limitation imposed by Section 4.5 of this Master Declaration. The Master Board may, at its discretion, extend the date on which the payment of the Special Assessment is due. Any extension shall not prevent the Master Board from pursuing any legal remedy to enforce the collection of an unpaid Special Assessment.
- E. When the decision is made to use reserve funds or to temporarily transfer money from the reserve fund to pay for litigation, the Master Association shall notify the Members

of that decision in the next available mailing of any nature to all Members (with the Master Association newsletter, magazine, etc., if there is one) and of the availability of an accounting of those expenses. The Master Association shall make an accounting of expenses related to such litigation on at least a quarterly basis. The accounting shall be made available for inspection by Members at the Master Association's office.

Section 4.4 Special Assessments. If the Master Board determines that the estimated total amount of funds necessary to defray the common expenses of the Master Association for a given fiscal year is, or will become, inadequate to meet expenses for any reason (including, but not limited to, unanticipated delinquencies, costs of construction, unexpected repairs or replacements of capital improvements on the Master Association Property) the Master Board shall determine the approximate amount necessary to defray such expenses, and if the amount is approved by a majority vote of the Master Board, it shall become a Special Assessment. The Master Board may, in its discretion, prorate such Special Assessment over the remaining months of the fiscal year or levy the Special Assessment immediately against each Lot. Unless exempt from Federal or State income taxation, all proceeds from any Special Assessment shall be segregated and deposited into a special account and shall be used solely for the purpose or purposes for which they were levied, or they otherwise shall be handled and used in a manner authorized by law or regulations of the Internal Revenue Service and the California Franchise Tax Board in order to avoid, if possible, their taxation as income to the Master Association.

Section 4.5 Limitation on Master Board's Authority to Increase and Decrease Assessments

- A. Any increases in Regular Assessments shall not be imposed unless the Master Board has complied with applicable provisions of the Master Bylaws with respect to that fiscal year, or has obtained, in accordance with Section 4.6 hereof, the approval of a majority of the Owners at a meeting or election at which a quorum was present.
- B. Notwithstanding subsection (a) above, the Master Board may not, without the approval of a majority of the Owners at a meeting or election at which a quorum was present:
 - i. Increase Regular Assessments more than twenty percent (20%) greater than the Regular Assessments for the Master Association's preceding fiscal year, or
 - ii. Impose Special Assessments which in the aggregate exceed five percent (5%) of the budgeted gross expenses for the current fiscal year.

- C. Assessment increases are not limited in the case of emergency situations, which are any of the following:
 - i. An extraordinary expense required by court order.
 - ii. An extraordinary expense necessary to repair or maintain the Project, or any part of it for which the Master Association is responsible, where a threat to safety of persons is discovered.
 - iii. Repairs to or maintenance of the Project that could not have been reasonably foreseen in preparing the budget. Prior to imposition of the Assessment, the Master Board shall make written findings, distributed to the Members, as to the necessity of the expense and why it could not have been foreseen.
- D. The Master Association may not charge or collect fees or Assessments in connection with a transfer of a Lot in excess of the actual cost to change its records.
- E. The annual Regular Assessment may not be decreased by the Master Board or by the Members by more than ten percent (10%) in any one (1) year without the approval of a majority of the voting power of the Master Association residing in Members other than Declarant.
- F. The Master Association shall provide notice by first-class mail to the Members of any increase of Regular or Special Assessments not less than thirty (30) days nor more than sixty (60) days prior to the increased Assessment becoming due.

Section 4.6 Notice and Quorum for Any Action Authorized Under Section 4.5. Any action authorized under Section 4.5, which requires a vote of the membership, shall be taken at a meeting called for that purpose at which a quorum equal to more than fifty percent (50%) of the total voting power of the Master Association is present. Written notice of said meeting shall be sent to all Members not less than ten (10) nor more than ninety (90) days in advance of the meeting, specifying the place, day and hour of the meeting and, notwithstanding any other provision of law, shall specify those matters the Master Board intends to present for action by the Members; but, except as otherwise provided by law, any proper matter may be presented at such meeting for action. The action may also be taken without a meeting pursuant to the provisions of California Corporations Code Section 7513.

Section 4.7 Levying of Regular and Special Assessments. All Regular and Special Assessments shall be equally assessed to the Owners.

Section 4.8 Assessment Period. The Regular Assessment period shall commence on January 1 of each year and shall terminate on December 31 of each year, or such other dates as may be approved by the Master Board, and Regular Assessments shall be payable in equal

monthly installments, unless the Master Board adopts some other basis for collection. However, the initial Regular Assessment period shall commence on the first day of the calendar month following the date on which the sale of the first Lot to a purchaser is closed and shall terminate on December 31 of the year in which the initial sale is closed. The first Regular Assessment and all Special Assessments shall be adjusted according to the number of months remaining in the fiscal year and shall be payable in equal monthly installments unless the Master Board adopts some other basis for collection. The Master Association shall not change the obligation of any Lot for purposes of levying Assessments unless all Owners affected and all the mortgagees of such Owners have given their prior written consent.

Section 4.9 Notice and Assessment Installment Due Dates; Delinquent Assessment.

- A. A single ten (10) day prior written notice of each annual Regular Assessment and each Special Assessment, specifying the due dates for the payment of installments, shall be given to each Owner of every Lot subject to Assessment; provided, however, in the event of an increase in any Regular or Special Assessment, such notice shall be given not less than thirty (30) nor more than sixty (60) days prior to the increased Assessment becoming due. The due dates for the payment of installments normally shall be the first day of each month, unless some other due date is established by the Master Board. Each installment of Regular Assessments and Special Assessments shall become delinquent if not paid within fifteen (15) days after its due date.
- B. If an Assessment is delinquent, the Master Association may recover the following:
 - i. Reasonable costs incurred in collecting the delinquent Assessment, including reasonable attorneys' fees;
 - ii. A late charge of ten percent (10%) of the delinquent Assessment, or ten dollars (\$10.00), whichever is greater;
 - iii. Interest on all sums imposed in accordance with this Section, including the delinquent Assessment, reasonable fees and costs of collection, and reasonable attorney's fees, at an annual percentage rate of twelve percent (12%) interest, commencing thirty (30) days after the Assessment becomes due.

Section 4.10 Payment of Delinquent Assessments; Dispute Resolution. Prior to recording the lien, the Master Association shall offer to participate with the delinquent Owner in dispute resolution pursuant to California Civil Code Section 5900 et seq., and prior to initiating

foreclosure, the Master Association shall offer to participate with the delinquent Owner in dispute resolution pursuant to California Civil Code Section 5925.

Section 4.11 Effect of Transfer of Lot by Sale or Foreclosure. Sale or transfer of any Lot shall not affect the Assessment lien. However, the sale of any Lot pursuant to a power of sale in a first mortgage shall extinguish the lien of such Assessments as to payments which became due prior to such sale. No sale or transfer shall relieve the Owner of such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.

Where the mortgagee of a first mortgage of record or other purchaser of a Lot obtains title to the Lot as a result of foreclosure of any such first mortgage, such purchaser, including said purchaser's successors and assigns, shall not be liable for the share of the common expenses or Assessment by the Master Association chargeable to such Lot which became due prior to the acquisition of title to such Lot by such purchaser (except for Assessments liens recorded prior to the mortgage). Such unpaid share of common expenses or Assessments shall be deemed to be common expenses collectible from Owners of all of the Lots, including such purchaser or the purchaser's successors and assigns.

If a Lot is transferred, the grantor shall remain liable to the Master Association for all unpaid Assessments against the Lot through and including the date of transfer. The grantor shall be entitled to a statement from the Master Association dated as of the date of transfer, setting forth the amount of unpaid Assessments against the grantor due the Master Association and the Lot so transferred shall not be subject to a lien for unpaid Assessments in excess of the amount set forth in the statement; provided, however, the grantee shall be liable for any such Assessment that becomes due after the date of the transfer.

Section 4.12 Estoppel Certificate. The Master Board, on not less than twenty (20) days prior written request, shall execute, acknowledge and deliver to the party making such request a statement in writing stating whether or not, to the knowledge of the Master Association, a particular Owner is in default as to his Lot under the provisions of this Master Declaration and further stating the dates to which installments of Assessments, Regular or Special, have been paid as to such Lot. Any certificate delivered pursuant to this Section may be relied upon by any prospective purchaser or mortgagee of such Lot, but reliance on such certificate may not extend to any default not involving the payment of Assessments of which the signer had no actual knowledge.

Section 4.13 Right to Enforce. The right to collect and enforce Assessments is vested in the Master Board, acting by and on behalf of the Master Association. The Master Board, or its authorized representative, can enforce the obligations of the Owners to pay Assessments provided for in this Master Declaration by commencement and maintenance of a suit at law or in equity, or the Master Board may foreclose by judicial proceedings or through the exercise of the power of sale, pursuant to Section 4.15, to enforce the lien rights created. Suit to recover a

money judgment for unpaid Assessments, together with all amounts described in Section 4.1, shall be maintainable without foreclosing or waiving the lien rights.

Section 4.14 Creation of Lien. If there is a delinquency in the payment of any Assessment or installment thereof on a Lot, any amounts that are delinquent, together with any late charges, interest and all collection costs that are incurred by the Master Board or its authorized representative in the collection of the amounts, including reasonable attorneys' fees, shall be a lien against such Lot upon the recordation in the Office of the Recorder of the City and County of San Francisco of a notice of delinquent assessment, as provided in California Civil Code Section 5660.

Before the Master Association may place a lien upon a Lot to collect a debt which is delinquent under Section 4.9 hereof, the Master Association shall, at least thirty (30) days prior to recording a lien, notify the Owner in writing by certified mail of:

- A. The general collection and lien enforcement procedures of the Master Association and the method of calculation, a statement that the Member has the right to inspect Master Association records, and the following statement in 14-point boldface type, if printed, or in capital letters, if typed: "IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION".
- B. An itemized statement of the charges owed by the Member, including the delinquent assessments, the fees and reasonable costs of collection, reasonable attorney's fees, any late charges, and interest, if any.
- C. A statement that the Member shall not be liable to pay the charges, interest, and costs of collection if it is determined the Assessment was paid on time to the Master Association.
- D. The right to request a meeting with the Master Board as provided herein.

A Member may provide the Master Association with a written notice of secondary address by facsimile transmission or United States mail, and the Master Association shall send any and all correspondence and legal notices required pursuant to this Section to both the Member's primary and secondary addresses.

Any payments towards such debt shall be first applied to principal owed, and only after the principal owed is paid in full shall such payments be applied to fees and costs of collection expenses, attorney's fees, late charges or interest. When a Member makes a payment, he may request a receipt and the Master Association shall provide it, such receipt to indicate the date of payment and the person receiving it. The Master Association shall provide a mailing address for overnight payment of Assessments.

The notice of delinquent assessment shall state the amount of the Assessment, collection costs, attorneys' fees, late charges, and interest, a legal description of the Lot against which the Assessment and other sums are levied, the name of the record Owner, and the name and address of the trustee authorized by the Master Association to enforce the lien by sale. The notice shall be signed by the President of the Master Association or such other person designated by the Association for that purpose, and mailed in the manner set forth in California Civil Code Section 2924b, to all record Owners of the Lot no later than ten (10) calendar days after recordation.

A Member may request to meet with the Master Board to discuss a payment plan for the debt, as provided in California Civil Code Section 5660.

A Member may dispute the debt noticed by submitting to the Master Board a written explanation of the reasons for such dispute and requesting dispute resolution. The Master Board shall respond in writing to the Member within fifteen (15) days of the postmark date of the explanation and resolution request, if the explanation is mailed within fifteen (15) days of the postmark of the notice of delinquent assessment. In addition, the Master Association may not commence a foreclosure without participating in alternative dispute resolution with a neutral third party, if so requested by the Member. Binding arbitration shall not be available if the Master Association intends to initiate judicial foreclosure.

Monetary penalties levied by the Master Association (1) as a disciplinary measure for failure of an Owner to comply with the Master Association Documents, or (2) as a means of reimbursing the Master Association for costs incurred by the Master Association in the repair of damage to the Master Association Property and facilities for which the Owner was allegedly responsible, or (3) in bringing the Owner and his subdivision interest into compliance with the Master Association Documents, shall not be Assessments which may become a lien against the Lot Owner's subdivision interest enforceable by a sale of the interest in accordance with the provisions of Section 2924, 2924(b) and 2924(c) of the California Civil Code.

The Assessment lien created by this Section shall be prior to all other liens recorded subsequent to the notice of delinquent assessment, except for taxes, bonds, assessments and other levies, which by law would be superior thereto, and except for the lien of any first mortgage made in good faith and for value.

If a lien previously recorded against a Lot was recorded in error, the Master Association shall, within twenty-one (21) calendar days, record a release of lien and provide the Member with a declaration that the notice recording was in error and a copy of the lien release.

If the Master Association fails to comply with the procedures set forth in this Section, it shall recommence the required notice process prior to recording a lien, and any costs associated therewith shall be borne by the Master Association and not by the Member.

Section 4.15 Enforcement of Assessment Lien.

