ARTICLES OF INCORPORATION

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, residents of the State of California, have this day voluntarily associated ourselves together for the purpose of forming a nonprofit Corporation under Title XII, Article 1, Part IV, Division 1, of the Civil Code of the State of California, and we hereby certify as follows:

Article I

That the name of this Corporation shall be Lakeside Property Owners Association.

Article II

- 1. The purposes for which this Corporation is formed are as follows:
 - a) Civic and Recreational: To promote, foster and encourage the common interest of its members; to bring about cooperation in the interest of the civic betterment of the district for the mutual protection of its owners; and to create and provide recreational facilities for the members of the district and their families; and for the advancement and betterment of the Civic interest of the City and County of San Francisco.
 - b) Educational and Social: To communicate to and disseminate among the members for their enlightenment, information and data, consisting generally of written Articles, laws and legislation affecting or concerning the ownership of property, taxation, zoning, housing and other kindred problems; to communicate to the members for their enlightenment such information and data by means of speakers or by means of motion pictures to acquaint members with one another; to know and understand one another better and for this purpose to hold luncheons, banquets and entertainment; and to invite and be addressed by prominent persons.
- 2. To acquire, hold, sell, transfer, lease, mortgage, encumber, exchange, improve, and/or deal in or with such property as may be necessary or desirable for the accomplishment of the objects of this Corporation; and to borrow money, incur indebtedness, and secure the same, execute such agreements, take such proceedings and do such things as may be required for any of the lawful objects of this corporation, subject to the limitations prescribed by the By-laws of this Corporation.
- 3. To exercise the powers and perform the duties prescribed by that certain declaration of Easements, Restrictions, Conditions, Covenants, Charges and Agreements affecting Real Property known as Lakeside Unit No. 2 located in the City and County of San Francisco and recorded in the office of the County Recorder of the City and County of San Francisco, State of California, January 17, 1939, in liber 3402 Official Records at Page 142; and also, by that certain Declaration of Easements, Restrictions, Conditions, Covenants, Charges and Agreements affecting Real Property known as Lakeside Unit No. 3, located in the City and County of San Francisco and recorded in the Office of the County recorder of the City and County of San Francisco, State of California, September 4, 1940, in Liber 3050, Official Records at Page 363. The Real Property known as Lakeside Unit No. 2 is described by that certain map filed in the Office of the County recorder of the City and County of San Francisco, State of California, July 11, 1939 in liber "N" of maps at pages 75 to79 inclusive. The real Property known as Lakeside Unit No. 3 is described by that certain map filed in the office of the County recorder of the City and County of San Francisco, State of California, on August 28, 1940, in liber "O" of maps at pages 11, 12, and 13. The powers and duties referred

to relate to the approval of plans for building in the tract, the upkeep thereof, and the collection and expenditure of funds for the following purposes:

- a) Lighting and improving and maintaining gateways, fences and ornamental features, streets, parks, rear driveways and easements and other open areas, maintained for the general use of owners of property shown on said Maps, including all trees, grass plots, and planted areas within the lines of such streets, community club house, the erection of which is hereby expressly made an exception to the restrictions for dwelling houses, tennis courts and play grounds.
- b) Caring for vacant or unimproved lots, removing grass and weeds therefrom and any other things necessary or desirable to keep the property neat and in good order.
- c) Expense of any proceedings incident to the enforcement of the restrictions, conditions, covenants, charges and agreements contained in said Declarations and to the collection of the charges or assessments provided for therein.
- To do and perform any and all others acts which may be either necessary for, or proper or incidental to, the exercise of the foregoing powers.

Article III

All activities of this corporation shall be non-profitable in character and shall be limited to activities necessary or desirable in the interest and welfare of all its members. This corporation does not contemplate pecuniary gain, profits or dividends to the members thereof, and is not authorized to issue shares of stock.

Article IV

That the principal office for the transaction of the business of this Corporation shall be in the City and County of San Francisco.

Article V

That names and addresses of the persons who are to act in the capacity of directors of this Corporation until the election of their successors are:

1.		
2.		
3.		
4.		
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9		

That the number of persons above named shall constitute the number of directors of this Corporation until changed by an amendment to these Articles of Incorporation or by a duly adopted by-law of this Corporation, for which authority is hereby given.

The Board of Directors shall have the power, and it shall be their duty to control the affairs and business of this Corporation subject to the provisions and limitations prescribed by these Articles of Incorporation and the by-laws of this Corporation.

