

DECLARATION OF COVENANTS AND
RESTRICTIONS ON REAL PROPERTY ON
SAN BRUNO MOUNTAIN

This Declaration of Restrictions imposes two separate sets of covenants and restrictions on certain real property. One set (Set One) is for the mutual benefit of all land within a certain tract of land. The other set (Set Two) is for the mutual benefit of all land within the San Bruno Mountain Area, as defined in the Agreement With Respect to the San Bruno Mountain Area Habitat Conservation Plan, adopted by the San Mateo County Board of Supervisors on October 19, 1982, by Resolution No. 43905, and adopted as amended on November 9, 1982, by Resolution No. 43988 (hereinafter "Agreement"). This Declaration shall be recorded by Landowners as provided in the Agreement.

I. Set One

WHEREAS, Standard Pacific Corp., a Delaware Corporation is the owner ("Owner") of the lands in the County of San Mateo, State of California, described in Exhibit "A" hereto, which exhibit is hereby incorporated herein by reference (which lands include both Conserved Habitat which is to be dedicated to the County and Development Areas, which are to be developed, as set forth in the Agreement) (hereinafter "Benefited Lands") which are within the San Bruno Mountain Area, and which constitute the dominant tenement. (Exhibit "A" does not include Conserved Habitat if the Landowner is not required to dedicate Conserved Habitat pursuant to the Agreement);

WHEREAS, the San Bruno Mountain Area Habitat Conservation Trust (the "Trust") is obligated to assist in the implementation of the San Bruno Mountain Area Habitat Conservation Plan adopted by the San Mateo County Board of Supervisors on September 14, 1982, as Resolution No. 43770, as provided in the Agreement, and has agreed to collect, accept, hold and pay the sums due hereunder to the County, as the Plan Operator under said Agreement, for the conservation of habitat within the Conserved Habitat of the San Bruno Mountain Area for the benefit of the Benefited Lands;

WHEREAS, it is the desire and intention of the Owner to convey the Benefited Lands described in Exhibit A and to impose on them mutual, beneficial restrictions under a general plan or scheme of improvement for the benefit of all the lands in the tract (including the Conserved Habitat described in Exhibit "A") and the future owners of those lands, which constitute the servient tenement;

NOW, THEREFORE, the Owner hereby declares that all of the Benefited Lands described in Exhibit A are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved subject to the limitations, restrictions and covenants set forth in Section III below, all of which are declared and agreed to be in furtherance of a plan for the subdivision, improvement and conveyance of the Benefited Lands and are established and agreed upon for the benefit of the land and for the purpose of enhancing and protecting the value, desirability and attractiveness of the lands and every part thereof. All of the limitations, restrictions and covenants shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in the described lands or any part thereof.

II. Set Two

WHEREAS, Standard Pacific Corp., a Delaware Corporation is the owner ("Owner") of the land in the County of San Mateo, State of California, described in Exhibit "A" attached hereto and incorporated herein by reference (hereinafter "Benefited Lands"), which land is within the San Bruno Mountain Area as shown on the map attached as Exhibit "B" hereto and incorporated herein by reference;

WHEREAS, portions of the San Bruno Mountain Area are presently owned or will be acquired by the County of San Mateo or the State of California for open space and habitat conservation purposes for the benefit of the Benefited Lands, the other lands within the San Bruno Mountain Area, and the public;

WHEREAS, the San Bruno Mountain Area Habitat Conservation Trust (the "Trust") is obligated to assist in the implementation of the San Bruno Mountain Area Habitat Conservation Plan, as provided in the "Agreement With Respect to the San Bruno Mountain Area Habitat Conservation Plan", dated March 4, 1983 among the parties listed in Exhibit "C" incorporated by reference (hereinafter the "Agreement"), and has agreed to collect, accept, hold and pay the sums due hereunder to the County, as the Plan Operator under said Agreement, for the conservation of habitat within the San Bruno Mountain Area for the benefit of the Benefited Lands, the other lands within the San Bruno Mountain Area, and the public;