- A. After the expiration of thirty (30) days following recording of the lien created pursuant to Section 4.14 above, the lien may be enforced in any manner permitted by law, including sale by the court, sale by the trustee designated in the notice of delinquent assessment, or sale by a trustee substituted pursuant to California Civil Code Section 2934(a).
- B. Notwithstanding the foregoing, the Master Association may not use judicial or nonjudicial foreclosure to enforce such lien if the amount of the delinquent assessment, excluding accelerated assessments, late charges, fees, attorneys' fees, interest and cost of collection, is less than one thousand eight hundred (\$1,800.00) dollars, or such other amount as prescribed by the California Civil Code Section 5730. For delinquent assessments in excess of one thousand eight hundred (\$1,800.00) dollars or more than twelve (12) months delinquent, the Master Association may use judicial or nonjudicial foreclosure, subject to Civil Code Section 5720.
- C. The Master Board only shall approve initiation of foreclosure proceedings by a majority vote of the Master Board in executive session. Such vote shall take place at least thirty (30) days prior to any public sale. Such vote shall be recorded in the minutes of the next open meeting. The Master Board shall provide written notice of intention to foreclose to the Owner in occupancy, or his legal representative, by personal service. If the Owner does not occupy the Lot, such notice shall be provided by first-class mail, postage prepaid, at the current address shown on the Master Association's books, or in the absence of Owner's written notification to the Master Association, the Lot address may be treated as the Owner's mailing address.
- D. A nonjudicial foreclosure by the Master Association for delinquent Assessments shall be subject to the right of redemption. The redemption period within which the Lot can be redeemed ends ninety (90) days after the foreclosure sale.
- E. Any sale by a trustee shall be conducted in accordance with the provisions of California Civil Code Sections 2924, 2924(b), 2924(c), 2924(f), 2924(g) and 2924(h), applicable to the exercise of powers of sale in mortgages and deeds of trust. Trustees fees may not exceed the amounts prescribed in California Civil Code Sections 2924(c) and 2924(d). If there is a delinquency in the payment of any Assessment or installment thereof on a Lot, as described in Section 4.9 hereof, any amounts that are delinquent, together with any late charges, interest and all costs that are incurred by the Master Board or its authorized representative in the collection of the amounts, including reasonable attorneys' fees, shall be a lien against such Lot upon the

recordation in the Office of the Recorder of the City of a notice of delinquent assessment, as provided in California Civil Code Section 5660.

Section 4.16 Waiver of Exemptions. Each Owner, to the extent permitted by law, waives, to the extent of any liens created pursuant to this Article IV, the benefit of any homestead or exemption laws of the State of California in effect at the time any Assessment or installment of an Assessment becomes delinquent or any lien is imposed.

Section 4.17 Unallocated Taxes. In the event that any taxes are assessed against the Master Association Property, or the personal property of the Master Association, rather than against the Lots, such taxes shall be included in the Assessments made under the provisions of Section 4.1, and, if necessary, a Special Assessment for payment of such taxes may be levied by the Master Association against the Lots.

ARTICLE V

DUTIES AND POWERS OF THE MASTER ASSOCIATION

Section 5.1 Duties. In addition to the duties enumerated in the Master Bylaws, or elsewhere provided in this Master Declaration, and without limiting the generality thereof, the Master Association shall perform the following duties:

- A. Maintenance. The Master Association shall maintain and repair the Master Association Property, all improvements and landscaping thereon, including without limitation, play areas, public sidewalks, trees and shrubs. The Master Association shall maintain all landscaping located on the Lots, with the exception of rooftop landscaping and landscaping located wholly within the interior courtyard of any building or structure not located on Master Association Property. The Master Association shall maintain and repair the Community Improvements, Public Improvements (not accepted by the City for maintenance) and the Stormwater Management Improvements as more particularly described in Article X.

The Master Association shall also maintain all Lots with parking garages, including the parking garages located therein. The Master Association may contract with a third party to manage and service such parking garages as provided for in Section 5.2C.

The Master Association may designate areas on the Lots for use as Community Gardens. Overall maintenance of the Community Gardens shall be the responsibility of the Master Association subject to the Owners' ability to plant and garden.

The responsibility of the Master Association for maintenance, repair and replacement shall not extend to repairs or replacements arising out of or caused by the willful or

negligent act or neglect of an Owner or his guests, tenants or invitees, the cost of which is not covered by insurance. Repairs or replacements resulting from such excluded items shall be the responsibility of each Owner; provided, however, that if an Owner shall fail to make the repairs or replacements which are his responsibility as provided herein, then, upon a vote of a majority of the Master Board, and after not less than thirty (30) day's notice to the Owner, and hearing (except in an emergency situation), the Master Association shall have the right (but not the obligation) to make such repairs or replacements, and the cost thereof shall be added to the Assessments chargeable to such Lot and shall be payable to the Master Association by the Owner of such Lot.

- B. Insurance. The Master Association shall maintain such policy or policies of insurance as required pursuant to Section 8.1.
- C. Discharge of Liens. The Master Association shall discharge by payment, if necessary, any lien against the Master Association Property, and assess the cost thereof to the Member or Members responsible for the existence of such lien; provided that such Member(s) is given notice and the opportunity to be heard before the Master Board before discharge of the lien.
- D. Assessments. The Master Association shall fix, levy, collect and enforce Assessments, as provided in Article IV hereof.
- E. Payment of Expenses. The Master Association shall pay all expenses and obligations incurred by the Master Association in the conduct of its business including, without limitation, all licenses, taxes or governmental charges levied or imposed against the Master Association Property.
- F. Enforcement. The Master Association shall enforce this Master Declaration.
- G. Budget. The Master Association annually shall prepare and distribute to the Members a budget in accordance with the provisions of the Master Bylaws.

Section 5.2 Powers. In addition to the powers enumerated in its Master Bylaws, or elsewhere provided herein, and without limiting the generality thereof, the Master Association shall have the following powers:

- A. Utility Service. The Master Association shall have the authority to obtain, for the benefit of all of the Lots, all water, gas and electric service; refuse collection; janitorial or window cleaning service; and fireplace cleaning and chimney cleaning service.

- B. Easements. The Master Association shall have the authority to grant easements or rights of way, where necessary, for utilities and sewer facilities over the Master Association Property to serve the Master Association Property and the Lots.
- C. Manager. The Master Association shall have the authority to employ a manager or managing agent and to contract with independent contractors to perform all or any part of the day to day management duties and responsibilities of the Master Association, each of whom shall be subject to the direction and control of the Master Board, provided that any contract with a firm or person appointed as manager or managing agent shall not exceed a one (1) year term and shall provide for the right to terminate by either party without cause and without payment of a termination fee on thirty (30) days written notice. Any delegation of authority to a manager or managing agent shall be subject to subsection K hereof.

Notwithstanding the above, no manager or officer may be delegated the power or authority to levy fines, hold hearings or impose discipline, make capital expenditures, file suit, record a claim of lien, or foreclose for failure to pay Assessments.

- D. Adoption of Rules. The Master Association may adopt reasonable rules not inconsistent with this Master Declaration relating to the use of the Master Association Property and all facilities thereon, and the conduct and use thereof and the conduct of Owners and their tenants and guests with respect to the Project and other Owners. All rule making shall be in compliance with the provisions of California Civil Code Sections 4340 through 4370.
- E. Access. For the purpose of performing the maintenance authorized herein, or for any other purpose reasonably related to the performance by the Master Association or the Master Board of their respective responsibilities, the Master Association's agents or employees shall have the right, after reasonable notice to the Owner thereof, to enter upon any Lot or to enter any portion of the Master Association Property at reasonable hours. Except in the case of any emergency, forty-eight (48) hours advance notice shall be given to the Owner or occupant prior to any entry of a Lot.
- F. Assessments, Liens and Fines. The Master Association shall have the power to levy and collect Assessments, in accordance with the provisions of Article IV hereof. The Master Association may impose fines or take disciplinary action against any Owner for failure to pay Assessments or for violation of any provision of the Master Association Documents. Penalties may include but are not limited to: fines, temporary suspension of voting rights or parking rights, or other appropriate discipline, provided that the accused Member is given at least fifteen (15) day's

notice and the opportunity to be heard orally or in writing before the Master Board of the Master Association with respect to the alleged violations at least five (5) days before a decision to impose discipline is made. All notices required under this Section shall be made pursuant to Section 9.11 of this Master Declaration.

- G. Enforcement. The Master Association shall have the authority to enforce this Master Declaration, as provided in Section 9.1 hereof.
- H. Acquisition of Property. The Master Association shall have the power to acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of, real or personal property in connection with the affairs of the Master Association.
- I. Loans. The Master Association shall have the power to borrow money, and only with the consent (by vote or written consent) of three-fourths (3/4) of the Members, to mortgage, to pledge, to encumber or to hypothecate any or all of its real or personal property as security for monies borrowed or debts incurred.
- J. Contract. The Master Association shall have the power to contract for goods and/or services for the Master Association Property facilities and interests or for the Master Association, subject to any limitations set forth in the Master Association Documents.
- K. Delegation. The Master Association shall have the power to delegate its authority and powers to committees, officers or employees of the Master Association. The Master Association may not, however, delegate the following powers:
 - i. To levy fines, hold hearings, or impose discipline;
 - ii. To make capital expenditures;
 - iii. To file suit, to cause a claim of lien to be recorded, or to foreclose for failure to pay Assessments; or
 - iv. To levy Regular Assessments or Special Assessments.
- L. Use of Facilities. The Master Association shall have the power to limit the number of an Owner's tenants or guests who may use any facilities on the Master Association Property, provided that any limitation applies equally to all Owners, except in the case of disciplinary measures taken after notice and hearing, as provided in the Master Bylaws.

- M. Appointment of Trustee. The Master Association, or the Master Board on behalf of the Master Association, shall have the power to appoint a trustee to enforce Assessment liens as provided in Section 4.15 hereof, and as provided in California Civil Code Sections 5575, 5685 and 5725.
- N. Litigation, Arbitration, Mediation or Administrative Proceedings. The Master Association, or the Master Board on behalf of the Master Association, shall have the authority to institute, defend, settle or intervene on behalf of the Master Association in litigation, arbitration, mediation, or administrative proceedings in matters pertaining to (1) enforcement of the Master Association Documents, (2) damage to the Master Association Property, (3) damage to the separate interests which the Master Association is obligated to maintain or repair, or (4) damage to the separate interests which arises out of, or is integrally related to, damage to the Master Association Property or separate interests that the Master Association is obligated to maintain or repair, subject to compliance with California Civil Code Section 5900 et seq.
- O. Development Agreement. The Master Association shall have the power to assume the obligation of delivering to the City any reports or applications for Development Phase Approvals, Design Review Approvals, or Implementing Approvals (all as defined in the Development Agreement, which definitions are set forth on Attachment C hereto) required under the Development Agreement and any other reports required from time to time regarding development of the Project.
- P. Other Powers. In addition to the powers enumerated in this Master Declaration and in the Master Bylaws, the Master Association may exercise the powers granted to a nonprofit mutual benefit corporation, as such exist from time to time, under the California Corporations Code.

Section 5.3 Commencement of Master Association's Duties Powers and Duties. Until incorporation of the Master Association and the conveyance of title to the first Lot or Lots, all duties and powers of the Master Association as described in this Master Declaration shall be and remain the duties and powers of Declarant. After incorporation and the first conveyance title to a Lot or Lots, the Master Association shall assume all duties and powers, and Declarant shall be relieved of any further liability therefor.

ARTICLE VI

ARCHITECTURAL CONTROL

Section 6.1 Approval of Plans. Declarant or Master Board may establish an Architectural Control Committee ("Architectural Control Committee"). If the Architectural Control Committee is established, no building, fence, wall, pool, spa, obstruction, outside or exterior wiring, balcony, deck, screen, patio, patio cover, tent awning, carport, carport cover, trellis, improvement or structure of any kind shall be commenced, installed, erected, painted or maintained upon the Property, nor shall any alteration or improvement of any kind be made thereto, or to the exterior of any building, until the same has been approved or disapproved in writing by the Architectural Control Committee appointed by the Master Board, pursuant to Section 6.2 hereof, within thirty (30) days of application to the Architectural Control Committee. Such decision shall not be unreasonable, arbitrary or capricious, shall not violate any governing provision of law, and shall be consistent with the requirements of the Development Agreement, the Plan Documents, and the Parkmerced Special Use District. If such written decision disapproves the proposed change or changes, it shall include both an explanation of the reason for disapproval and a description of the reconsideration procedures of the Architectural Control Committee. Reconsideration of any such disapproval shall occur at an open meeting of the Architectural Control Committee, and the Architectural Control Committee's written decision thereon shall be issued within thirty (30) days thereafter.

Notwithstanding the foregoing, an Owner may improve or alter any improvements located within the interior boundaries of the building located on such Owner's Lot in a manner consistent with governing provision of law and in a manner consistent with the requirements of the Development Agreement, the Plan Documents, and the Parkmerced Special Use District. Plans and specifications showing the nature, kind, shape, color, size, materials and location of such improvements, alterations, etc., shall be submitted to the Architectural Control Committee for approval as to quality of workmanship and design and harmony with all improvements located in the Project, and as to location in relation to surrounding structures, topography and finish grade elevation. No fence or wall shall be erected, placed or altered on any Lot nearer to any street than the minimum building set back line. No permission or approval shall be required to repaint in accordance with Declarant's original color scheme previously approved by the Committee, or to rebuild in accordance with plans and specifications previously approved by the Committee.

In the event the Committee fails to approve or disapprove plans and specifications within thirty (30) days after the same have been submitted to it, approval shall not be required and the related covenant shall be deemed to have been satisfied.

The Master Association shall annually provide the Members with a notice of requirements for Master Association approval of physical changes to the Project. Such notice

shall describe the types of changes requiring Master Association approval and the procedures used to review and approve or disapprove a proposed change.

Section 6.2 Architectural Control Committee Members. If established, the Architectural Control Committee shall consist of three (3) members. Declarant may appoint all of the original members of the Architectural Control Committee and all replacements until the first anniversary of the issuance of the original final public report for the Project. The Declarant reserves to itself the power to appoint a majority of the members to the Architectural Control Committee until ninety percent (90%) of all the Lots in the Project have been sold or until the fifth anniversary of the issuance of the final public report for the Project, whichever first occurs. After one (1) year from the date of issuance of the original public report for the Project, the Master Board shall have the power to appoint at least one (1) member to the Architectural Control Committee until ninety percent (90%) of all the Lots in the Project have been sold or until the fifth anniversary date of the issuance of the original final public report for the Project, whichever first occurs. Thereafter, the Master Board shall have the power to appoint all of the members of the Architectural Control Committee. In the event of death or resignation of any Architectural Control Committee member, said member's replacement shall be appointed by whomever (the Master Board or Declarant) appointed that member. A majority of the members of the Architectural Control Committee may appoint a single member to act for it. Neither the members of the Architectural Control Committee nor its designated representative shall be entitled to any compensation for services performed pursuant thereto.