Article VI

- 1. Membership in this Corporation shall consist of ownership of dwelling houses and residential building lots in those certain tracts known as Lakeside Unit No. 2 and Lakeside Unit No. 3 heretofore described.
- Provided that membership in this Association may be extended to adjacent or contiguous tracts upon the approval of the Board of Directors and the vote of two-thirds of the membership of the Association.
- The members of this Corporation shall be the owners of the record legal title to one or more building sites for dwelling houses in said tracts except such owners as shall have entered into contracts of sale; and in such event, the memberships of such vendors shall automatically pass to the purchasers under said contracts when ever the Secretary is notified in writing by either the vendors or vendees of the existence of said contract; provided, further, that if any of said purchasers shall subsequently assign or resell their respective rights to purchase under their contracts, then the memberships of such purchasers shall automatically pass to the assignees or vendees of said purchasers upon similar notification to the Secretary of their respective assignments of sub-contracts, of purchase, and in such event the membership of such assignors or vendors who hold membership by virtue of any such contract, assignment or sub-contract, shall automatically pass to the last purchaser under such contract, assignment or sub-contract. Memberships acquired by purchasers or their assignees or subvendees as hereinabove set forth, shall automatically lapse, and re-invest in the original owner or original purchaser, as the case may be, upon written notification to the Secretary of the forfeiture of rights under said contracts, assignments of contracts or subcontracts, respectively. Contract holders shall establish their right to membership to the satisfaction of the Secretary of this Corporation. Provided, however, that membership in the Corporation shall be appurtenant to the building sites within said tracts to which such member holds legal title or contractual rights as aforesaid, and provided, further, however, that the Declarants in those certain Declarations hereinbefore described shall not be entitled to membership in such Corporation by virtue of ownership of any unsold lot or lots in said tracts.

Membership in the Corporation shall lapse and cease upon the transfer of record of the legal title of the member's building site, or, if the member holds the legal title to more than one such building site, then upon the transfer of record of the legal title to all his building sites, or, if the member does not hold the legal title to any building site, then upon such member ceasing to be a holder of a contract, sub-contract or assignment of contract for the purchase of any such building site. A member holding the legal title of record, contract of sale, assignment of contract or sub-contract to more than one building site, may transfer membership with each building site transferred. When a building site is owned in joint tenancy or tenancy in common, the membership as to such building site shall be joint and the rights of such membership shall be exercised only by the joint action of all owners of such building site, provided, however, that at any meeting of the members of the Corporation the vote to which the appurtenant membership entitles such owners in joint tenancy or tenancy in common may be cast by any one of said joint tenants or tenants in common in behalf of both or all, unless objection is

made by others entitled thereto, in which case no vote shall be counted for said membership until all entitled thereto agree as to how and by whom it shall be cast.

The membership fee shall constitute the maintenance charge or assessment provided for in Section XI of said Declaration provided, however, that the Association upon recommendation of the Board of Directors and a two-thirds vote of the membership may levy and collect additional assessments for purposes connected with the objects of this Association.

Each member of the Corporation shall have such a property interest in the Corporation as is represented by the ratio of the number of votes to which each member is entitled to the total number of pieces, parcels or lots of said tracts which are permitted by the restrictions applicable thereto to be used as sites for dwelling houses, provided, however, that such interest is and shall be appurtenant to the building sites within the said tracts of land to which such member holds legal title of record or contractual rights.

5 At all corporate meetings each member, either in person or by proxy shall be entitled to as many votes as there are building sites to which such member holds the legal title of record or contractual rights as set forth in sub-division three of this Article, provided that each member of the corporation shall have at least one vote, except that the Declarants in said Declarations shall not be entitled to any vote by virtue of ownership of any unsold lot or lots in either of said tracts. The votes of the memberships held by two or more joint tenants or tenants in common in behalf of both or all, unless objection is made by the others entitled thereto, in which case no vote shall be counted for said membership until all entitled thereto agree as to how or by whom it shall be cast. All proxies shall be in writing and filed with the Secretary.

Article VII

That the By-Laws of this Corporation shall be adopted by a vote of two-thirds of the membership and may thereafter be amended or repealed or any By-Laws may be adopted at any meeting of the members by a vote of two-thirds of the membership, or by the Board of Directors, when thereunto authorized at any meeting of the members by a vote of two-thirds of the membership, or by the written assent of two-thirds of the membership.

hands this	day of	1941.

In witness whereof we have hereunto subscribed our

BY-LAWS

Article 1. Membership and Dues

A building site for the purpose of the Articles of Incorporation and these By-Laws shall be either a lot as shown on any of the hereinafter described maps which are now on file in the office of the County Recorder of the City and County of San Francisco, or any resubdivision or combination of any such lot or lots permitted by the restrictions applicable thereto and thereby allowed to be used as a site for a dwelling house. The said maps are filed in the office of the County Recorder of the City and County of San Francisco and the said tracts of land are described as follows, to wit:

Lakeside Unit No. 2 in San Francisco, California, filed in the office of the County Recorder of the City and County of San Francisco, State of California, on the Map of Sub-Division No., 2, Lakeside, San Francisco, California, filed July 11, 1939, in liber "N" of Maps at pages 75 to 79 inclusive.