WHEREAS, the parties to the Agreement, including the Owner herein and other owners of land within the San Bruno Mountain Area, have agreed that each Landowner with respect to each Developable Administrative Parcel, or portion thereof, shall record a covenant with respect to such Developable Administrative Parcel as provided in this Declaration of Covenants on real property on San Bruno Mountain;

WHEREAS, it is the desire and intention of the Owner to impose upon the Benefited Lands mutual, beneficial burdens and restrictions pursuant to a general plan or scheme of improvement as provided in the Agreement for the benefit of the Benefited Lands and the other lands within the San Bruno Mountain Area, including, but not limited to, lands owned by the parties to the Agreement and lands which are or were owned by Owner and which are or have been conveyed to the County or the State pursuant to the Agreement;

NOW, THEREFORE, for good consideration had and received, the Owner hereby declares and agrees that all of the Benefited Lands are burdened, held and shall be burdened and held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the covenants set forth in Section III below, all of which are declared and agreed to be in furtherance of a plan for the subdivision, improvement, protection, enhancement and conveyance of the Benefited Lands, the other lands in the San Bruno Mountain Area and the public and are established and agreed upon for the benefit of the Benefited Lands and the other lands in the San Bruno Mountain Area, including but not limited to lands owned by the parties to the Agreement and lands which are or were owned by Owner and which are or have been conveyed to the County or State pursuant to the Agreement, and for the purpose of enhancing and protecting the value, desirability and attractiveness of all the lands within the San Bruno Mountain Area and every part thereof. All of the covenants constitute mutual, equitable servitudes and shall run with the land and shall burden the Benefited Lands and every part thereof and shall benefit the Benefited Lands and the other lands within the San Bruno Mountain Area and the public and shall be binding on all those having or acquiring any right, title or interest in the Benefited Lands or any part thereof.

III. Covenants and Restrictions

1. Covenant for Payment of Assessments. The following assessments shall be paid to the Trust with respect to the Benefited Lands:

a. The owner of each subdivided Dwelling Unit within the Benefited Lands shall pay with respect to such Dwelling Unit to the Trust an annual assessment of Twenty Dollars (\$20.00), as adjusted pursuant to paragraph 2, in advance on or before November 10 of each year. For the purposes of this covenant, the term Dwelling Unit shall mean any house, condominium unit or other residential unit, whether occupied by one or more related or unrelated persons or groups of persons, and shall include in addition to the respective residence all appurtenant open space, landscaping and other lands and all parking, recreational and service facilities, structures and buildings of every kind and nature.

b. The private owner of each unit or subdivided lot within the Benefited Lands other than a unit or subdivided lot constituting a Dwelling Unit shall pay to the Trust, in advance, on or before November 10 of each year, an annual assessment determined as follows:

i. In the event that the primary use of the lot or unit is a building, then the annual assessment to be paid shall be the aggregate sum of Ten Dollars (\$10.00) multiplied by the total floor area of the buildings on the lot or unit divided by 1,000, as adjusted pursuant to paragraph 2. No further assessment shall be made with respect to open space, landscaping and other lands and parking, recreational and service facilities and structures appurtenant to such buildings.

ii. In the event that the primary use of the lot or unit is not a building (e.g., a radio antenna), then the annual assessment shall be an equitable sum reasonably determined by the Trust to be equivalent to the assessment required with respect to building uses as provided above and taking into account the impact of such uses on the Species of Concern and the Conserved Habitat, as adjusted pursuant to paragraph 2.

iii. Concurrently with or prior to the recordation of these covenants with respect to the Benefited Lands, the Trust shall reasonably determine the character of uses under this paragraph (b) and the amount of the assessment payable and shall deliver written notice to the respective landowner of its determination and shall record a copy of said notice in the official records of San Mateo County.

c. In the event of: (i) any change of use; or (ii) expansion of any non-Dwelling Unit use under paragraph (b), the owner of the respective lot or unit shall promptly notify the Trust in writing of such change or expansion and the assessments with respect to such lot or unit shall be amended to comply with paragraphs (a) and (b) above effective upon such change or expansion.

d. As used herein, the term "floor area" shall mean the sum of the gross horizontal areas of the several floors of a building measured from the exterior face of exterior walls, or from the centerline of a wall separating two buildings, but not including interior parking spaces, loading spaces for motor vehicles, or any space where the floor-to-ceiling height is less than six feet.