Section 6.3 Landscaping. If the Architectural Control Committee is established, no landscaping shall be undertaken by any Owner until plans and specifications showing the nature, kind, shape, and location of the materials shall have been submitted to and approved in writing by the Committee. This requirement shall not apply to any rooftop landscaping and any landscaping located wholly within the interior courtyard of any building or structure not located on Master Association Property.

Section 6.4 Governmental Approval. Before commencement of any alteration or improvements approved by the Architectural Control Committee, the Owner shall comply with all appropriate governmental laws and regulations (including without limitation the Parkmerced Special Use District), and the requirements of the Development Agreement and Plan Documents. Approval by the Committee does not satisfy the appropriate approvals that may be required by any governmental entity with appropriate jurisdiction.

ARTICLE VII

USE RESTRICTIONS

Section 7.1 Use of Lot. No Lot shall be occupied and used except as permitted in the Development Agreement, Plan Documents, and the Parkmerced Special Use District. No Lot

shall be owned, leased, occupied or rented pursuant to any "time sharing" or fractional interest ownership agreement of any kind.

Section 7.2 Nuisances. No illegal or seriously offensive activity shall be transacted or conducted on any Lot or on any part of the Property, nor shall anything be done thereon which may be a serious annoyance or a nuisance to or which may in any way interfere with the quiet enjoyment of each of the Owners, or which shall in any way increase the rate of insurance for the Project, or cause any insurance policy to be canceled or to cause a refusal to renew the same, or which will impair the structural integrity of any structure in the Project.

Section 7.3 Signs. No commercial sign shall be displayed to the public view on any Lot or any portion of the Property. "For Sale" or "For Rent" signs are permitted provided that any such sign is permitted by the Parkmerced Design Standards and Guidelines and the Parkmerced Special Use District. The Master Board may adopt additional rules and regulations concerning the size and location of "For Sale" or "For Rent" signs. Noncommercial signs or posters that are nine (9) square feet, or less, and flags or banners that are fifteen square feet, or less, made of paper, cardboard, cloth, plastic or fabric may be posted or displayed from the yard, window, door, balcony or outside wall of the Lot improvements, unless prohibited by the Master Board for reasons of public health or safety or if such posting or display would violate any law.

Section 7.4 Pets. Domesticated birds, cats, dogs, aquatic animals kept within an aquarium, or other animals approved by the Master Board may be kept on the Property subject to rules and regulations adopted by the Master Board from time to time; provided that no animal is kept, bred or maintained for any commercial purposes, and is kept under reasonable control at all times.

In no event shall any Owner authorize, bring or keep within the Project any pit bull, Rottweiler, Doberman pinscher, mastiff, presa canaria, or any other breed known as a "fighting breed" or any dog being a mix thereof. No pet may be kept on the Property which is a serious annoyance or is obnoxious to the Owners. No pet shall be allowed in the Master Association Property except as may be permitted by the rules of the Master Association. Declarant or any Owner may cause any unauthorized pet found in the Master Association Property to be removed to a pound or animal shelter under the jurisdiction of the City and County of San Francisco, by calling the appropriate authorities, whereupon the Owner (upon payment of all expenses connected therewith) may repossess the pet. No dog who's barking seriously disturbs other Owners shall be permitted to remain on the Property. Any decision regarding the conduct of a pet shall be made only after notice to the Owner and the opportunity to be heard before the Master Board. Owners shall prevent their pet from soiling any portion of the Master Association Property and shall promptly clean up any fouling by their pet.

Section 7.5 Garbage and Refuse Disposal. All rubbish, trash and garbage shall be regularly removed from the Property and shall not be allowed to accumulate thereon. Trash, garbage and other waste shall not be kept except in sanitary containers. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. All equipment, garbage cans, wood piles or storage piles shall be kept screened and sealed from view of other Lots, public streets and any Master Association Property. No toxic or hazardous materials shall be disposed of within the Project by dumping in the garbage containers or down the drains, or otherwise, other than those required, in limited quantities, for the normal cleaning of a Lot or any structure thereon.

Section 7.6 Radio and Television Antennas; Data Communication. No Owner shall alter or modify a central radio antenna, television antenna system, cable television system, data communication system or satellite dish, if any, as developed by Declarant and as maintained by the Master Association, without the permission of the Master Board. No Owner shall construct and/or use and operate his own external radio, television antenna or satellite dish without the approval of the Master Board, except that the Master Board may not prohibit or restrict the construction and or/use of a satellite dish having a diameter or diagonal measurement of one (1) meter or less which is located within a Lot or a balcony area appurtenant to the improvements located thereon. Notwithstanding the foregoing, the Master Board may impose reasonable restrictions for the installation and use of a video or television antenna, including a satellite dish, that do not significantly increase the cost of the system or significantly decrease its efficiency or performance, as set forth in Civil Code Section 4725. If the Master Board requires approval for the installation of such antenna or satellite dish, the application for approval shall be processed in the same manner as an application for architectural modification and the issuance of a decision on the application shall not be willfully delayed.

Section 7.7 Vehicle Restrictions. No trailer, camper, mobile home, commercial vehicle, truck (other than standard size pickup truck or standard size van), boat, inoperable automobile or similar equipment shall be permitted to remain upon any area of the Property other than on a temporary basis, unless placed or maintained within an enclosed garage. Commercial vehicles shall not include sedans (or standard vans or pickup trucks) which are used both for business and personal use, provided that any signs or markings of a commercial nature on such vehicles shall be unobtrusive and inoffensive, as determined by the Master Board. No noisy or smoky vehicles shall be operated upon the Property. No unlicensed motor vehicles shall be operated upon the Property.

The Master Association may cause the removal of any vehicle wrongfully parked on the Property, including a vehicle owned by an occupant. If the identity of the registered owner of the vehicle is known or readily ascertainable, the President of the Master Association or his or her designee shall, within a reasonable time thereafter, notify the owner of the removal in writing by personal delivery or first-class mail. In addition, notice of the removal shall be given to the local traffic law enforcement agency immediately after the vehicle has been removed. The

notice shall include a description of the vehicle, the license plate number and the address from where the vehicle was removed.

If the identity of the owner is not known or readily ascertainable and the vehicle has not been returned to the owner within one hundred twenty (120) hours after its removal, the Master Association immediately shall send or cause to be sent a written report of the removal by mail to the California Department of Justice in Sacramento, California, and shall file a copy of the notice with the proprietor of the public garage in which the vehicle is stored. The report shall be made on a form furnished by the Department of Justice and shall include a complete description of the vehicle, the date, time and place from which the vehicle was removed, the amount of mileage on the vehicle at the time of removal, the grounds for removal and the name of the garage or place where the vehicle is stored. Notwithstanding the foregoing, the Master Association may cause the removal, without notice, of any vehicle parked (1) in a marked fire lane, (2) within fifteen (15) feet of a fire hydrant, (3) in a parking space designated for handicapped, without proper authority, or (4) in a manner which interferes with any entrance to, or exit from, the Project or any Lot, parking space or garage located thereon.

The Master Association shall not be liable for any damages incurred by the vehicle owner because of the removal in compliance with this Section or for any damage to the vehicle caused by the removal, unless such damage resulted from the intentional or negligent act of the Master Association or any person causing the removal of, or actually removing, the vehicle. If requested by the owner of the vehicle, the Master Association shall state the grounds for the removal of the vehicle.

Section 7.8 Outdoor Parking. Outdoor parking spaces shall be used for parking of permitted vehicles only and not for the permanent parking or storage of boats, trailers or nonmobile vehicles of any description. Garage spaces may not be converted into any use (such as recreational rooms or storage areas) that would prevent its use as a parking area for the number of vehicles for which the area was originally intended. The Master Association may establish rules and regulations regarding the use of unassigned parking areas in the Master Association Property. Use by Owners of such unassigned parking areas shall only be valid if established by the Master Association and such use must be set forth in writing by the Master Association. Any permission given by the Master Association pursuant to the foregoing shall create a license only, said license to be revocable upon five (5) days written notice from the Master Association.

Section 7.9 Clothes Lines. No exterior clothes lines shall be erected or maintained anywhere on the Property, and there shall be no outside laundering or drying of clothes. No draping of towels, carpets or laundry over railings shall be allowed.

Section 7.10 Liability of Owners for Damage to Master Association Property. The Owner of each Lot shall be liable to the Master Association for all damage to the Master

Association Property, or improvements thereon, caused by such Owner or Owner's agent, any occupant, invitee, guest or pet, except for that portion, if any, fully covered by insurance. Liability of an Owner shall be established only after notice to the Owner and hearing before the Master Board.

ARTICLE VIII

INSURANCE; DAMAGE OR DESTRUCTION; CONDEMNATION

Section 8.1 Insurance. The Master Association shall maintain the following policies of insurance:

- A. A policy or policies of fire and casualty insurance (Special Form), for the full replacement value, covering:
 - i. Master Association Property: All improvements thereon, including building(s) and any additions or extensions thereto; all fixtures, machinery and equipment permanently affixed to the building(s) located on the Master Association Property; fences; monuments; lighting fixtures; exterior signs; and personal property owned by the Master Association (but excluding land, foundations, excavations and other items typically excluded from property insurance coverage);
 - ii. Lots: All improvements on all Lots which the Master Association is obligated to maintain; and
 - iii. Landscaping: Lawn, trees, shrubs and plants located in the Master Association Property and all landscaping located on the Lots, with the exception of any rooftop landscaping and any landscaping located wholly within the interior courtyard of any building or structure not located on Master Association Property.

The policy or policies shall be primary and non-contributing with any other insurance policy or policies covering the same loss.

Each policy shall provide that it shall not be canceled without at least thirty (30) days prior written notice to the Master Association and to each of the Owners and their mortgagees of record. The Master Board shall review the limits of such insurance at least every year and shall increase or adjust the same, if necessary, to provide the coverage and protection required by this Master Declaration.

- B. A policy or policies of comprehensive public liability insurance, including, but not limited to, general public liability insurance, including coverage for bodily injury,

emotional distress, wrongful death, and/or property damage. Such insurance shall insure the Master Association, the Declarant, the Master Board, the directors, the officers, and any appointed manager, against any liability to the public or to any Owner incident to the ownership and/or use of the Project or incident to the use of, or resulting from, any accident or intentional act occurring in or about the Master Association Property. The general public liability insurance required by this Section shall each be in an amount of not less than two million dollars (\$2,000,000) per occurrence, or such other minimum amount as may be required by California Civil Code Section 5805. The Master Board shall review the limits and coverage of such insurance at least every year and shall increase or adjust the same, if necessary, to provide the coverage and protection required by this Master Declaration.

- C. Worker's Compensation Insurance to the extent necessary to comply with all applicable laws of the State of California or the regulations of any governmental body or authority having jurisdiction over the Project.
- D. Fidelity insurance, in a commercial blanket fidelity insurance form, obtained at the discretion of the Master Board, naming such persons as may be designated by the Master Board as principals in an amount to be determined by the Master Board in its absolute discretion.
- E. Flood insurance if the Project is located in an area designated by an appropriate governmental agency as a special flood hazard area.
- F. Board, directors and officers errors and omissions insurance, in a commercial blanket errors and omissions insurance form, naming the Master Board, directors and officers as principals, in an amount to be determined by the Master Board in its absolute discretion subject to the requirements of California Civil Code Section 5800, but at least One Million Dollars (\$1,000,000). The Master Association shall promptly notify the Members of any cancellation of such insurance in accordance with the provisions of California Civil Code sections 5810 and 4040.

Nothing in this Section 8.1 shall restrict or prohibit the Master Board from maintaining such additional policies of insurance or endorsements as it, in its absolute discretion, shall deem reasonable and necessary. Any insurance acquired by the Master Board may be taken in the name of the Master Board as trustee, for the use and benefit of the Master Board.

The Master Board periodically (and not less than once each year) shall review the Master Association's insurance policies and make such adjustments to the policies terms and conditions as the Master Board considers to be in the best interests of the Master Association. The review shall include an appraisal by a qualified appraiser of the current replacement costs of all covered

property under the Master Association's fire and casualty policy unless the Master Board is satisfied that the current dollar limit of such policy, coupled with the amount of actual reserves on hand, is equal to or greater than the current replacement costs.

Each Owner appoints the Master Association or any insurance trustee designated by the Master Association to act on behalf of the Owners in connection with all insurance matters arising from any insurance policy maintained by the Master Association, including, without limitation, representing the Owners in any proceeding, negotiation, settlement or agreement.

Any insurance maintained by the Master Association shall contain "waiver of subrogation" as to the Master Association and its officers, directors, and Members (including Declarant) and mortgagees, and, if obtainable, cross liability endorsements or severability of interest endorsements insuring each insured against the liability of each other insured.

The Master Board shall have the power and right to deviate from the insurance requirements contained in this Section 8.1 in any manner that the Master Board, in its discretion, considers to be in the best interests of the Master Association. If the Master Board elects to materially reduce the coverage from the coverage required herein, the Master Board shall make all reasonable efforts to notify the Members of the reduction in coverage and the reasons therefor at least thirty (30) days before the effective date of the reduction.

The Master Association and its directors and officers shall have no liability to any Owner or mortgagee if, after a good faith effort, (1) the Master Association is unable to obtain any insurance required hereunder because the insurance is no longer available; (2) if available, the insurance can be obtained only at a cost that the Master Board, in its sole discretion, determines is unreasonable under the circumstances; or (3) the Members fail to approve any assessment increase needed to fund the insurance premiums.

In the event that all Lots remain under common ownership, Declarant or Declarant's successor in interest shall insure the improvements on all Lots against loss by fire or other casualty and shall maintain a policy or policies of comprehensive public liability insurance, including, but not limited to, general public liability insurance, including coverage for bodily injury, emotional distress, wrongful death, and/or property damage. In the event that any Lot no longer remains under common ownership, the Owner of such Lot shall insure the improvements on that Lot, except for those improvements which the Master Association is required to insure, against loss by fire or other casualty and shall maintain a policy or policies of comprehensive public liability insurance, including, but not limited to, general public liability insurance, including coverage for bodily injury, emotional distress, wrongful death, and/or property damage. Any Owner can insure his personal property against loss and obtain any personal liability insurance that he desires.