Lakeside Unit No. 3 in San Francisco, California, filed in the office of the County Recorder, of the City and County of San Francisco, State of California, on the Map filed in the office of the County Recorder of the City and County of San Francisco, State of California, on August 28, 1940, in liber "O" maps at pages 11, 12 and 13.

Membership and dues shall be as prescribed in paragraph three, Article VI, of the Articles of Incorporation.

Article II. Corporate Powers

The Corporate powers of this Corporation shall be vested in a Board of nine Directors, who shall be members of this Corporation and five shall constitute a quorum for the transaction of business.

Article III. Election and Removal of Directors

The Directors shall be elected by ballot at the Annual Meeting of the members and their terms of office shall be as follows:

At the first Annual Meeting of the members nine Directors shall be elected who, after such election, shall draw lots so that three Directors shall serve for a term of one year, three Directors shall serve for a term of two years and three Directors shall serve for a term of three years. Upon the expiration of the term of each group of three their successors shall be chosen and serve for a term of three years. The Board of Directors as a whole, or a member or members thereof, may be removed upon the vote of two thirds of the membership at any Annual or special meeting of the members.

Article IV. Vacancies

Vacancies in the Board of Directors shall be filled by the remaining Directors when assembled as a Board, and such appointees shall hold office until the first Annual Meeting of the members thereafter and until their successors are elected and shall have accepted office.

Article V. Powers of Directors

The Directors shall have power:

1st. To call special meetings of the members whenever they deem it necessary. The President shall call a special meeting of members upon the written request, addressed to the President, of five percent of the membership. Notice of such meeting shall in the manner hereinafter provided for giving notice of the annual meeting of members, be given five days after receipt by the President of such request; and shall be held within not less than five days and not more than twenty days from the date the notice thereof is given.

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- 2nd. To appoint and remove at pleasure all officers, agents and employees of the Corporation, prescribe their duties, fix their compensation, and require from them security for faithful service.
- 3rd. To conduct, manage and control the affairs and business of the Corporation, and to make rules and regulations not inconsistent with the laws of the State of California or the By-Laws of the Corporation for the guidance of the officers and management of the affairs of the Corporation. The Directors shall not exercise the powers accruing under paragraph two, Article Two of the Articles of Incorporation except upon consent of two-thirds of the membership of such corporation, but may incur indebtedness to carry on the usual and ordinary affairs and functions of this Corporation.

Article VI. Duties of Directors

It shall be the duties of the Directors:

- 1st. To cause to be kept a complete record of all their minutes and acts and of the proceedings of the members, and present a full statement at the regular Annual Meeting of the members, showing in detail the assets and liabilities of the Corporation, and generally the condition of affairs. A similar statement shall be presented at any other meeting of the members when required by persons holding of record the legal title or holding contractual rights as set forth in paragraph three of Article VI of the Articles of Incorporation, to at least one-half of the said building sites.
- 2nd. To exercise the powers and perform the duties conferred upon the Association by those certain Declarations mentioned in the Articles of Incorporation.

Article VII. Officers

The officers shall be a President, Vice-President, Secretary and Treasurer, which officers shall be elected by and hold office at the pleasure of the Board of Directors. The compensation and tenure of office of all the officers of the Corporation (other than Directors) shall be fixed and determined by the Board of Directors. All officers of the Corporation (other than the Directors) may be appointed and elected by the Board of Directors by motion duly seconded and carried, or by resolution of the Board of Directors. The offices of Secretary and Treasurer may be held by the same person.

Article VIII. President

The Board of Directors shall, at their first regular meeting after the Annual Meeting of members, elect one of their number to act as President. If at any time the President shall be unable to act, the Vice-President shall take his place and perform his duties; and, if the Vice-President, from any cause, shall be unable to act, the Board of Directors shall appoint some other member of their Board to act, in whom shall be vested for the time being all the duties and functions of the office of President.

The President shall:

- 1st. Preside over all meetings of the members and Directors.
- 2nd. Appoint such committees as he deems necessary.
- 3rd. Shall cause to be conducted an audit of the Treasurer's books annual by an accountant, other than a member; and cause a copy of his report to be mailed to each member with a notice of the annual meeting.
- 4th. Have such powers as may be conferred upon him by the Board of Directors.

Article IX. Secretary

The Board of Directors shall elect a Secretary.

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- 1st. It shall be the duty of the Secretary to keep a record of the proceedings of the Board of Directors and of the members.
- 2nd. He shall keep the corporate seal of the Corporation, and he shall affix said corporate seal to all papers requiring a seal.
- 3rd. The Secretary shall serve all notices required, either by law or the By-Laws of the Corporation, and in case of his absence, inability, refusal or neglect so to do, then such notices may be served by any person hereunto directed by the President or Vice-President of the Corporation.
- 4th. He shall keep an accurate record of the names and addresses of the members.

