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DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS, AND
RESERVATION OF EASEMENTS FOR
HASLEY HILLS

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- EXHIBIT "D" PROJECT WALLS - Phase 1

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS,
AND RESERVATION OF EASEMENTS FOR
HASLEY HILLS**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, AND RESERVATION OF EASEMENTS is made this 13th day of January, 2000, by KAUFMAN AND BROAD OF SOUTHERN CALIFORNIA, INC., a California corporation ("Declarant").

R E C I T A L S :

A. Declarant is the owner of that certain real property in the County of Los Angeles, State of California, more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference ("Phase 1").

B. Declarant is also the Owner of, or has an interest in, that certain real property located in the County of Los Angeles, State of California, more particularly described in Exhibit "B" attached hereto ("Annexation Property"), which may, from time to time, be annexed to and become a part of the Project, in accordance with the Article herein entitled "Annexation of Additional Property."

C. Declarant intends to create a "master planned community" (as defined in Section 2792.32 of Title 10 of the California Code of Regulations), which is also a common interest development as more particularly described in Section 1351(k) of the California Civil Code. The development of the Project shall be consistent with the overall plan of development submitted to and approved by the County, the Department of Real Estate of the State of California ("DRE") and the United States Department of Veterans' Affairs ("VA").

D. Declarant deems it desirable to impose a plan for the development, maintenance, improvement, protection, use, occupancy and enjoyment of the Project, and to establish, adopt and impose covenants, conditions and restrictions upon the Project for the purpose of enforcing, protecting and preserving the value, desirability and attractiveness of the Project.

E. Declarant has determined it desirable for the efficient enforcement, protection and preservation of the desirability and attractiveness of the Project to create a corporation, to which shall be delegated and assigned the powers of: (1) owning, maintaining, managing and operating the Common Area and Association Maintenance Areas; (2) administering and enforcing the covenants, conditions and restrictions set forth herein; and (3) collecting and disbursing the assessments and charges hereinafter created.

F. HASLEY HILLS HOMEOWNERS ASSOCIATION, a California nonprofit, mutual benefit corporation ("Association"), has been or will be incorporated under the laws of the State of California for the purpose of exercising the aforesaid powers.

G. Declarant intends to convey the Project, and any and all portions thereof, subject to the covenants, conditions and restrictions set forth hereinbelow.

NOW, THEREFORE, Declarant covenants, agrees and declares that it does hereby establish a general plan for the development, maintenance, care, improvement, protection, use, occupancy, management and enjoyment of the Project, and that all or any portion of the Project shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved, subject to the covenants, conditions, restrictions, limitations, easements and rights ("Protective Covenants") set forth herein, all of which are for the purpose of uniformly enhancing and protecting the attractiveness and desirability of the Project, in furtherance of said general plan for the maintenance, protection, subdivision, improvement and sale of the Project, or any portion(s) thereof. Each and all of the Protective Covenants are hereby imposed as equitable servitudes upon the Property, which shall run with and burden the Project and shall be binding upon all persons having any right, title or interest in the Project, or any portion thereof, their heirs, successors and assigns, and shall inure to the benefit of and be binding upon Declarant, its successors and assigns, all subsequent owners of all or any portion of the Project, together with their grantees, heirs, executors, administrators, devisees, successors and assigns.

ARTICLE 1

DEFINITIONS

In addition to the capitalized terms and phrases found elsewhere herein, the following terms and phrases shall have the following meanings whenever used in this Declaration.

1.1 "Annexation Property" shall mean and refer to that certain real property described in Exhibit "B" attached hereto, including all Improvements constructed thereon, all or any portion of which may be annexed to the Project and become subject to the terms of this Declaration.

1.2 "Architectural Control Committee" (or "ACC") shall mean and refer to the architectural committee created pursuant to the Article herein entitled "Architectural and Landscaping Control."

1.3 "Architectural Standards" shall mean and refer to Hasley Hills Architectural Standards as promulgated and adopted by the Board of Directors of the Association pursuant to the Article herein entitled "Architectural and Landscaping Control."