Section 8.2 Damage or Destruction. If any Project improvement (including but not limited to a building structure, Community Improvement, Stormwater Management

Improvement, and/or Utility Facilities) (collectively, a “Project Improvement”) is damaged or destroyed by fire or other casualty, the Project Improvement shall be repaired or reconstructed by the Master Association substantially in accordance with the original as-built plans and specifications, modified as may be required by applicable building codes and regulations in force at the time of such repair or reconstruction and subject to such alterations or upgrades as may be required to be approved by the Architectural Control Committee (if established), unless either of the following occurs: (1) The cost of repair or reconstruction is more than fifty percent (50%) of the current replacement costs of all Project improvements, available insurance proceeds are not sufficient to pay for at least eighty-five percent (85%) of the cost of such repairs or reconstructions, and three-fourths (3/4ths) of the total voting power of the Master Association residing in Members and their first mortgagees vote against such repair and reconstruction; or (2) available insurance proceeds are not sufficient to substantially repair or reconstruct the improvements within a reasonable time as determined by the Master Board, a Special Assessment levied to supplement the insurance fails to receive the requisite approval (if such approval is required) as provided herein, and the Master Board, without the requirement of approval by the Owners, is unable to supplement the insurance by borrowing on behalf of the Master Association sufficient monies to enable the improvements to be substantially repaired or reconstructed within a reasonable time.

In the case of damage or destruction of Project Improvements located on a Lot, whether by fire, earthquake or other causes, the Owner of that Lot and improvements is responsible for the cost of reconstruction that is not covered by insurance or is within the deductible amount. If an Owner fails to pay the cost of reconstruction, the Master Association may elect to pay for the uninsured portion of the cost and shall have the right to assess the Owner for the cost thereof and to enforce the Assessment as provided in this Master Declaration.

In the case of damage or destruction of Project Improvements located on Master Association Property, whether by fire, earthquake or other causes, the Owner of that Lot and improvements is responsible for the cost of reconstruction that is not covered by insurance or is within the deductible amount.

If the Project Improvement is to be repaired or reconstructed and the cost for the repair or reconstruction is in excess of twenty-five percent (25%) of the current replacement cost of all the Project Improvements, the Master Board shall designate a construction consultant, a general contractor, and an architect for the repair or reconstruction. All insurance proceeds, Master Association monies allocated for the repair or reconstruction, and any borrowing by the Master Association for the repair or reconstruction shall be deposited with a commercial lending institution experienced in the disbursement of construction loan funds (the “depository”), as selected by the Master Board. Funds shall be disbursed in accordance with the normal construction loan practices of the depository that require, as a minimum, that the construction consultant, general contractor and architect certify with ten (10) days prior to any disbursement substantially the following:

- A. That all of the work completed as of the date of such request for disbursement has been done in compliance with the approved plans and specification;
- B. That such disbursement request: (1) represents monies which either have been paid by or on behalf of the construction consultant, the general contractor or the architect and/or are justly due to contractors, subcontractors, material men, engineers or other persons (whose name and address shall be stated), who have rendered or furnished certain services or materials for the work; (2) gives a brief description of such services or materials for the work and the principle subdivisions or categories thereof and the respective amounts paid or due to each of said persons in respect thereof; and (3) states the progress of the work up to the date of said certificate;
- C. That the sum then requested to be disbursed, plus all sums previously disbursed, does not exceed the cost of the work insofar as actually accomplished up to the date of such certificate;
- D. That no part of the cost of the services and materials described in the foregoing subparagraph (a) has been or is being made the basis of the disbursement of any funds in any previous or then pending application; and
- E. That the amount held by the depository, after payment of the amount requested in the pending disbursement request, will be sufficient to pay in full the costs necessary to complete the repair or reconstruction.

If the cost of repair or reconstruction is less than twenty-five percent (25%) of the current replacement cost of all the Project Improvements, the Master Board shall disburse the available funds for the repair and reconstruction under such procedures as the Master Board deems appropriate under the circumstances.

If the Project Improvement is not repaired or reconstructed in accordance with the foregoing, all available insurance proceeds shall be disbursed among all Owners and their respective mortgagees in the same proportion that the Owners are assessed, subject to the rights of the Owners' mortgagees.

If the failure to repair or reconstruct results in a material alteration of the use of the Project from its use immediately preceding the damage or destruction, as determined by the Master Board (a material alteration shall be conclusively presumed if repair or reconstruction costs exceed twenty-five percent (25%) of the current replacement cost of all the Project Improvements), the Project shall be sold in its entirety under such terms and conditions as the Master Board deems appropriate. If any Owner or first mortgagee disputes the Master Board's determination as to a material alteration, the dispute shall be submitted to arbitration, pursuant to

the rules of the American Arbitration Association, and the decision of the arbitrator shall be conclusive and binding on all Owners and their mortgagees.

If the Project is sold, the sales proceeds shall be distributed to all Owners and their respective mortgagees in proportion to the respective fair market values of their Lots, as of the date immediately preceding the date of damage or destruction, as determined by a qualified independent appraiser selected by the Master Board. For the purpose of effecting a sale under this Section, each Owner grants to the Master Association an irrevocable power of attorney to sell the entire Project for the benefit of the Owners, to terminate this Master Declaration and to dissolve the Master Association. In the event the Master Association fails to take the necessary steps to sell the entire Project as required hereunder within sixty (60) days following the date of a determination by the Master Board or arbitrator of a material alteration, or within one hundred twenty (120) days following the date of damage or destruction if the Master Board has failed to make a determination as to a material alteration, any Owner may file an action in a court of appropriate jurisdiction for an order requiring the sale of the Project and distribution of the proceeds in accordance with this Section.

Section 8.3 Condemnation. If all or any part of a Lot (except the Master Association Property) is taken by eminent domain, the award shall be disbursed to the Owner of the Lot, subject to the rights of the Owner's mortgagees. If the taking renders the Lot uninhabitable, the Owner shall be divested of any further interest in the Project, including membership in the Master Association. If all or any part of the Master Association Property is taken by eminent domain, the proceeds of condemnation shall be used to restore or replace the portion of the Master Association Property affected by condemnation, if restoration or replacement is possible, and any remaining funds, after payment of any and all fees and expenses incurred by the Master Association relating to such condemnation, shall be distributed among the Owners in the same proportion as such Owners are assessed, subject to the rights of mortgagees. If necessary, the remaining portion of the Project shall be resurveyed to reflect such taking. The Master Association shall participate in the negotiations, settlements, and agreements with the condemning authority, and shall propose the method of division of the proceeds of condemnation, where Lots are not valued separately by the condemning authority or by the court. The Master Association shall represent the Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Master Association Property, or any part thereof.

ARTICLE IX

GENERAL PROVISIONS

Section 9.1 Enforcement; Mandatory Alternative Dispute Resolution; Mandatory Arbitration; Optional Dispute Resolution; Judicial Reference; Civil Code Section 896 Compliance.

- A. Right to Enforce. The Master Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Master Association Documents, or decisions made by the Master Association pursuant to the provisions of the Master Association Documents, and in such action shall be entitled to recover reasonable attorneys' fees as are ordered by the Court. Failure by the Master Association or by any Owner to enforce any covenant or restriction contained herein shall in no event be deemed a waiver of the rights to so do thereafter.
- B. Mandatory Alternative Dispute Resolution. Prior to the filing by either the Master Association or an Owner of a civil action related to the enforcement of the Master Association Documents (i) solely for declaratory relief, or (ii) solely for injunctive relief, or (iii) for declaratory relief or injunctive relief in conjunction with a claim for monetary damages not in excess of five thousand dollars (\$5,000), the parties shall endeavor to submit their dispute to a form of alternative dispute resolution such as mediation or arbitration (collectively, "alternative dispute resolution proceedings"), as required by Sections 5925 through 5965 of the California Civil Code. As provided therein:
- i. The form of alternative dispute resolution chosen may be binding or nonbinding at the option of the parties.
 - ii. Any party to such a dispute may initiate the process by serving on another party to the dispute a Request for Resolution. The Request for Resolution shall include (1) a brief description of the dispute, (2) a request for alternative dispute resolution, and (3) a notice that the party receiving the Request for Resolution is required to respond within thirty (30) days of receipt or it will be deemed rejected. Service of the Request for Resolution shall be as required by Section 5935.
 - iii. Parties receiving a Request for Resolution shall have thirty (30) days following service of the Request for Resolution to accept or reject alternative dispute resolution and, if the Request is not accepted within said thirty (30) day period by a party, it shall be deemed rejected by that party.
 - iv. If alternative dispute resolution is accepted by a party, it shall be completed within ninety (90) days of receipt of the acceptance by the party

initiating the Request for Resolution, unless extended by written stipulation signed by both parties.

- v. The costs of the alternative dispute resolution shall be borne by the parties.

Any such action filed by the Master Association or an Owner shall be subject to the provisions of Sections 5925 through 5965, and failure by any Owner or the Master Association to comply with the prefiling requirements therein may result in the loss by the Master Association or any such Owner of the right to sue to enforce the Master Association Documents.

The Master Association shall annually provide the Owners a summary of the provisions of this procedure, including the statement contained in Civil Code Section 5965. The summary shall be provided either at the time the *pro forma* budget is distributed, or in the manner prescribed in Section 5016 of the California Corporations Code. The summary shall include a description of the Master Association's internal dispute resolution process required under Civil Code Section 5920.

C. Mandatory Arbitration of Claims Against Declarant. Notwithstanding California Code of Civil Procedure Section 1298.7, any controversy or claim between or among Declarant, as the builder in the Project, on the one hand, and either the Master Association or any Owner, on the other hand, relating to the design or construction of the Project, shall be submitted to binding arbitration before the American Arbitration Association ("AAA") or Judicial Arbitration and Mediation Service/Endispute ("JAMS"), as provided in this subsection C. The entity selected by the parties is hereinafter referred to as the "Arbitrating Entity", and if the parties are unable to agree on the Arbitrating Entity, the dispute shall be arbitrated before AAA.

- i. The parties shall comply with the requirements of California Civil Code Division 2, Part 2, Title 7, Chapter 4, (Sections 910 through 938, inclusive), which are hereinafter referred to as the "Non-Adversarial Procedures", prior to initiating arbitration proceedings under this subsection C or reference proceedings under subsection E below.
- ii. The arbitration shall be conducted in accordance with the commercial arbitration rules of AAA or the Streamlined or Comprehensive Rules and Regulations of JAMS, as the case may be, modified, in the case of AAA by a written agreement to vary procedures and in the case of JAMS by party-agreed procedures, as follows:
 - (1) Declarant shall advance the fees necessary to initiate the arbitration, with ongoing costs and fees to be paid as¹ agreed by the parties and, if they cannot agree, as determined by the arbitrator; provided, however, that the

costs and fees of the arbitration shall be ultimately borne as determined by the arbitrator.

- (2) There shall be only one arbitrator who shall be selected by mutual agreement of the parties within thirty (30) days of the administrator of the Arbitrating Entity receiving a written request from a party to arbitrate the controversy or claim. The arbitrator shall be a neutral and impartial individual, and the provisions of California Code of Civil Procedure Section 1297.121 shall apply to the selection of the arbitrator. An arbitrator may be challenged on any of the grounds listed in California Code of Civil Procedure Sections 1297.121 or 1297.124. If the parties are unable to agree on an arbitrator, the Arbitrating Entity shall select the arbitrator.
- (3) The venue of the arbitration shall be the county in which the Project is located unless the parties agree to some other location.
- (4) The arbitrator shall apply California substantive law in rendering a final decision. The arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages, but shall not have the power to award punitive damages.
- (5) Discovery shall be allowed pursuant to California Code of Civil Procedure Section 1283.05, and arbitration of any matter pursuant to this Section shall not be deemed a waiver of the attorney-client or attorney-work product privilege in any way.

iii. The parties agree to be bound by the decision of the arbitrator, which shall be final and non-appealable. Judgment upon the decision rendered by the arbitrator may be entered in any court having proper jurisdiction or application may be made to such court for judicial acceptance of the award and an order of enforcement. If a party refuses to arbitrate, the other party may seek a court order compelling arbitration.

D. Optional Alternative Dispute Resolution. In addition to the requirements of Section 9.1B and Section 9.1C above, the Master Association may perform any act reasonably necessary to resolve any civil claim or action through alternative dispute resolution proceedings, including, without limitation, the following:

- i. Provide advance notice of the Master Association's intent to initiate the prosecution of any civil action.

- ii. After initiating the prosecution or defense of any civil action, meet and confer with every person who is a party.
- iii. Consider diversion of the prosecution or defense of any civil action to alternative dispute resolution proceedings.
- iv. Agree to both participate in alternative dispute resolution proceedings and pay costs therefor incurred by the Master Association.

E. Judicial Reference of Claims Against Declarant. In the event that the mandatory arbitration provision of subsection C hereinabove is unenforceable for whatever reason, then, after compliance by the parties with the Non-Adversarial Procedures, any controversy or claim referenced therein shall be adjudicated by using voluntary judicial reference in accordance with the provisions of Code of Civil Procedure sections 638-645 or any successor statutes. The parties shall use a general referee acceptable to both parties, or, if the parties cannot agree, any party may petition the Superior Court of the City and County of San Francisco for appointment of a general referee by the presiding judge. The parties shall cooperate in good faith to ensure that all necessary and appropriate parties are included in the judicial reference proceeding. Declarant shall not be required to participate in the judicial reference proceeding unless Declarant is satisfied that all necessary and appropriate parties will participate.

The judicial reference shall be a general reference. The general referee shall have the authority to try any or all of the issues in the proceeding whether of fact or of law, and to report a statement of decision thereon. Neither the referee nor any party shall have the right to impanel a jury. Each party retains the same appeal rights of the referee's decision as if the decision were rendered by a trial court judge.

F. Civil Code Section 896 Compliance. For any claim for defective construction filed by the Master Association or any Owner under subsection C above (or subsection E where the provisions of subsection C are unenforceable), where the claim should seek to enforce compliance by the builder, developer or subdivider with the functionality standards of California Civil Code Section 896 (including any successor statute), the Master Association shall only have the authority to enforce such compliance with respect to the Master Association Property. The Master Association or any Owner hereby waives any and all implied warranties with respect to all functions and/or components which are specified in California Civil Code Section 896 (including any successor statute).