Article X. Treasurer

The Treasurer shall receive and deposit inn such bank or banks, as the Board of Directors may direct, all the funds of the Corporation, subject to the check of such officers as the Board of Directors shall designate, and shall keep proper books reflecting the financial transactions of the Association.

Article XI. Books and Papers

The books and such papers as may be placed on file by vote of the members or Directors shall, at all times in business hours, be subject to the inspection of the Board of Directors or of any member.

Article XII. Transfer of Membership

Membership in the Corporation shall be transferred by the transfer of the record legal title to all or part of the member's building sites or by the sale on a contract of purchase, assignment or subcontract as set forth in paragraph three of Article VI of the Articles of Incorporation, of all or part of the member's building sites. Upon satisfactory evidence of such transfer or by written notification to the Secretary of such sale or contract of purchase, assignment or sub-contract as provided in paragraph three of Article VI of the Articles of Incorporation, and to the satisfaction of the Secretary the membership of the transferor shall be marked cancelled on the books of the Corporation as to the building site transferred.

Article XIII. Meetings

The Annual Meeting of the members shall be held in the City and County of San Francisco in February of each year, and shall be called by the Board of Directors and notice thereof in writing shall be mailed to each member at his last known address, or if not known, to San Francisco; such notice to be deposited in the United States Post office at San Francisco at least twn days preceding the date of meeting, and postage thereon must be prepaid.

Special meetings of the members called by the Board of Directors, shall be held after five days' notice given in accordance with the provisions of the foregoing paragraph.

A representative group of those members in good standing in attendance shall constitute a quorum.

At such Annual Meeting of the members, Directors shall be elected as heretofore provided. If, however, for want of a quorum or other cause, a members' meeting shall not be held on the day above named, or should the members fail to complete their elections, or such other business as may be presented for their consideration, those present may adjourn from day to day until the same shall be accomplished.

Regular meetings of the Directors shall be held on the second Monday of each month, at the office of the association, at eight o'clock p.m. provided that the Board of Directors may change, by resolution, the day and place of holding the regular meeting. No notice of the regular meetings of the Board of Directors need be given.

The President, or any two of the Directors, may call special meetings of the Directors at any time, and notice shall be given of such called meeting by depositing in the United States Post Office of San Francisco, California, a written or printed notice thereof, with the postage thereon prepaid, addressed to each director at the last address left with the Secretary, at least three days before the time of the meeting, or by serving personally such notice on each Director one day before such meeting. Such service of notice shall be entered on the minutes of the corporation, and the said minutes, upon being read and approved at a subsequent meeting of the Board, shall be conclusive upon the question of service.

Notice specified in the Article for members need be given only to members appearing as such on the books of the Corporation.

Article XIV. Endoresements

This Association shall not endorse any political candidate or political party.

Article XV. Seal

Seal

The corporation shall have a common seal, consisting of a circle, having conveniently arranged on said seal the words, "LAKESIDE PROPERTY OWNERS ASSOCIATION, SAN FRANCISCO, CALIFORNIA, INCORPORATED."

DECLARATION OF EASEMENTS, RESTRICTIONS, CONDITIONS, COVENANTS, CHARGES AND AGREEMENTS

Affecting Real Property known as LAKESIDE, UNIT No. 2 and LAKESIDE UNIT No. 3 in San Francisco, California.

In those few instances where the provisions respecting LAKESIDE No. 2 and LAKESIDE No. 3 are not identical the variation respecting LAKESIDE No. 3 is set forth in the proper place in italics.

DECLARATION of EASEMENTS, RESTRICTIONS, CONDITIONS, COVENANTS, CHARGES and AGREEMENT AFFECTING REAL PROPERTY KNOWN AS LAKESIDE UNIT No. 2 and LAKESIDE UNIT No. 3 SITUATED IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.

DECLARATION made and dated the 10th day of January, 1939 by HENRY STONESON and HAZEL STONESON, his wife, ELLIS STONESON and BERTHA K. STONESON, his wife.

DECLARATION made and dated the 30th day of August, 1940, by HENRY STONESON, a widower, ELLIS L. STONESON and BERTHA K. STONESON, his wife.