2. Adjustments in Annual Charge and Assessment. The amount of the annual assessment shall be adjusted annually by the Trust as follows:

a. The amounts stated in paragraphs 1 and 2 above are based on the value of the United States dollar on January 1, 1983.

b. The charge or assessment shall be adjusted annually by the Trust an amount reasonably and proportionately equivalent to the annual percentage change in the Employment Cost Index - West, or its successor, published by the U.S. Bureau of Labor Statistics, or its successor. If either the Index or the Bureau is discontinued without a successor being established, the Trust shall reasonably designate a substitute index which shall be reasonably used in like manner to determine the change in the value of the dollar from time to time.

c. The Trust shall notify the Owner of each Dwelling Unit or non-Dwelling Unit subject to the assessment of the amount of the assessment for the next succeeding year at least 30 days prior to the date the assessment is due.

3. Payments. Such charges or assessments shall be paid to the San Bruno Mountain Area Habitat Conservation Trust at:

San Bruno Mountain Area Habitat Conservation Trust
c/o San Mateo County Director of Environmental Management
County Government Center
Redwood City, CA 94063

or such other place within San Mateo County as may be set forth in written notice sent by the Trust to each respective owner pursuant to paragraph 4 below.

4. Notices. All notices to owners of Dwelling Units or non-Dwelling Units hereunder shall be in writing and shall be effective upon delivery to the unit or to the occupant thereof or 48 hours after deposit in the United States mail, postage paid, return receipt requested, addressed to "Owner" at the address of the unit, or to the address of the record owner of the land shown on the latest tax assessment role.

5. Commencement of Assessment. The assessment with respect to any unit shall commence on the transfer of title from Owner to the purchaser of such unit, with the assessment for the part year following the transfer of title being prorated and payable upon the transfer of title.

6. Delinquent Assessments. Any assessment not paid within 30 days of the date due shall bear interest until paid, at the maximum rate permitted by law and shall constitute a lien upon the unit or lot in favor and to the benefit of the Trust. In addition to amounts due with respect to any assessment and interest, the Trust shall be entitled to receive, and the unit Owner shall pay to the Trust, all costs, expenses and fees, including but not limited to attorneys' fees, collection fees and court costs incurred by the Trust in the collection of any delinquent assessment and interest.

7. Reference in Conveyances. Every conveyance of an interest in or with respect to the Benefited Lands should contain the following provision:

This conveyance is subject to the Declaration of Covenants and Restrictions on Real Property on San Bruno Mountain dated _____ and recorded on _____ in the Official Records of San Mateo County.

8. Termination. Any or all of the provisions of this Declaration may be terminated, annulled or voided only with (1) the written, recorded consent of all of the following: the County of San Mateo, the San Bruno Mountain Area Habitat Conservation Trust, the California Department of Fish and Game, the United States Fish and Wildlife Service, and the owners of at least 75% of Benefited Lands, and (2) written, recorded findings made by the U.S. Fish and Wildlife Service, based on a biological study, that such termination, annulment or avoidance does not conflict with the primary purpose of the Agreement.

9. Alternative Provisions. The provisions for annual charges and assessments provided for herein shall not become due or payable for any period during which annual charges or assessments pursuant to the "Agreement" are made and levied by the funding source (other than by the Trust under this Declaration) upon each of the Units or lots which would otherwise be obligated for the annual assessments and charges provided for herein.

10. Exoneration of Owner. Upon the transfer of title of a unit or lot by any owner, such owner shall no longer have any obligation or duty hereunder with respect to such unit or lot or the assessment payable hereunder with respect thereto, for any period during which it is not the owner of such lot or unit.