Section 9.2 Invalidity of any Provision. Should any provision or portion of any Project Document be declared invalid or in conflict with any law of the jurisdiction in which this Project

is situated, the validity of all the remaining provisions and portions thereof shall remain unaffected and in full force and effect.

Section 9.3 Term. The covenants, conditions and restrictions of this Master Declaration shall run with and bind the Property and shall inure to the benefit of and shall be enforceable by the Master Association or the Owner of any property subject to this Master Declaration, their respective legal representatives, heirs, successors and assigns for a term of thirty (30) years from the date that this Master Declaration is recorded, after which time, these covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by seventy-five percent (75%) of the then Owners, and the approval of First Lenders as required by Section 9.5C herein, has been recorded within the year preceding the year of each successive period of ten (10) years, agreeing to change such covenants and restrictions, in whole or in part, or to terminate them.

Section 9.4 Amendments. Subject to the provisions of Article X, this Master Declaration may be amended only by the affirmative vote of seventy-five percent (75%) of each class of the Members, if the two class voting structure is still in effect. Under the single class voting structure, amendment of this Master Declaration shall require both the affirmative vote of seventy-five percent (75%) of the total voting power of the Members and a bare majority (51%) of the votes of Members other than Declarant, each Lot having one (1) vote. In no event, however, may any clause, provision or Section of this Master Declaration be amended by a percentage of voting power of the Master Association which is lower than the percentage of affirmative votes prescribed for action to be taken under that clause, provision or Section. All such amendments must be recorded and shall become effective upon being recorded in the Recorder's Office of the City.

Section 9.5 Rights of First Lenders

- A. Breach of Covenants. No breach of any of the covenants or restrictions in this Master Declaration, nor the enforcement of any of its lien provisions, shall render invalid any lien of any First Lender on any Lot made in good faith and for value, but all of those covenants and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise.
- B. Amendment. Amendments of a material adverse nature to First Lenders require the approval of at least fifty-one percent (51%) of First Lenders, based on one (1) vote for each first mortgage owners;
- C. Restrictions on Certain Changes. Any action to terminate the legal status of the Project, or to use insurance proceeds for any purpose other than to rebuild, shall require the

approval of at least fifty-one percent (51%) of First Lenders, based on one (1) vote for each first mortgage owners.

- D. Implied Approval. Implied approval may be assumed when a First Lender fails to submit a response to any written proposal for an amendment within sixty (60) days after the First Lender receives proper notice of the proposal, provided the notice was delivered by certified mail or registered mail, with a return receipt requested.
- E. Reserves. The Master Association shall establish and maintain a reserve fund for replacements and a general operating reserve sufficient to satisfy its obligation to maintain the Master Association Property.
- F. Confirmation of First Lender Rights. Any First Lender who comes into possession of a Lot by virtue of foreclosure, or any purchaser at a foreclosure sale, will take the Lot free and clear of any claims for unpaid Assessments and fees, late charges, fines or interest levied in connection with such claims against the Lot which accrue more than six (6) months prior to the time such First Lender or purchaser at a foreclosure sale takes title to the Lot, except fees or costs related to the collection of the unpaid Assessments, claims for a pro rata share of such Assessments, or charges to all Lots including the mortgaged Lot, and except for Assessment liens as to which a notice of delinquent assessments has been recorded prior to the mortgage.
- G. Distribution of Proceeds of Insurance, Condemnation or Termination. No provision of this Master Declaration gives an Owner, or any other party, priority over any rights of First Lenders in the case of distribution to Owners of proceeds of termination or any insurance proceeds or condemnation awards for losses to or taking of Lots and/or Master Association Property.

Section 9.6 Owner's Right and Obligations to Maintain and Repair. Except for those portions of the Project that the Master Association is required to maintain and repair, each Owner shall at his sole cost and expense, maintain and repair his Lot and the improvements thereon, including any rooftop landscaping and any landscaping located wholly within the interior courtyard of any building or structure not located on Master Association Property, but excluding all other landscaping, keeping the same in good condition including structural repairs to his residence.

In the event that an Owner fails to maintain his Lot and the improvements thereon, including landscaping, in a manner which the Master Board deems necessary to preserve the appearance and value of the Project, the Master Board may notify the Owner of the work required and request that it be done within sixty (60) days from the giving of such notice. In the event the Owner fails to carry out such maintenance or repair within such sixty (60) day period,

the Master Board may give notice and hold a hearing and cause such work to be done and may specially assess the cost thereof to such Owner and, if necessary, place a lien on his Lot for the amount thereof.

In the event of an emergency, the Master Association or the Owner of a Lot affected by the emergency condition may enter upon the Lot where the emergency condition exists for purposes of repairing that emergency condition.

Section 9.7 Entry for Repairs. The Master Board or its appointed agents may enter upon any Lot when necessary in connection with any maintenance, repair or construction for which the Master Association is responsible. Such entry shall be made with as little inconvenience to the Owner as is practicable, and any damage caused thereby shall be repaired by the Master Board at the expense of the Master Association. Except in the case of any emergency, forty-eight (48) hour advance notice shall be given to the Owner or occupant prior to any such entry.

Section 9.8 Owners' Compliance. Each Owner, tenant or occupant of a Lot shall comply with the provisions of this Master Declaration, the Master Bylaws, and the decisions and resolutions of the Master Association or its duly authorized representative, as lawfully amended from time to time. Failure to comply with any such provisions, decisions or resolutions shall be grounds for an action to recover sums due for damages or for injunctive relief. All agreements and determinations lawfully made by the Master Association, in accordance with the voting percentages established in this Master Declaration or in the Master Bylaws, shall be deemed to be binding on all Owners, their successors and assigns.

Section 9.9 Limitation of Restrictions on Declarant. Declarant is undertaking the work of constructing a planned development and incidental improvements upon the Property. The completion of that work and the sale, rental, and other disposal of Lots is essential to the establishment and welfare of said Property as a residential community. In order that said work may be completed and said Property be established as a fully occupied residential community as rapidly as possible, nothing in this Master Declaration shall be understood or construed to do the following:

- A. Prevent Declarant, its contractors, or subcontractors, from doing on the Property or any Lot, whatever is reasonably necessary or advisable in connection with the completion of said work; or
- B. Prevent Declarant or its representatives from erecting, constructing and maintaining on the Property (except upon Lots owned by others), such structures as may be reasonable and necessary for developing said Property as a residential community and disposing of the same by sale, lease or otherwise; or

- C. Prevent Declarant from conducting on the Property (except upon Lots owned by others) its business of completing said work and of establishing a plan of residential ownership and of disposing of said Property in Lots by sale, lease or otherwise; or
- D. Prevent Declarant from maintaining such sign or signs on the Property (except upon Lots owned by others) as may be necessary for the sale, lease or disposition thereof; or
- E. Subject Declarant to the architectural control provisions of Article VI for construction of any improvements on the Property.

The foregoing rights of Declarant shall terminate upon sale of Declarant's entire interest in the Project. So long as Declarant, or its successors and assigns, own one (1) or more of the Lots described herein, Declarant, or its successors and assigns shall be subject to the provisions of this Master Declaration.

Section 9.10 Termination of Any Responsibility of Declarant. In the event Declarant shall convey all of its rights, title and interest in and to the Property to any partnership, individual or individuals, corporation or corporations, then and in such event, Declarant shall be relieved of the performance of any further duty or obligation hereunder, and such partnership, individual or individuals, corporation or corporations shall be obligated to perform all such duties and obligations of the Declarant.

Section 9.11 Notices. Any notice permitted or required by this Master Declaration or the Master Bylaws may be delivered either personally or by mail or by email where permitted by law. If delivery is by mail, it shall be by first-class mail and shall be deemed to have been delivered seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to each person at the current address given by such person to the Secretary of the Master Board.

ARTICLE X

ADDITIONAL COVENANTS

In connection with such subdivision and in order to satisfy the requirements of the Development Agreement and City Building Code, City Fire Code, or other municipal codes in effect as of the date hereof, and obtain the City approval of all final subdivision maps for Subphases 1A and 1B, Declarant desires to impose certain restrictions for the benefit of each and every Lot in the Property and to reserve certain easements as described herein. The City is intended to be a third-party beneficiary of all of the covenants in this Article X of the Master

Declaration, such that the written consent of the affected City agencies shall be required for the modification, revocation, or termination of the restrictions imposed by this Article X.

The covenants, easements and restrictions contained in this Article X shall bind and inure to Subphases 1A and 1B of the Project and any and all portions of the Project in future Development Phases at such time as any such portions of the Project are annexed to the portion of the Project already subject to this Master Declaration as provided above in Article II.

Declarant hereby declares that the reference to and description of “easements” in this Master Declaration shall not be affected by the merger of Lots on the Property, but shall constitute a special restriction as to the affected Property that runs with the land. If Declarant transfers title to any Lot to a third party such that the Lots are no longer under common ownership, the access rights specified in this Master Declaration shall be deemed to constitute a valid and binding easement wherein one such Lot shall be deemed the dominant tenement and the other Lot the servient tenement.

10.1 Ingress/Egress Easement. Declarant shall grant nonexclusive easements for pedestrian and vehicular access, emergency vehicle access, and utility purposes in order to comply with the provisions of the City Building Code, City Fire Code, or other municipal codes applicable as set forth in Article II. Said nonexclusive easements include a restrictive covenant that prohibits any permanent improvements (except those improvements approved by the City) for placement in the private streets or public utility easements that may act in any manner to obstruct those portions of such private streets, public utility easements or private utility access easements on such maps that are determined by the City Fire Department or the City Department of Building Inspection to be necessary for emergency vehicular ingress and egress and emergency exiting purposes or the City Public Utilities Commission to be necessary for clearance and access to maintain such public utilities. The City is a third-party beneficiary to said restrictive covenants entitling the City to enforce its terms and requiring City approval before any amendment can be made to such restrictive covenants.

10.2 Relocation. Subject to the provisions contained in Section 10.8 below, Declarant shall have the right to relocate or reconfigure the easements described in this Article X.

10.3 Maintenance and Repair; Development Agreement Covenants. In addition to the maintenance obligations of Article V, the Master Association shall be responsible for the following obligations of the Development Agreement. The specially defined terms in this Section 10.3 shall be defined in the same manner as they are defined in the Development Agreement and the exhibits referenced in this Section 10.3 shall be the same exhibits, as relevant, attached to the Development Agreement. To the extent there is any conflict between the specially defined terms in Article I of this Master Declaration and the specially defined terms in the Development Agreement, the specially defined terms from the Development Agreement shall control with respect to this Section 10.3 only. For reference purposes, the operative

definitions from the Development Agreement are attached to this Master Declaration as Attachment C.

The Master Association shall provide all necessary and ongoing maintenance and repairs to the Community Improvements and Public Improvements constructed as part of Subphases 1A and 1B of the Project and not accepted by the City for maintenance (the “Subphase 1A and 1B Improvements”), at no costs to the City, and shall collect homeowners’ dues to provide for such maintenance and service in an amount established by a budget approved by the City as required by Development Agreement Section 3.5.3. The Subphase 1A and 1B Improvements are the following Community Improvements identified in the Development Phase Application for Development Phase 1 and other documents, as more particularly described in the Design Review Approval for each:

- Tower Area Open Space adjacent to new and existing towers on proposed Blocks 1, 6, 20 and 22 (Parkmerced Design Standards and Guidelines section 02.26);
- Community Garden Open Space adjacent to new and existing towers on proposed Blocks 1 and 6 (Parkmerced Design Standards and Guidelines section 02.25);
- New private street, sidewalks, and private street landscaping located on Blocks 1, 20 and 22 (Parkmerced Design Standards and Guidelines Chapter 02);
- Neighborhood Common on Block 22 (Parkmerced Design Standards and Guidelines section 02.24);
- Bicycle Library adjacent to Block 20 and within Block 22 (Parkmerced Design Standards and Guidelines section 04.01); and
- Stormwater management and drainage improvements shown on and described in Attachment D and Attachment E hereto.

The Master Association shall provide all Community Improvements required by the Development Phase Approval for Subphases 1A and 1B that represent ongoing services at no costs to the City (the “Subphase 1A and 1B Services”), and shall collect homeowners’ dues to provide for such service in an amount established by a budget approved by the City as required by Development Agreement section 3.5.3. The Subphase 1A and 1B Services are the following Community Improvements identified the Development Phase Application for Development Phase 1, as more particularly described in the Design Review Approval for each:

- BART Shuttle Service Program (Parkmerced Transportation Plan section 4.1.1);
- Parking Management Service Program (Parkmerced Transportation Plan section 4.1.8); and,
- Discounted Transit Pass Program, (Parkmerced Transportation Plan section 4.1.5).

10.4 Future-Dedicated Infrastructure and Subdivider Infrastructure. In addition to the obligations set forth above, the Master Association shall be responsible, in perpetuity, for the

maintenance, repair and replacement of the Future-Dedicated Infrastructure (as defined in the applicable Public Improvement Agreement) (until such time that such infrastructure is dedicated to and accepted by the City) and the Subdivider Infrastructure, in the manner required by the terms of any applicable Public Improvement Agreement and Major Encroachment Agreement, at no cost to the City, with appropriate homeowners' dues to provide for such maintenance in an amount established by a budget approved by the City.

10.5 Development Agreement. Each of the owners of Property shall at all times comply with the conditions and restrictions contained in the Development Agreement to the extent applicable to its Lot. In order to satisfy certain requirements of the City Building Code, Declarant agrees to implement the requirements contained in the Development Agreement to the extent applicable to Subphases 1A and 1B and any such other property as may become annexed pursuant to Article II.

Upon the annexation of the Property located within each subsequent Development Phase of the Project as anticipated in Article II, the Master Association shall provide all necessary and ongoing maintenance and repairs to the Community Improvements, Public Improvements, and Stormwater Management Improvements constructed as part of such Development Phase of the Project and not accepted by the City for maintenance, at no costs to the City, and shall collect homeowners' dues to provide for such maintenance and service in an amount established by a budget approved by the City as required by Development Agreement section 3.5.3.