WHEREAS said HENRY STONESON and ELLIS L. STONESON are the owners of a certain tract of land in the City and County of San Francisco, State of California, which is more fully described in that certain deed from Spring Valley Company, Ltd., dated July 1st, 1937, and recorded in the office of the County Recorder of the City and County of San Francisco, State of California in Liber 3217 of official records at page 353; and

WHEREAS, a map of said tract of land to be entitled "Map of Subdivision No. 2, Lakeside, is to be filed in the office of the County Recorder of the said City and County of San Francisco; and

WHEREAS said HENRY STONESON and ELLIS L. STONESON are the owners of a certain tract of land in the City and County of San Francisco, State of California, which is more fully described in that certain deed from Spring Valley Company, Ltd., dated the 5th day of July, 1940, and recorded in the office of the County Recorder of the City and County of San Francisco, State of California in Book 3549 official records at page 235; and

WHEREAS, a map of said tract of land entitled "Map of Subdivision No. 3, Lakeside" was filed in the office of the County Recorder of the said City and County of San Francisco on August 28, 1940, in Liber of Maps, pages, 11, 12, and 13; and

WHEREAS, said HENRY STONESON and ELLIS L. STONESON are about to subdivide and sell the property in said tract which they desire to subject to certain conditions, restrictions, covenants, charges and agreements between them and the purchasers of said property as hereinafter set forth pursuant to a general plan or scheme of improvement.

NOW, THEREFORE said HENRY STONESON AND ELLIS L. STONESON declare that the property in said tract, to be shown on said map of Subdivision No. 2 and Subdivision No. 3, Lakeside, is held and shall be sold, conveyed, leased, occupied and hypothecated subject to the following easements, restrictions, conditions, covenants and agreements between themselves and the purchasers of said property and their heirs, successors and assigns as hereinafter set forth:

I. Duration of Restrictions

All of the Easements, restrictions, conditions, covenants, charges and agreements set forth in this Declaration shall affect all and each of the lots or any portion thereof to be delineated on said map, except as otherwise provided, and shall run with the land and shall be binding on all of the parties owning said land, or any part thereof and all persons claiming under them until January 1st, 2035, at which time said covenants and restrictions shall terminate, provided, however, that all of said covenants and restrictions or any of them may be continued in effect after said last mentioned date by agreement of the owners of two-thirds of the area in said tract.

II. Prohibition of Nuisances

There shall never at any time be erected, permitted, maintained or carried on upon said property, any place for the manufacture or sale of malt, vinous or spirituous liquor, any foundry, blacksmith shop, bakery, or manufactory of any kind, any undertaking establishment, crematory, hospital, clinic, dispensary, sanitarium, asylum or institution of like or kindred nature, any place of public resort, any cattle yard, dog kennels, slaughter house, hogpen, any stable of any kind, any public garage, or repair shop, any carpet-beating plant, dyeing or cleaning works, tannery or public laundry, or school for the teaching of wind instruments, nor any noxious thing or noxious trade, or noxious business or use of the property whatsoever, nor shall any cattle, horses, mules, hogs, goats or other live stock or bees be kept, permitted or maintained upon the said property.

III. Residence Restrictions

All lots in said tract shall be known and described as residential lots. No structure shall be erected on any lot other than one detached single family dwelling with one or two car garage and appurtenant out-buildings, provided however, that except on the following described portion of said tract, to-wit:

Beginning at the intersection of the Westerly line of Junipero Serra Boulevard, with the Southwesterly line of Ocean Avenue, thence South 2 deg 37' 05" West along said Westerly line 55.756 feet and North 87 deg 22' 55" West at right angles thereto, 45.5 feet to the true point of beginning; beginning South 2 deg 37' 05" West and parallel with said Westerly line of Junipero Serra Boulevard, 94.756 feet; thence North 87 deg 22' 55" West at right angles thereto, 106.115 feet, thence Northwesterly along the arc of a curve to the left, whose center bears South 61deg 01' 40" West 75 feet from the last named point and whose central angle is 32 deg 05' 57" a distance of 42.018 feet; thence North 0 deg 51' 51" East 103.821 feet, thence South 89 deg 08' 09" East at right angles thereto, 98.756 feet; thence Southeasterly along the arc of a curve to the right tangent to the preceding course with a radius of 40 feet, and a central angle of 91deg 45' 14", a distance of 64.056 feet to the true point of beginning, there may be erected one or more multiple family dwellings, not to exceed three (3) stores in height, and subject to all of the covenants and restrictions herein contained, except as otherwise provided. Also subject to all provisions of the San Francisco Zoning Ordinances. No trailer, basement tent, shack, garage, barn or other outbuilding erected in the tract shall at any time be used as a residence temporarily or permanently, nor shall any residence of a temporary character be permitted

All lots in said tract shall be known and described as residential lots. No structure shall be erected on any lot other than one detached single family dwelling with one or two car garage and appurtenant out-buildings. No trailer, basement tent, shack, garage, barn or other out-building erected in the tract shall any any time be used as a residence temporarily or permanently, nor shall any residence of a temporary character be permitted.