11. Severability. It is the intention of the Owner and all of the parties hereto that in the event that any of the covenants described herein should be determined to be unlawful, invalid or unenforceable against any of the parties hereto or their successors or assigns, such covenants shall continue in force and effect to the extent that they are valid or enforceable against any of the parties hereto or their successors or assigns pursuant to any provision of law or equity with respect to any of the lands within the San Bruno Mountain Area.

12. Restrictions. The Conserved Habitat presently owned by the Owner described in Exhibit A shall be held, used and conveyed in accordance with the terms and provisions of the Agreement. If Exhibit "A" does not include Conserved Habitat, as provided above, this paragraph 12 shall not apply.

13. Definitions. The terms "Conserved Habitat", "Development Areas", "Developable Administrative Parcels", "San Bruno Mountain Area Habitat Conservation Trust" and "Landowner" shall have the same definition as is set forth in the Agreement.

Executed this 21st day of September, ~~19~~ 2001.

OWNER Standard Pacific Corp.

By: Steven G. Delva

Steven G. Delva
Authorized Representative

COUNTY OF SAN MATEO

By: _____

STATE OF CALIFORNIA

By: Denzil Verardo

Denzil Verardo, Chief Deputy Director
Administrative Services

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of SACRAMENTO } ss.

On May 23, 2002, before me, Betty Jean Arellano, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared Denzil Veraedo
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.
Betty Jean Arellano
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

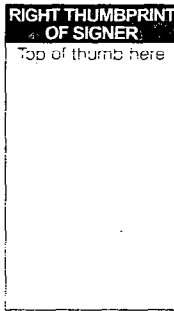
Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document :
Title or Type of Document: DECLARATIONS of COVENANTS & RESTRICTIONS ON REAL PROPERTY ON SAN BRUNO MOUNTAIN - Standard Pacific Corp. & Del Norte Corp.
Document Date: 02/21/01 Number of Pages: 7

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: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

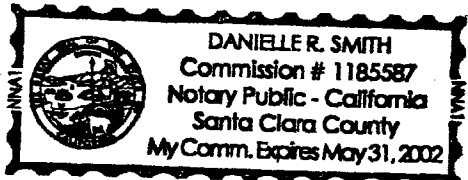
State of California }
 County of Santa Clara } ss.

On March 5, 2002, before me, Danielle R. Smith, Notary Public,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

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



Place Notary Seal Above

WITNESS my hand and official seal.
Danielle R. Smith
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: _____