Upon the annexation of the Property located within each subsequent Development Phase of the Project as anticipated in Article II, the Master Association shall provide all necessary and ongoing maintenance and repairs in the manner required by the Stormwater Control Plan to the Stormwater Management Improvements constructed as part of such Development Phase of the Project and not accepted by the City for maintenance, at no costs to the City, and shall collect homeowners' dues to provide for such maintenance and service in an amount established by a budget approved by the City as required by Development Agreement section 3.5.3.

10.6 Subsequent Building Permits. As part of the submission of any building permit application to the City Department of Building Inspection on or after the effective date of this Master Declaration that affect the subdivision, each Owner shall submit a copy of this Master Declaration along with the building permit application.

10.7 Property Lines and Buildings. Declarant shall create no property lines through existing buildings, nor shall buildings be proposed across existing property lines, unless the Department of Building Inspection reviews and approves appropriate Notice of Restrictions, Covenants, Codes & Restrictions, easements and building permit application(s) with local code equivalency request(s).

10.8 Duration. The restrictions contained in and the easements reserved in this Master Declaration shall be perpetual, unless modified, revoked or terminated pursuant to Section 10.9 below.

10.9 Modification or Revocation. This Master Declaration has been recorded in order to satisfy the requirements of the City Building Code in effect as of the date hereof and to obtain the approval by the City of the subdivision. This Master Declaration may not be modified, revoked or terminated without the written consent of the Owners, and any such modification, revocation or termination shall not be effective unless and until the Director of Public Works, the Director of the Planning Department, the General Manager of the SFPUC, the Director of the Department of Building Inspection or his/her designee and the Fire Marshal, if applicable, consent thereto in writing after receiving written notice thereof from Declarant, and such modification, revocation or termination, executed by the Owners and the City, is recorded in the Official Records of the City.

10.10 Easements Appurtenant. Each of the easements reserved herein shall be appurtenant to, and shall pass with title to, the Lot or Lots benefited thereby. Each and all of the foregoing covenants, conditions and restrictions (i) shall run with the land; (ii) shall be binding upon, and shall inure to the benefit of, Declarant, each Owner and any person having or acquiring any interest in any portion of the Property, and all of their respective successive owners and assigns; and (iii) shall be binding upon, and shall inure to the benefit of, the Property and each Lot thereon, and every portion thereof and interest therein.

10.11 Third Party Beneficiary. The City is intended to be a third-party beneficiary of all covenants of Article X of this Master Declaration, with the right to consent to any modification or revocation hereof and the right and authority, at its sole option, to enforce the provisions hereof (including, but not limited to, remedies for violation for a building permit), provided, however, that the City shall have no liability whatsoever hereunder with respect to the condition of the Property.

10.12 No Public Dedication. Nothing contained herein shall be deemed to be a gift or dedication to the general public or for any public purposes whatsoever, it being the intention that this document be strictly limited to and for the purposes expressed.

10.13 Indemnity. Declarant, and each successor Owner with respect to matters arising during or prior to the period that it remains an Owner, on behalf of itself and its successors and assigns (“Indemnitors”), shall indemnify, defend and hold harmless (“Indemnify”) the City including, but not limited to, all of its boards, commissions, departments, agencies and other subdivisions, including, without limitation, its Department of Building Inspection, and all of the heirs, legal representatives, successors and assigns (individually and collectively, the “Indemnified Parties”), and each of them, from and against any and all liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses, including, without

limitation, direct and vicarious liability of every kind (collectively, “Claims”), incurred in connection with or arising in whole or in part from: (a) any accident, injury to or death of a person, or loss of or damage to property, howsoever or by whomsoever caused, occurring in or about the Property from the use contemplated hereunder; (b) any default by such Indemnitors in the observation or performance of any of the terms, covenants or conditions of Article X of this Master Declaration to be observed or performed on such Indemnitors’ part; (c) the use or occupancy or manner of use or occupancy of the Property by such Indemnitors or any person or entity claiming through or under such Indemnitors; (d) the condition of the Property (e) any construction or other work undertaken by such Indemnitors permitted or contemplated by this Master Declaration; (f) any acts, omissions or negligence of such Indemnitors in, on or about the Property by or on behalf of such Indemnitors; (g) any injuries or damages to real or personal property, goodwill, and persons in, upon or in any way allegedly connected with the use contemplated hereunder from any cause or Claims arising at any time; and (h) any release or discharge, or threatened release or discharge, of any hazardous material caused or allowed by Indemnitors in, under, on or about the Property; all regardless of the active or passive negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on, the Indemnified Parties, except to the extent that such Indemnity is void or otherwise unenforceable under applicable law in effect on or validly retroactive to the date of this Master Declaration and further except only such Claims as are caused exclusively by the willful misconduct or gross negligence of the Indemnified Parties. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and the City’s costs of investigating any Claim. Declarant on behalf of the Indemnitors specifically acknowledges and agrees that the Indemnitors have an immediate and independent obligation to defend the City from any claim which actually or potentially falls within this Indemnity even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such Claim is tendered to such Indemnitors by the City and continues at all times thereafter. As used herein, “hazardous material” means any substance, waste or material which, because of its quantity, concentration of physical or chemical characteristics is deemed by any federal, state, or local governmental authority to pose a present or potential hazard to human health or safety or to the environment.

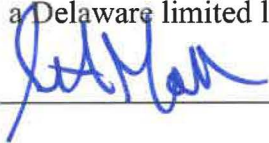
10.14 Authority. The person executing this Master Declaration on behalf of Declarant does hereby covenant and warrant that Declarant is a duly formed and existing California limited liability company, that Declarant has full right and authority to enter into this Master Declaration, and that the person signing on behalf of Declarant is authorized to do so.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this Master Declaration this _____ day of _____, 201____.

Declarant:

PARKMERCED OWNER LLC,
a Delaware limited liability company



By: SETH MAUWEN

Its: VP

APPROVED AS TO ARTICLE X

General Manager of the San Francisco Public Utilities Commission

By: _____

Director of the San Francisco Planning Department

By: _____

Director of San Francisco Public Works

By: _____

[Signatures continue on following page]

Director of the San Francisco Planning Department

By: _____

Director of San Francisco Public Works

By: _____

APPROVED AS TO FORM AS TO ARTICLE X

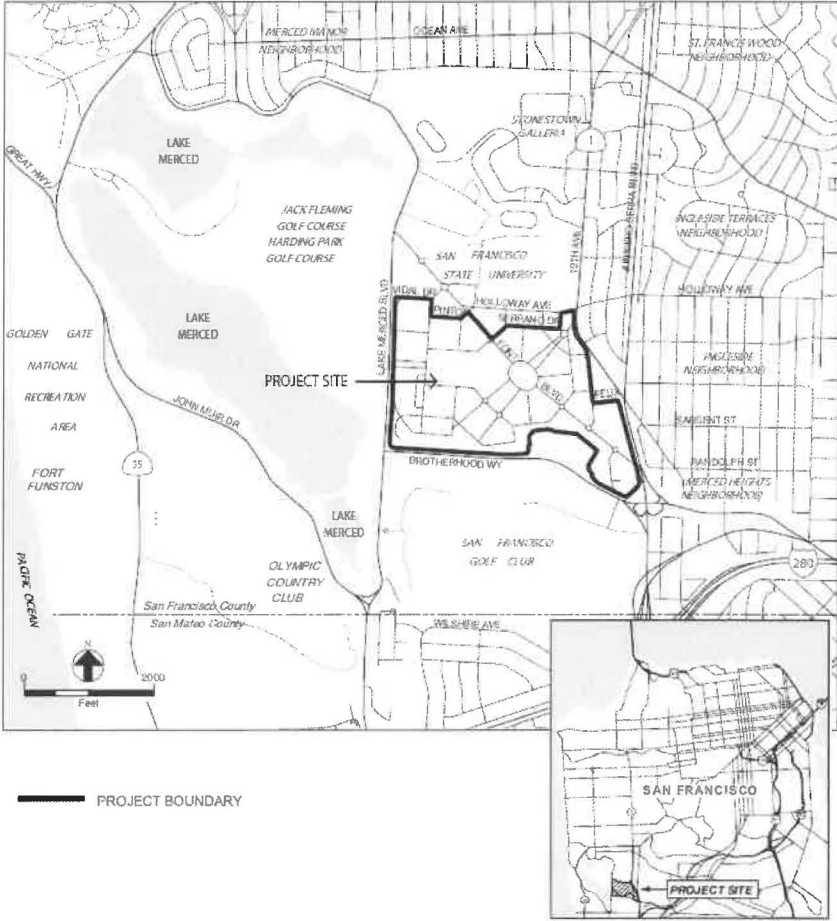
Dennis J. Herrera, City Attorney

By: _____

Deputy City Authority

ATTACHMENT A – Project Site Diagram

Exhibit A
Project Site Diagram



ATTACHMENT B – Final Maps for Subphases 1A and 1 B (Blocks 1, 6, 20 & 22)

ATTACHMENT C – Relevant Specially Defined Terms from the Parkmerced Development Agreement

“Basic Approvals” shall mean the following land use approvals, entitlements, and permits relating to the Project that were approved by the Board concurrently with the Development Agreement: the General Plan amendment (Board of Supervisors Ord. No. 92-11), the Planning Code text amendment (Board of Supervisors Ord. No. 91-11), the Coastal Zone Permit (Planning Commission Motion No. 19272; Board of Supervisors Ord. No. 89-11), and the Parkmerced Plan Documents, all of which are incorporated by reference into the Development Agreement.

“Community Improvements” shall mean any capital improvement or facility, on-going service provision or monetary payment, or any service required by the Basic Approvals and the Development Agreement for the public benefit that is not: (1) a Mitigation Measure for the Project required by CEQA; (2) a public or private improvement or monetary payment required by Existing Standards or Uniform Codes (including, for example, utility connections required by Uniform Codes, the payment of Impact Fees and Exactions, and Planning Code-required open space); (3) Stormwater Management Improvements; or (4) the privately-owned residential and commercial buildings constructed on the Project Site, with the exception of the fitness/community center and the school, which are Community Improvements and may be privately owned. Furthermore, Community Improvements shall not include (1) any units constructed by Developer or fee paid by Developer in compliance with the BMR Requirement, or (2) the Replacement Units, which also provide the City with a negotiated benefit of substantial economic value and are subject to the provisions of Article 4 of the Development Agreement.

“Design Review Approvals” shall mean the approval received from the City ensuring that all new buildings, the public realms associated with each new building and any Community Improvements related to implementation of the Project meet the Parkmerced Design Standards and Guidelines.

“Development Phase Application” shall mean an application, in substantial conformance with the sample attached to the Development Agreement as Exhibit G, submitted to the Planning Department prior to the commencement of each Development Phase.

“Development Phase Approvals” shall mean the written approval from the Planning Director of the Development Phase Application, with such revisions, conditions or requirements as may be permitted in accordance with the terms of the Development Agreement.

“Existing Standards” shall mean the San Francisco General Plan, the Municipal Code (including the City’s Subdivision Code and Administrative Code) and all other applicable City policies, rules and regulations, as each of the foregoing was in effect on the Effective Date of the Development Agreement.

“Impact Fees and Exactions” shall mean the fees, exactions and impositions charged by the City in connection with the Development of the Project under the Existing Standards as of the Effective Date, as more particularly described on Exhibit F attached to the Development Agreement, including but not limited to transportation improvement fees, water capacity charges and wastewater capacity charges, childcare in-lieu fees, affordable housing fees, dedication or reservation requirements, and obligations for on- or off-site improvements. Impact Fees and Exactions shall not include Mitigation Measures, Processing Fees, permit and application fees, taxes or special assessments, and water connection fees. Water connection fees shall be limited to the type of fee assessed by the SFPUC for installing metered service for each building or units within such building.

“Implementing Approvals” shall mean any land use approval, entitlement, or permit (other than the Basic Approvals, a Design Review Approval, or a Development Phase Approval) from the City that are consistent with the Basic Approvals and that are necessary for the implementation of the Project or the Community Improvements, including without limitation, demolition permits, grading permits, site permits, building permits, lot line adjustments, sewer and water connection permits, encroachment permits, street improvement permits, certificates of occupancy, subdivision maps, and re-subdivisions. An Implementing Approval shall also mean any amendment to the foregoing land use approvals, entitlements, or permits, or any amendment to the Basic Approvals that are sought by Developer and approved by the City in accordance with the standards set forth in the Development Agreement, and that do not represent a Material Change to the Basic Approvals.

“Mitigation Measures” shall mean the mitigation measures (as defined by CEQA) applicable to the Project by the FEIR or other environmental review document. Mitigation Measures shall include any mitigation measures that are identified and required as part of an Implementing Approval.

“Parkmerced Design Standards and Guidelines” shall mean the Parkmerced Design Standards and Guidelines dated as of June 23, 2011, as amended from time to time.

“Privately-Owned Community Improvements” shall mean those facilities that are privately-owned and privately-maintained for the public benefit, with varying levels of public accessibility, that are not dedicated to the City. The Privately-Owned Community Improvements are listed on Exhibit C to the Development Agreement. Privately-Owned Community Improvements will include certain streets, paseos, pedestrian paths and bicycle lanes, storm drainage facilities, parks and open spaces, and community or recreation facilities to be built on land owned and retained by Developer. Exhibit D to the Development Agreement sets forth the provisions pertaining to the use, maintenance, and security of the Privately-Owned Community Improvements.

“Public Improvements” shall mean the facilities, both on- and off-site, to be improved, constructed and dedicated to (and, upon Completion in accordance with the Development

Agreement, accepted by) the City by Developer. Public Improvements include streets within the Project Site, sidewalks, bioswales and other Stormwater Management Improvements in the public right-of-way, all public utilities within the streets (such as gas, electricity, water and sewer lines but excluding any non-municipal utilities), bicycle lanes and paths in the public right-of-way, off-site intersection improvements (including but not limited to curbs, medians, signaling, traffic control devices, signage, and striping), and SFMTA Infrastructure. The Public Improvements do not include Privately-Owned Community Improvements, including paseos, pedestrian paths within the Project Site, parks and open spaces, and community or recreation facilities to be built on land owned and retained by Developer.