IV. Signs, etc

The name and profession of any professional man or woman of the Medical profession may be displayed upon any building in said tract owned or occupied by said professional man or woman, with the understanding, however, and upon the condition that the size, place and character of said

sign must first be submitted to and approved by said HENRY STONESON and ELLIS L. STONESON, their successors or assigns, before the same is displayed upon any portion of said dwelling. There may also be displayed upon any lot, a sign not exceeding 20 x 24 inches, or a form and style approved by said HENRY STONESON and ELLIS L. STONESON, their successors or assigns, advertising the fact that said lot or the lot together with the house thereon, is for sale or to let or to lease.

No radio aerial or supports for a radio aerial shall be erected on any lot or upon any building in said tract of any unsightly nature, or unless drawings showing the location, size, design and material of the proposed erection shall be first submitted to said HENRY STONESON and ELLIS L. STONESON, their successors or assigns and approved by them.

V. Restrictions of Fences

No fence or boundary wall situated anywhere upon any lot shall have a height greater than six (6) feet above the graded surface of the ground upon which such fence or wall is situated, nor shall any tight wall or tight fence situated within the set-back area of any dwelling house facing any front street have a height greater than four (4) fee above the graded surface of the ground upon which such fence or wall is situated.

VI. Approval of Plans

No building shall be erected on any lot or moved onto any lot until the design and location thereof have been approved in writing by HENRY STONESON and ELLIS L. STONESON or by a Committee appointed by the Declarants, their successors or assigns, but in the event of the failure of said Declarants to appoint such Committee elected by the owners of a majority of lots in said subdivision, provided, however, that in the event that such Committee is not in existence fails to approve or disapprove such design or location within thirty (30) days after such submission to it of such design or location, then such approval shall not be required, provided that the design and location on the lot conform to and are in harmony with existing structures in the tract. In any case either with or without the approval of the Committee, the buildings erected or moved upon any lot in said tract shall be subject to, all of the covenants and restrictions herein provided for.

VII. Setback of Buildings: Building Area

No dwelling or other structure except portion excepted in Paragraph III shall be constructed on any lot nearer to the front street line than the set-back line shown on said Map of said Tract, nor shall any dwelling house or other structure be moved or placed upon any lot nearer than three (3) feet to the side line of said lot, provided, however, that said side line restriction shall not apply to a garage located on the rear one-half of any lot and provided further, that upon any corner lot any building or other structure may be erected within less than three (3) feet of the side street line or up to the side Street line in whole or in part, upon obtaining the written consent thereto of HENRY STONESON and ELLIS L. STONESON, their successors or assigns. For the purpose of the foregoing restriction all projections (except eaves and gutters) from any such dwelling house or other structure such as bay windows and fire place chimneys shall be considered part of such dwelling house or structure.

No dwelling having less than a ground floor area of 1,200 square feet in the case of a one-story dwelling, or 800 square feet in the case of a one and one-half or two-story dwelling, exclusive of porches, terraces, etc., shall be erected or constructed on any lot or building site. On all double frontage lots, or building sites fronting or abutting on Rossmoor Drive, Elmhurst Drive and Stonecrest Drive the frontage on these streets is designated as the front lot line and dwellings erected or constructed on said lots or building sites shall front toward the front lot line, except the property described in the Paragraph III herein, may front on Eucalyptus Drive or Junipero Serra Boulevard.

No dwelling having less than a ground floor area of 1,000 square feet in the case of a one story dwelling, or 700 square feet in the case of a one and one-half or two story dwelling, exclusive of porches, terraces, etc., shall be erected or constructed on any lot or building site. On all double frontage lots or building sites fronting or abutting on Denslowe Drive, the frontage on this street is designated as the front lot line and dwellings erected or constructed on said lots or building sites shall front toward the front lot line.

No lot shall be subdivided into building plats having less than 3,000 square feet of area, or a frontage of less than 35 feet each, excepting lots in Block 7244.

No lot shall be subdivided except the portion excepted in Paragraph III, into building plats having less than 3,300 square feet of area or a frontage of less than 35 feet each provided, however that in Block 7231, 7232 and 7233 as shown on said map no such dwelling house or other structure shall be erected on any lot of less than forty (40) feet frontage.

VIII. Cost of Improvement

No dwelling house shall be erected on Block 7231, 7232 or 7233, as shown on said map, the construction of which shall cost less than six thousand and 00/100 (\$6,000.00) Dollars, and no dwelling house or other structure shall be erected upon any lot in Blocks 7229, 7230, 7234, 7235 or 7236 as shown on said map, the construction of which shall cost less than six thousand and 00/100 (\$6,000.00) Dollars. The cost of construction as herein referred to shall be the cost to the owner of the lot on which the dwelling house is constructed.