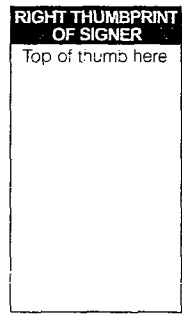
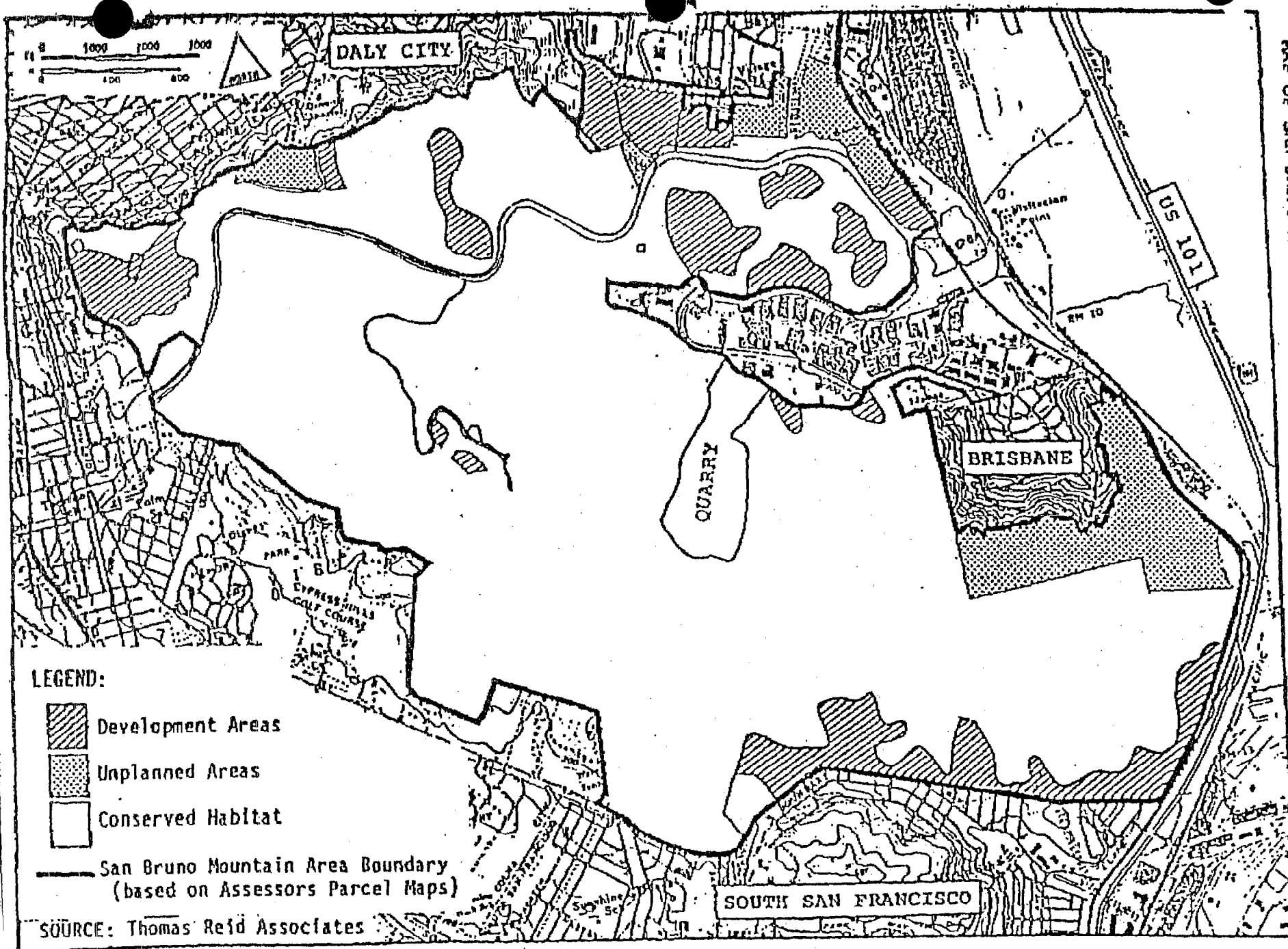





EXHIBIT "A"

All lands lying within the exterior boundaries as shown on that certain map entitled " SADDLE MOUNTAIN SUBDIVISION, CITY OF DALY CITY, SAN MATEO COUNTY, CALIFORNIA", filed in the Office of the County Recorder of San Mateo of San Mateo County, State of California on July 19, 2001 in volume 131 of maps at pages 32 to 37 inclusive.

MAP OF SAN BRUNO MOUNTAIN AREA SHOWING DEVELOPMENT AREAS AND CONSERVED HABITAT
EXHIBIT "B"



LEGEND:

-  Development Areas
-  Unplanned Areas
-  Conserved Habitat

— San Bruno Mountain Area Boundary
(based on Assessors Parcel Maps)

SOURCE: Thomas Reid Associates

EXHIBIT "C"

The parties to the March 4, 1983 Agreement
With Respect To The San Bruno Mountain Area
Habitat Conservation Plan are the
following:

UNITED STATES FISH AND WILDLIFE SERVICE
CALIFORNIA DEPARTMENT OF FISH & GAME
CALIFORNIA DEPARTMENT OF PARKS AND RECREATION
COUNTY OF SAN MATEO
CITY OF BRISSANE
CITY OF DALY CITY
CITY OF SOUTH SAN FRANCISCO
VISITACION ASSOCIATES
CADILLAC-FAIRVIEW HOMES WEST
W. W. DEAN
PRESLEY OF NORTHERN CALIFORNIA, INC.
FOXHALL INVESTMENT LTD. [George Menzorian]