“SFMTA Infrastructure” shall mean the Public Improvements to be designed and constructed by Developer that the Parties intend the SFMTA to accept, operate, and maintain in accordance with the Development Agreement.

Exhibit 1 to ATTACHMENT C – Relevant Exhibits from Parkmerced Development Agreement

Exhibit C List of Community Improvements

Each of the Community Improvements listed below is described in more detail in the *Parkmerced Design Standards + Guidelines*, the *Parkmerced Transportation Plan* and/or the *Parkmerced Sustainability Plan*.

Publicly-Owned Community Improvements. The following constitute the Community Improvements that are classified as Public Improvements:

- Intersection improvements at each of the following:
 - Higuera Drive and Lake Merced Boulevard
 - Brotherhood Way and Chumasero Drive
 - Chumasero Drive and Junipero Serra Boulevard
 - Lake Merced and Brotherhood Way
 - Junipero Serra and Brotherhood Way Interchange
- New intersection/access point on Lake Merced Boulevard at each of the following:
 - Vidal Drive
 - Acevedo Avenue
 - Gonzalez Drive
- Elements of the MUNI M Oceanview realignment including:
 - Realignment of MUNI M Oceanview into Parkmerced and provision of left turn in Crespi Drive
 - Fourth southbound lane and landscaping on 19th Avenue between Holloway and Junipero Serra
 - Intersection improvements at:
 - 19th and Holloway Avenues
 - 19th Avenue and Junipero Serra Boulevard
 - 19th Avenue and Crespi Drive
- Bicycle Lanes/Paths

- Sidewalks and pedestrian path (Gonzalez) and related furniture, fixtures and equipment
- Street Trees
- Pedestrian Safety Improvements
- Bicycle Improvements (way-finding, bicycle parking)

Privately-Owned Community Improvements – Full Public Access. The following constitute the Community Improvements that are classified as Privately-Owned Community Improvements and further classified as Full Public Access:

- Open Space - Juan Bautista Circle/Pond
- Open Space - Stream Corridor
- Open Space - Sports Fields
- Open Space - Belvedere Gardens
- Open Space - Neighborhood Commons
- Open Space - Community Garden
- Open Space - Tower Area
- Transit Plaza
- Paseos, alley ways and plazas

Privately-Owned Community Improvements – Partial Public Access. The following constitute the Community Improvements that are classified as Privately-Owned Community Improvements and further classified as Partial Public Access:

- Organic Farm
- Open Space - Courtyards
- Recreation Center
- School Facility
- BART and Shopper Shuttles
- Transportation Coordinator (including all activities of the Transportation Coordinator described in the Transportation Plan and not otherwise listed herein)
- Discounted Transit Passes

- Carpool/Vanpool Services
- Carshare Program and Parking
- Bikeshare Program and Parking

Privately-Owned Community Improvements – No Public Access. The following constitute the Community Improvements that are classified as Privately-Owned Community Improvements and further classified as No Public Access:

- Cogeneration Systems
- Solar Panels (on-site or off-site)

Not applicable. The following are Privately-Owned Community Improvements that do not fall within the above described categories:

- Parking Management Program (including unbundled parking and market rate pricing)
- Elements of the Transportation Demand Management Program that are not otherwise listed herein

C-7



EXHIBIT D

REGULATIONS REGARDING ACCESS AND MAINTENANCE OF PRIVATELY-OWNED COMMUNITY IMPROVEMENTS

These Regulations Regarding Access and Maintenance of Privately-Owned Community Improvements (“**Regulations**”) shall govern the use, maintenance and operation of those certain Privately-Owned Community Improvements that are designated as Full Public Access (each, a “**Full Public Access Improvement**” and collectively, the “**Full Public Access Improvements**”). The Full Public Access Improvements are the Parks (as defined in Section 5 of this Exhibit), and those sidewalks, bike paths, and pedestrian paths within the Project Site (as defined in the *Parkmerced Design Standards and Guidelines*) not dedicated to the City.

1. Public Use. Developer or successor Master HOA shall offer the Full Public Access Improvements for the use, enjoyment and benefit of the public for open space and recreation purposes only including, without limitation, leisure, social activities, picnics and barbecues, playgrounds, sports, and authorized special events; *provided, however*, that Developer may use the Full Public Access Improvements for temporary construction staging related to adjacent development (during which time the subject Full Public Access Improvement shall not be used by the public) to the extent that such construction is in accordance with this Agreement, the Basic Approvals, and any Implementing Approvals.

2. No Discrimination. Developer shall not discriminate against, or segregate, any person, or group of persons, on account of race, color, religion, creed, national origin, gender, ancestry, sex, sexual orientation, age, disability, medical condition, marital status, or acquired immune deficiency syndrome, acquired or perceived, in the use, occupancy, tenure or enjoyment of the Full Public Access Improvements.

3. Maintenance Standard. The Full Public Access Improvements shall be operated, managed and maintained in a clean and safe condition in accordance with the anticipated and foreseeable use thereof.

4. Temporary Closure. Developer shall have the right, without obtaining the prior consent of the City or any other person or entity, to temporarily close any or all of the Full Public Access Improvements to the public from time to time for one of the following two reasons. In each instance, such temporary closure shall continue for as long as Developer reasonably deems necessary to address the circumstances described below:

- a. Emergency. In the event of an emergency or danger to the public health or safety created from whatever cause (including flood, storm, fire, earthquake, explosion, accident, criminal activity, riot, civil disturbances, civil unrest or unlawful assembly), Developer may temporarily close the Full Public Access Improvements (or affected portions thereof) in any manner deemed necessary or desirable to promote public safety, security and the protection of persons and property; or

- b. Maintenance and Repairs. Developer may temporarily close the Full Public Access Improvements (or affected portions thereof) in order to make any repairs or perform any maintenance as Developer, in its reasonable discretion, deems necessary or desirable to repair, maintain or operate the Full Public Access Repairs.

5. Operation of the Parks. Operation of the Parks (defined below) shall be subject to the additional requirements of this Paragraph. For the purposes of these Regulations, the “Parks” shall mean each of the following Full Public Access Improvements: (i) the Neighborhood Commons, (ii) Juan Bautista Circle, (iii) the Athletic Fields, (iv) Belvedere Gardens, and (v) the open space located in the southwest corner of the Project Site other than the Athletic Fields, Organic Farm and Belvedere Gardens. Each of the Parks is described in more detail in the *Parkmerced Design Standards + Guidelines*.

- a. Hours of Operation. The Parks shall be open and accessible to the public for a minimum of seven (7) days per week during daylight hours, unless reduced hours are approved in writing by the City, otherwise expressly provided for in this Agreement (including, without limitation, Paragraphs 4 and 5(b) of these Regulations), or reasonably imposed by Developer, with the City’s reasonable consent, to address security concerns. No person shall enter, remain, stay or loiter in the Parks when the Parks are closed to the public, except persons authorized in conjunction with a Special Event or other temporary closure, or authorized service and maintenance personnel.
- b. Special Events. Developer shall have the right to close temporarily to the public all or portions a Park for a period of up to seventy-two (72) consecutive hours in connection with the use of the subject Park for a private special event such as a wedding, meeting, reception, seminar, lecture, concert, art display, exhibit, convention, parade, gathering or assembly (each, a “Special Event” and collectively, “Special Events”). Prior to closing any Park for a Special Event, a notice of the closure shall be posted at all major entrances to the subject Park for a period of seventy-two (72) hours prior to the Special Event. Developer may require payment of a permit fee or other charge for use of the Parks for Special Events. Developer shall not schedule more than an average of two (2) Full Closure Special Events per Park per month throughout the year, if such Special Event requires closure of more than forty (40) percent the entire Park. Developer shall not schedule more than an average of five (5) Partial Closure Special Events per Park per month throughout the year, if such Partial Closure Special Event requires the closure of up to forty (40) percent of the area of the Park or less. In no event can any one Park be closed for Special Events for more than five (5) consecutive days or more than ten (10) days total in any given month.
- c. Public Events. The public shall have the right to request the use of the Parks for privately- or publicly-sponsored special events, including

meetings, receptions, seminars, lectures, concerts, art displays, exhibits, demonstrations, marches, conventions, parades, gatherings and assemblies, that do not require the closure of the Parks to the public (collectively, “Public Events”). All Public Events must be approved in advance by Developer. Developer may require payment in the form of a permit fee or other charge for use of the Parks for Public Events, so long as the permit fee and/or use charge do not exceed the reasonable costs for administration, maintenance, security, liability and repairs associated with such event. Developer shall post via on the web a clear explanation of the application process and criteria for review and approval of such Public Events and send copies of such criteria and application forms to the Planning Director and the Director of the San Francisco Department of Recreation and Parks for the purpose of each Department publishing such criteria and application forms if they so choose.

- d. Signs. Developer shall post signs at the major public entrances to the Parks, setting forth the applicable regulations imposed by these Regulations, hours of operation, and a telephone number to call regarding security, management or other inquiries.

6. Permissive Use. Developer may post at each entrance to the Full Public Access Improvements, or at intervals of not more than 200 feet along the boundary, signs reading substantially as follows: “Right to pass by permission, and subject to control, of owner: Section 1008, Civil Code.” Notwithstanding the posting of any such sign, no use by the public nor any person of any portion of the Full Public Access Improvements for any purpose or period of time shall be construed, interpreted or deemed to create any rights or interests to or in the Full Public Access Improvements other than the rights and interests expressly granted in this Agreement. The right of the public or any Person to make any use whatsoever of the Full Public Access Improvements or any portion thereof is not meant to be an implied dedication for the benefit of, or to create any rights or interests in, any third parties. Developer expressly reserves the right to control the manner, extent and duration of any such use.

7. Arrest or Removal of Persons. Developer shall have the right (but not the obligation) to use lawful means to effect the arrest or removal of any person or persons who creates a public nuisance, who otherwise violates the applicable rules and regulations, or who commits any crime including, without limitation, infractions or misdemeanors in or around the Full Public Access Improvements.

8. Project Security During Periods of Non-Access. Developer shall have the right to block entrances to, to install and operate security devices, and to maintain security personnel in and around the Full Public Access Improvements to prevent the entry of persons or vehicles during the time periods when public access to the Full Public Access Improvements or any portion thereof is restricted or not permitted pursuant to this Agreement. Developer’s proposal to install permanent architectural features that serve as security devices such as gates and fences shall be subject to Design Review Approval as detailed in the Development Agreement.

9. Removal of Obstructions. Developer shall have the right to remove and dispose of, in any lawful manner it deems appropriate, any object or thing left or deposited on the Full Public Access Improvements deemed to be an obstruction, interference or restriction of use of the Full Public Access Improvements for the purposes set forth in this Agreement, including, but not limited to, personal belongings or equipment abandoned in the Full Public Access Improvements during hours when public access is not allowed pursuant to this Agreement.

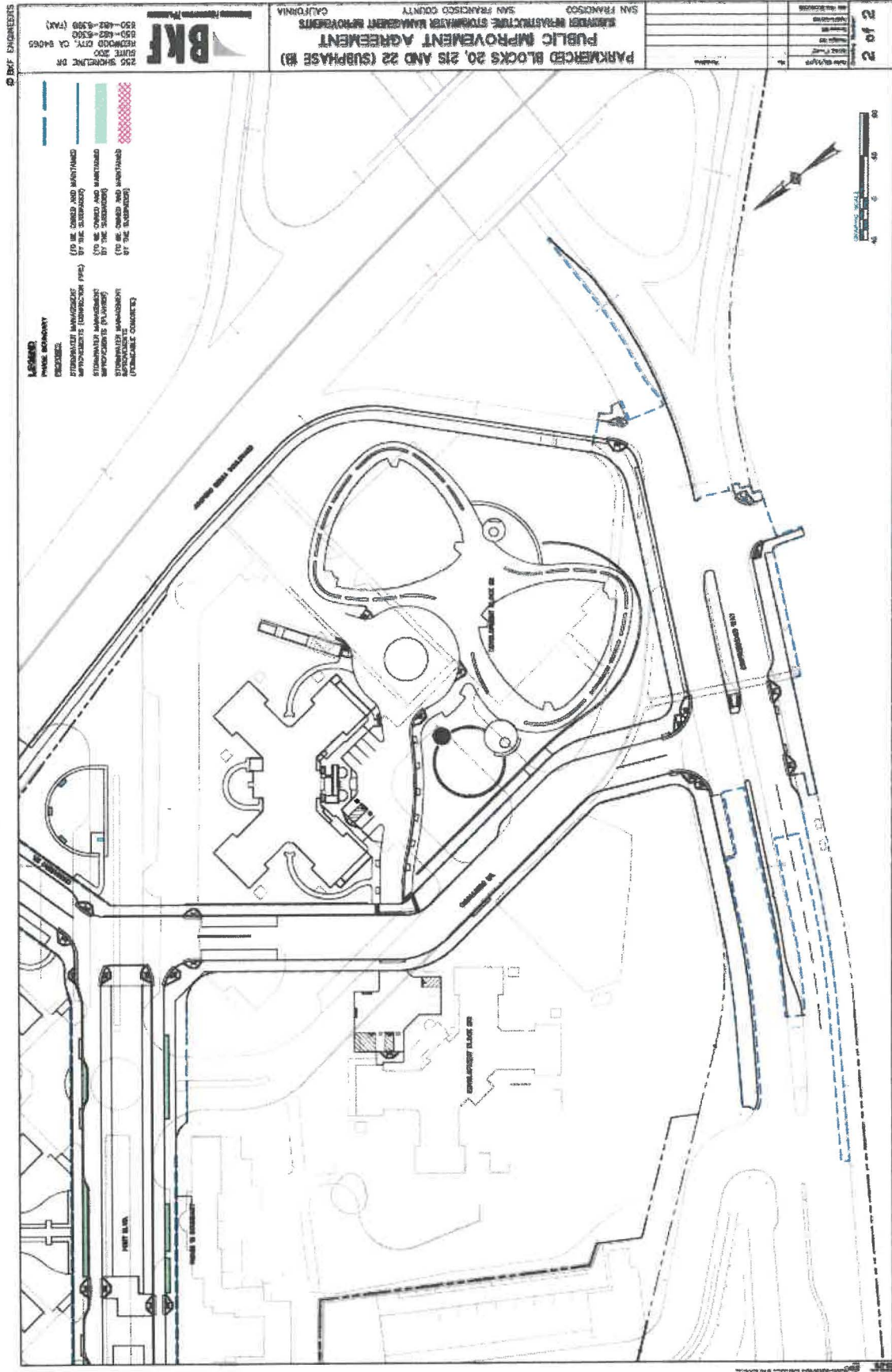
10. Temporary Structures. No trailer, tent, shack, or other outbuilding, or structure of a temporary character, shall be used on any portion of the Full Public Access Improvements at any time, either temporarily or permanently; *provided, however,* that Developer may approve the use of temporary tents, booths and other structures in connection with Public Events or Special Events.