No dwelling house shall be erected on any lot or portion thereof, the construction of which shall cost less than four thousand and 00/100 (\$4,000.00) Dollars.

IX. Rights of Way

There is hereby reserved, a perpetual easement over the rear seven and one-half (71/2) feet of each lot as subdivided and sold by the Declarants hereunder in Block 7232, 7233, 7234, and 7235, as shown on said map, for utility installation, maintenance and driveway and no dwelling house or other structure shall be built upon the area covered by such easement. There are also hereby reserved all easements shown on said map to be filed as aforesaid.

There is hereby reserved all easements shown on said map to be filed as aforesaid.

X. (deleted)

XI. Provision for Upkeep

Each lot in said Tract shall be subject to an annual charge or assessment of sixty-eight and 00/100 (\$68.00) Dollars which shall constitute a lien against such lot on the first day of January of each year; such charge shall be payable in one payment and past due as of June 30th of that same year. The lien hereby created shall be subordinate to the lien of any mortgage or deed of trust against such lot, existing prior to the time such lien attaches. The term "lot" as used with reference to said charge refers to an individual building lot sold or transferred by Declarants, or their successors or assigns, pursuant to Declarants' aforesaid intention and purpose to subdivide said tract; said charge shall be effective against each such lot, whether or not a building has been erected thereon and regardless of the square foot area of such lot, provided, however, that no part of said tract of land shown on said map used for streets, parks now or hereafter open, laid out or established upon space maintained for the general use of owners of property shown on said map or land taken or sold for public improvement or uses shall be subject to said charge provided further that no part of the area in said tract owned by Declarants shall be subject to said charge, unless and until such part has been subdivided into individual building lots and sold except that any individual lot, the ownership or which Declarants or either of them shall retain, and upon which

a dwelling house shall be erected shall be subject to said charge upon the completion of such dwelling house. Any individual building lot sold for the first time as such by Declarants, their successors or assigns, shall become subject to, a pro-rata proportion of said charge for the balance of the year in which such sale is made, probation to be computed from date of execution of the Deed conveying such lot, such pro-rata charge shall, if not paid, be added to the annual charge accrued on the first day of the next succeeding year and shall constitute a lien against such lot as above provided; payment of the annual charge above provided for shall be made to said HENRY STONESON and ELLIS L. STONESON, their successor or assigns to be held and expended for the purposes hereinafter specified, and said HENRY STONESON and ELLIS L. STONESON, their successors and assigns are authorized and empowered to take all necessary and proper steps to enforce collection of said charge.

Every purchaser of a lot in said Tract shall by acceptance of a Deed thereto or by signing of a contract for the purchase thereof become personally liable for the payment of said charge and shall by such act be deemed to have vested in said HENRY STONESON and ELLIS L. STONESON, their successors and assigns, power and authority to enforce collection of said charge and to enforce said liens.

The funds collected by said HENRY STONESON and ELLIS L. STONESON, their successors and assigns pursuant to the foregoing provisions shall be expended for the following purposes:

- a) Lighting and improving and maintaining gateways, fences and ornamental features, streets, parks, rear driveway and easements and other open areas, maintained for the general use of owners of property shown on said Map, including all trees, grass plots, and planted area within the lines of such streets, community club house, the erection of which is hereby expressly made an exception to the restrictions for dwelling-houses, tennis courts, and playgrounds;
- b) Caring for vacant or unimproved lots, removing grass and weeks therefrom and any other things necessary or desirable to keep the property neat and in good order;
- c) Expense of any proceedings incident to the enforcement of the restrictions, conditions, covenants charges and agreements contained in this Declaration and to the collection of the charges or assessments provided for in this clause;

HENRY STONESON and ELLIS L. STONESON agree that the money so collected shall be applied to the purposes mentioned, and they shall not be obligated to carry out any of said purposes, except to the extent possible from the money collected.

XII. Violation of Restrictions. Right to Enforce

If the parties hereto or any of them, or their heirs, successors or assigns, shall violate or attempt to violate any of the covenants or restrictions herein contained, while said covenants and restrictions remain in effect, it shall be lawful for any other person or persons owning any other lots in said Tract to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate such covenants, restrictions and either to prevent him or them from so doing or to recover damages for such violation.

XIII. Validity of Covenants and Restrictions

The invalidity of any of the covenants and restrictions herein contained, whether such invalidity be established by Judgment or Court order or otherwise shall in no way affect any of the other covenants or restrictions herein contained.

XIV. Consent by Purchasers

All purchasers of property shown on said map by the acceptance of deeds therefor, whether from HENRY STONESON and ELLIS L. STONESON; or subsequent owners of such property on the signing of contracts or agreements to purchase the same, shall thereby and by said act assent and agree to all of the provisions and covenants of this Declaration and covenant and agree to be bound by and keep and perform the same, and shall be personally obligated to pay the charges or assessments hereinbefore provided for, and shall thereby consent to the formation of the association mentioned in Paragraph XVI hereof, and shall thereby agree to be and remain members of such association so long as they shall hold an interest as aforesaid in any lot or portion thereof shown on said map.

