

**FIRST AMENDMENT
TO
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
LAKE FOREST-WATERFORD**

This First Amendment to Declaration of Covenants, Conditions and Restrictions for Lake Forest-Waterford (the "First Amendment") is executed by the Lake Forest-Waterford Owners Association, a California nonprofit mutual benefit corporation (the "Association").

RECITALS

A. An instrument entitled Declaration of Covenants, Conditions and Restrictions for Lake Forest-Waterford was recorded on August 23, 1999, as Instrument No. 99-0053021-00, in the official records of El Dorado County, California (the "Declaration").

B. The Declaration encumbers the planned development located in the County of El Dorado, California, commonly known as Lake Forest-Waterford and more particularly described in the "Original Declaration" as that term is defined in Recital "A" of the Declaration (the "Property").

C. The Association is the community association formed to manage the Property and to enforce the provisions of the Declaration.

D. The Declarant, as that term is defined in Section 1.10 of the Declaration, is no longer a member of the Association.

E. Pursuant to Section 15.04 of the Declaration, this First Amendment must be approved by members holding at least a Majority of the Association's total voting power.

F. On May 28, 2003, the required approval of the members was obtained.

NOW, THEREFORE, upon the recordation of this First Amendment in the official records of El Dorado County, California, the Declaration shall be amended with respect to all property comprising the Property, as follows:

1. Residential Use. Section 8.01 of the Declaration shall be amended and restated in its entirety to read as follows:

Section 8.01. Residential Use. No Lot, nor any portion thereof shall be used for any purpose other than one single-family residence. No part of the Lake Forest - Waterford development shall be used or caused, allowed or authorized to be used in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending, mining, drilling or other such nonresidential purpose. No business or commercial activity of any type shall be conducted upon any Lot. Such activity includes, but is not limited to, sales of merchandise, antiques, or curios. No goods or wares, whether new or used, may be displayed for sale on any Lot where they are visible from any street, road or drive which provides access to any other dwelling or place. No yard sales or garage sales shall be conducted on any Lot, except one day per calendar year which the Board of Directors of the Association may designate as a community yard sale day for all Waterford Lots. During such a yard sale day all individual owners are permitted to conduct sales on their own lots.

2. **Variances.** Section 8.12 shall be added to the Declaration as follows:

Section 8.12. Variances. The Board of Directors may authorize variances from use restrictions when reasonably warranted by extraordinary circumstances, which circumstances shall be documented in detail in writing by the Board and signed by a majority of the Directors. If variances are granted, no violation of the Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance shall not operate to waive any of the terms and provisions of the Declaration for any purpose except as to the particular use covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all relevant governmental laws and regulations. In granting a variance the Board may require the recordation of an Agreement of Memorandum of the variance in the title to the requesting Owner's property as a condition precedent to the granting of the variance.

3. **Definitions.** Except as otherwise expressly provided herein, the capitalized terms in this First Amendment shall have the same meanings as defined in the Declaration.

4. **Effective Date.** This First Amendment has been executed to be effective upon its recordation in the official records of El Dorado County, California.

5. **Miscellaneous.** To the extent any provision of this First Amendment conflicts with any provision of the Declaration, the provision of this First Amendment shall prevail.

Except as amended by this First Amendment, the Declaration is confirmed and remains in full force and effect with respect to all property comprising the Property.

Dated: _____, 2003

LAKE FOREST-WATERFORD OWNERS ASSOCIATION,
a California nonprofit mutual benefit corporation

By: *Paul Raveling*
Paul Raveling President

By: *Christy M. Murphy*
Christy M. Murphy Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Sacramento } ss.

On August 20, 2003 before me, Jennifer Nealy Huntoon, Notary Public
Date Name and Title of Officer (e.g., Jane Doe, Notary Public)
personally appeared Christy M. Murphy
Name(s) of Signer(s)

personally known to me
 proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Jennifer Nealy Huntoon, Notary Public
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____