ATTACHMENT D – Stormwater Control Plan

ATTACHMENT E – Stormwater Management Improvements and Special Street Improvements

ATTACHMENT E-1 Stormwater Management Improvements for Subphase 1A

PARKMERGED BLOCKS 20, 21S AND 22 (SUBPHASE 1B) PUBLIC IMPROVEMENT AGREEMENT - EXHIBIT E-1



ATTACHMENT E-2 Special Street Improvements for Subphase 1A

SEAGRAM'S 100

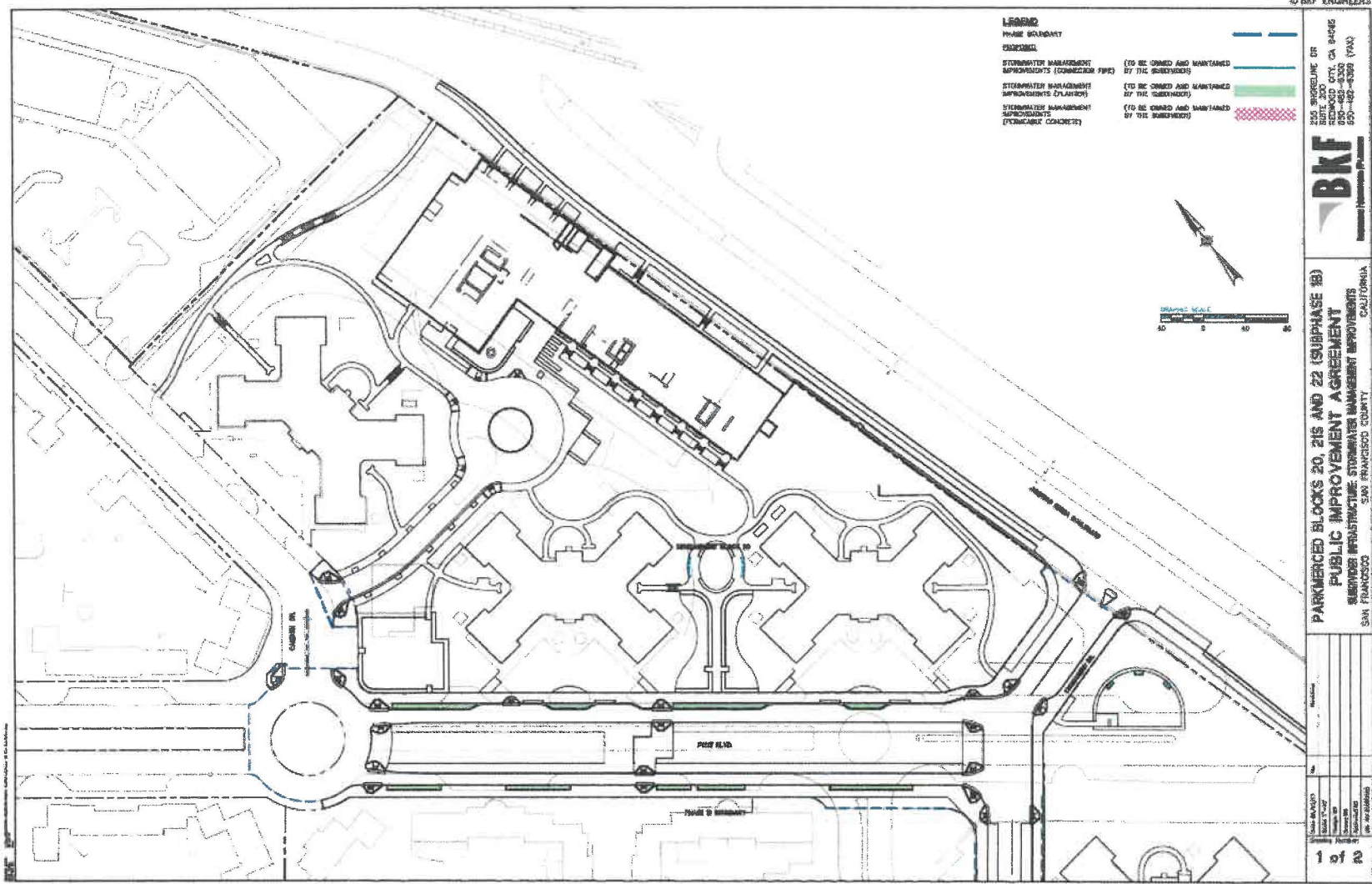


SHIRAZI, J. 1993. *Phytoplankton of the Persian Gulf*. Shiraz University Press, Shiraz, Iran.

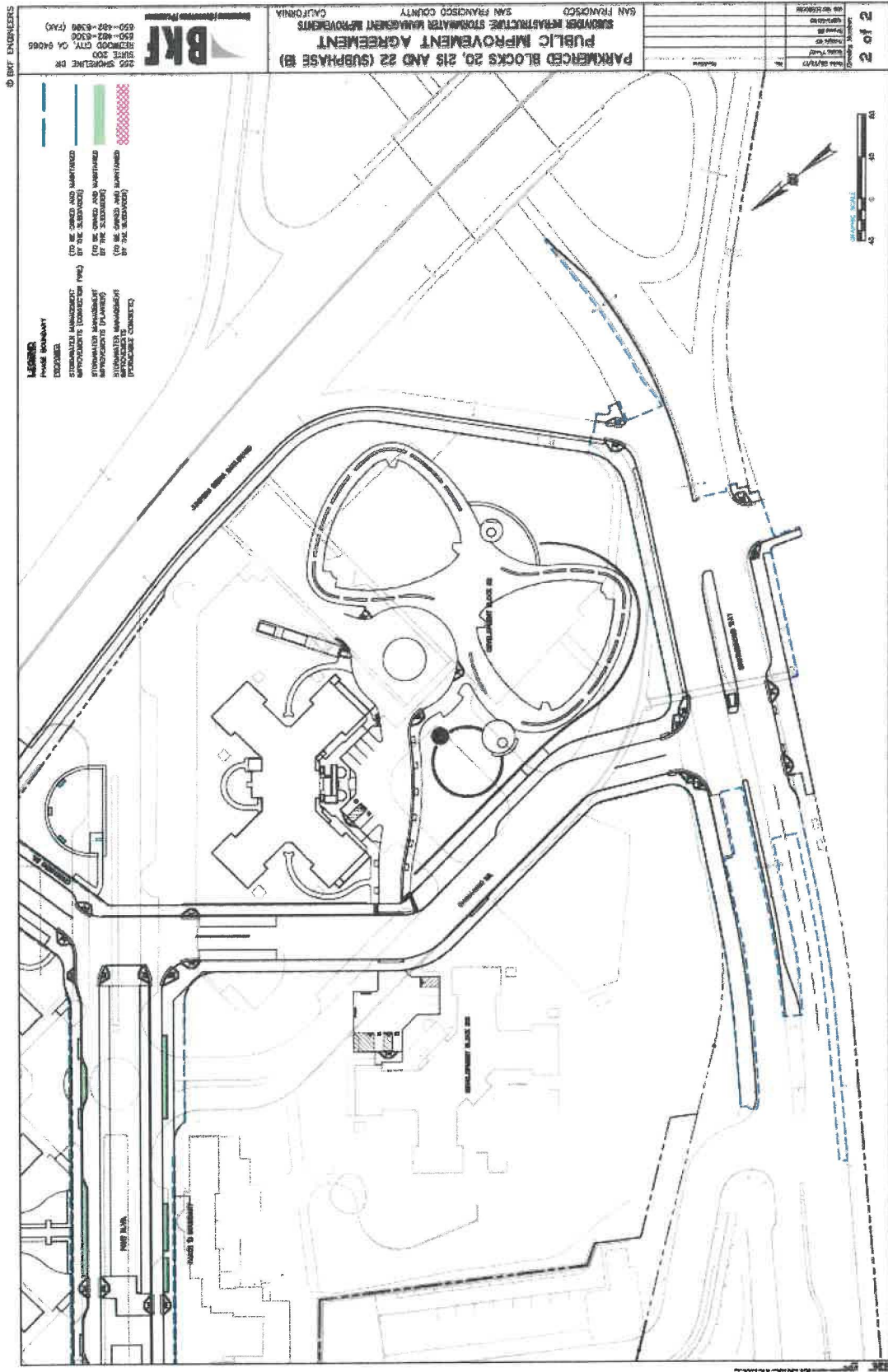


ATTACHMENT E-3 Stormwater Management Improvements for Subphase 1B

PARKMERGED BLOCKS 20, 21S AND 22 (SUBPHASE 1B) PUBLIC IMPROVEMENT AGREEMENT - EXHIBIT E-1

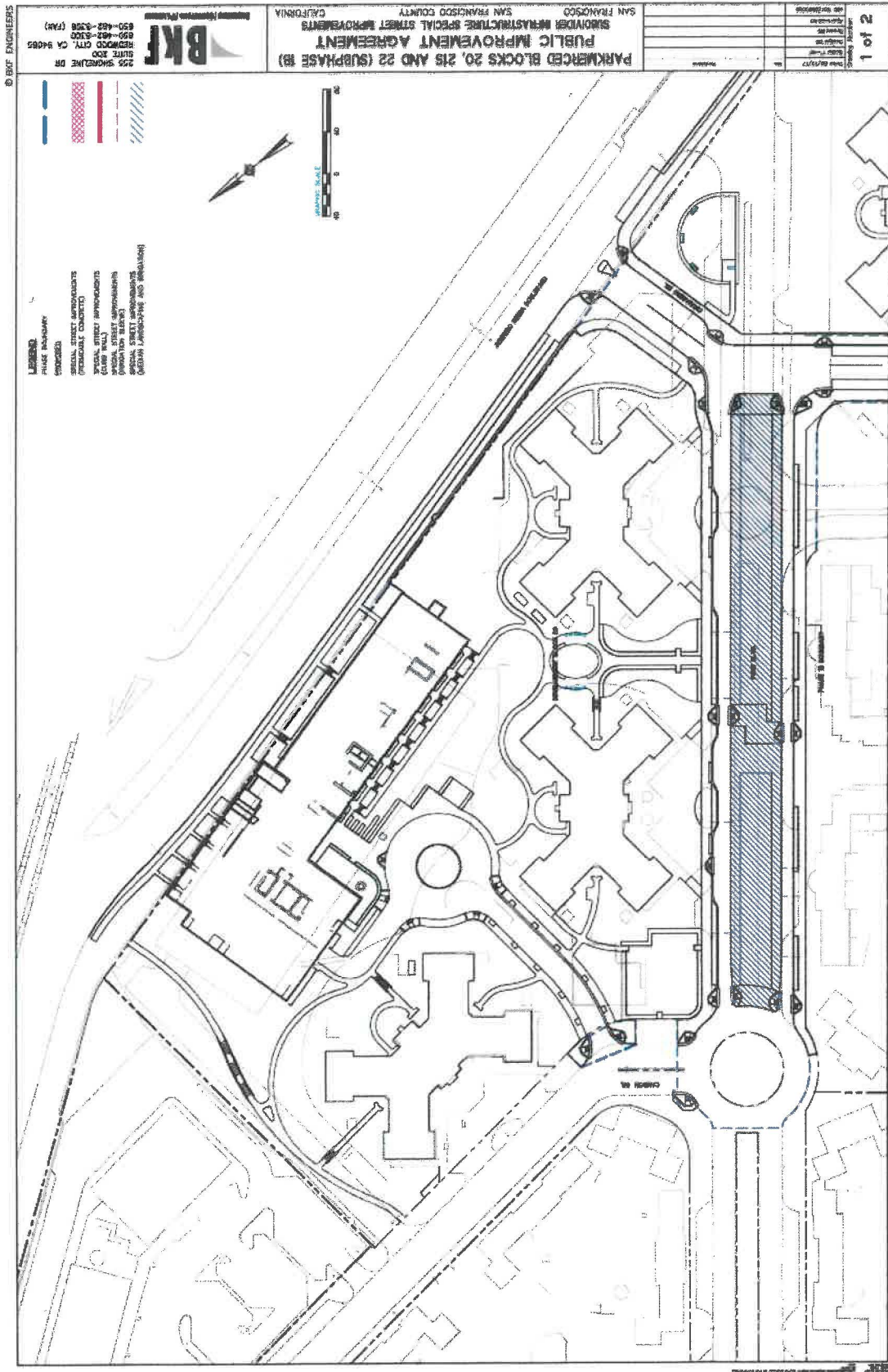


PARKMERGED BLOCKS 20, 21S AND 22 (SUBPHASE 1B) PUBLIC IMPROVEMENT AGREEMENT - EXHIBIT E-1



ATTACHMENT E-4 Special Street Improvements for Subphase 1B

PARKMERGED BLOCKS 20, 21S AND 22 (SUBPHASE 1B) PUBLIC IMPROVEMENT AGREEMENT - EXHIBIT E-2



PARKMERCEC BLOCKS 20, 21S AND 22 (SUBPHASE 1B) PUBLIC IMPROVEMENT AGREEMENT - EXHIBIT E-2