XV. Mortgages

None of the provisions of this Declaration and of these restrictions shall supersede or in any way reduce the security nor affect the validity of any mortgage or deed of trust covering real property shown on said map, but is distinctly understood and agreed that if any portion of said property is sold under a foreclosure of any mortgages or under the provisions of any deed of trust, any purchaser or purchasers under sales made by reason of the foreclosure of mortgages or by reason of the failure to pay debts due under deeds of trust shall hold any and all property so purchased at said sales subject to all of the conditions of this Declaration.

XVI. Formation of Association: Powers

All of the powers and duties herein conferred and imposed upon said HENRY STONESON and ELLIS L. STONESON with respect to the collection and expenditure of funds and the appointments of a Committee to approve plans, shall pass to and be conferred and imposed upon such association or corporation as may hereafter be formed with authority to assume such powers and duties by Agreement of the owners of two-thirds of the area contained in said tract.

Said powers and duties shall pass to such association or corporation immediately upon its formation and said HENRY STONESON and ELLIS L. STONESON, or their successors or assigns will forthwith pay over to such association or corporation all funds held by them hereunder. Such association or corporation shall in turn assume all undischarged debts and obligations incurred by said HENRY STONESON and ELLIS L. STONESON for purposes specified in Paragraph XI above.

Nothing herein contained shall prevent HENRY STONESON and ELLIS L. STONESON from at any time prior to formation of such association or corporation, assigning such powers and duties to any other person or corporation and thereby relieving themselves of all obligations for the exercise of those powers or the performance of those duties.

IN WITNESS WHEREOF, we have hereunto set our hands this 10th day of January, 1939.

(signed) HENRY STONESON (signed) HAZEL STONESON (signed) ELLIS L. STONESON (signed) BERTHA K. STONESON

STATE OF CALIFORNIA, City and County of San Francisco-ss

On the 17th day of January, in the year one thousand nine hundred and thirty-nine, before me, Edward H. Reed, a Notary Public, in and for the City and County of San Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared Henry Stoneson and Hazel Stoneson (his wife) and Ellis L. Stoneson and Bertha Stoneson (his wife) known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my Official Seal, at my office in the City and County of San Francisco, State of California, the day and year in this Certificate first above written (Seal)

Edward H. Reed, Notary Public In and for the City and County of San Francisco, State of California.

Recorded in the office of the County Recorder of the City and County of San Francisco, State of California, on January 17, 1939 in Liber 3402 Official Records at page 142.

The undersigned, each of whom has an interest in the real property affected by the foregoing declaration, do hereby consent and agree to each of the covenants and restrictions in said Declaration contained, and do agree that said real property and their interest therein shall be subject to each of said covenants and restrictions in said Declaration contained, and do agree that said real property and their interest therein shall be subject to each of said covenants and restrictions, except that their interest therein shall not be subject to the charges provided for in Paragraph XI of said Declaration.

(signed) WELLS FARGO BANK & UNION TRUST CO.

By F. J. Brickwedel, Vice President Grover Grady, Assistant Trust Officer

(signed) SPRING VALLEY COMPANY, LTD.

By S. P. Eastman, President

F. S. Markey, Secretary

(signed) THE SAN FRANCISCO BANK

by Parker Maddux President

H. Herzer, Secretary

STATE OF CALIFORNIA, City and County of San Francisco.

On this 7th day of January in the year ONE THOUSAND NINE HUNDRED and THIRTY-NINE, before me EDWARD H. REED, a Notary Public, in and for the City and County of San Francisco, State of California, residing therein, duly commissioned and aworn, personally appeared F. J. Brickwedel known to me to be the Vice President and Grover Grady known to me to be the Assistant Trust officer of the corporation described in and that executed the within instrument, and also known to me to be the persons who executed it on behalf of the corporation therein named, and they and each of them acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in the City and County of San Francisco, the day and year in this certificate first above written.

Edward H. Reed, Notary Public in and for the City and County of San Francisco, State of California.

STATE OF CALIFORNIA

City and County of San Francisco

On this 17th day of January in the year ONE THOUSAND NINE HUNDRED AND THIRTY-NINE, before me, Edward H. Reed, a Notary Public, in and for the City and County of San Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared S. P. Eastman known to me to be the president and F. S. Markey known to me to be the Secretary of the corporation described in and that executed the within instrument, and also known to me to be the persons who executed it on behalf of the corporation therein named, and they and each of them acknowledged to me that such corporation executed the same.