

## Exhibit 1D

### **Red Tail Lake Declaration of Covenants and Restrictions**

This document is made on August 28<sup>th</sup>, 2008 to establish protective Covenants and Restrictions for the parcels with direct use and lake easement as referred to as Red Tail Lake. The purpose of this document is to protect and preserve the specific lake easement for irrigation, drainage, and recreation purposes along with establishing additional covenants and restrictions for the remaining property that the lake is directly built on.

These covenants and restrictions do not apply to the surrounding non-lake lots.

The separate document titled reciprocal grant of easements for irrigation and drainage system and declaration and establishment of protective covenants as established by HENRY P. MUTZ AND MONA L. MUTZ, Trustees of the Henry P. and Mona L. Mutz 1992 Trust must also be honored.

#### Definitions:

Section 1.01. "Association" shall mean and refer to Red Tail Lake Association.

Section 1.02. "Property" shall mean and refer to that certain real estate described as "Lake Lots". Currently those lots include one 20 acre parcel and two 10 acre parcels.

Section 1.03. "Common Area" shall mean: those areas on the property designated as lake property, including a launch ramp area and common drive way access to each parcel. Along with a shoreline approximately 20' from the waters edge. Common areas do not include the individual docks built over the lake.

Section 1.04. "Dwelling Unit" shall mean a residential housing unit on the Property designed or intended for the exclusive use as living quarters for one Family.

Section 1.05. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot.

Section 1.06. "Member" shall mean and refer to any person who holds membership in the Association. A Member must also be a "Owner" of one of the lots.

Section 1.07. "Occupancy" shall mean any person or persons other than the Owner in possession of a Dwelling Unit.

Section 1.08. "Family" shall mean one or more persons each related to the other by blood, marriage, or legal means maintaining a common household in a Dwelling Unit.

Section 1.09. "Declaration" shall mean this Red Tail Lake Declaration of Covenants and Restrictions.

Section 1.10. "Structure" shall mean any building or other improvement erected and constructed, the use of which requires more or less permanent location on or in the ground or attached to something having a permanent location on or in the ground.

Membership and Management:

Section 2.01. One "owner" per parcel is automatically a member of the Association. The individual member needs to be clearly designated and is not allowed to change without unanimous membership approval.

Section 2.02. The association members shall appoint a manager of the lake for the purpose of carrying out all terms and conditions related to the lake and common areas. This manager shall be agreed upon by majority vote. The manager appointment may be changed at any time.

Voting Rights:

Section 3.01. There is only one class of membership. Those members have voting rights equal to one vote only. No owner shall withdraw from his membership in the association or any of his obligations as such member.

Section 3.02. The association is not-for-profit.

Section 3.03. Copy of this Declaration, the By-laws and any financial records associated to the association at to be available by any member.

Provisions Relating to the Common Area:

Section 4.01. Declarant and their respective agents, employees, guests and invitees, shall have the right and easement of ingress and egress in, over, upon, under, and across the property, except for those portions of the Lots outside of the Common Area as long as host owner is present.

Section 4.02. The association shall have the right and duty to build, repair and maintain the common areas.

Section 4.03. The association shall have the right to adopt rules and regulation governing the use, maintenance and administration of the common area for the health, comfort, safety, and general welfare of persons using the common area.

Maintenance of Dwelling Units:

Section 5.01. Each owner shall have the obligation to maintain in good condition and repair his dwelling unit, driveway, dock, and additional structures.

Covenants for Maintenance Cost Sharing:

Section 6.01. Each owner of the lot agrees to pay equal share of the maintenance expenses as agreed upon by the association. Typical expenses are to include operation, maintenance and repair costs of the water delivery and drainage system, annual expense to control weeds, and algae, and common area improvements.

Section 6.02. Each owner shall pay the invoice for his share of the costs within thirty (30) days of the receipt or prior to the due date which ever comes first. If not paid the owner shall be responsible for any interest or late fees incurred. The association may also bring an action at law or equity against the owner personally obligated to pay the same. This may include a lien against the respective Lot and interest, costs and reasonable attorney fees of any such action shall be added to the amount owed.

Insurance:

Section 7.01. The individual owners shall be responsible for procuring and maintaining comprehensive liability insurance, including liability for injuries to the death of persons in an amount not less the one million dollars per occurrence, and property damage, in such limits as it shall deem desirable and other liability insurance as it may deem desirable. The policy's shall also name each lot owner as additional insured.

Section 7.02. The association or owners shall obtain other kinds of insurance as deemed prudent from time to time based on events being held on the lake. Example: Tournaments, large gatherings, etc.

Restrictions Relating to Property:

Section 8.01. No structure or other improvement shall be commenced or allowed on any portion of the property unless it complies with the provision of this Declaration.

Section 8.02. The lots shall be used primarily for residential and agricultural purposes.

Section 8.03. The additional following conditions must be met without unanimous member approval:

- a. Other than agriculture related, no commercial activities open to the public shall be permitted.
- b. No signs shall be permitted in connection with any home based business
- c. All ordinances and regulation of the appropriate governmental authority shall be complied with

Section 8.04. All home plans must be approved by Butte County authority. Home plans should blend with adjacent homes while being distinctive. All outbuilding should be constructed properly and be in similar design and material to the primary home. Any construction undertaken upon any lot must be completed within 2 years of the date of commencement of said construction.

Section 8.05. Each dwelling unit constructed on the various lots shall meet the following specifications:

- a. Ranch Homes shall have a minimum of 2000 square feet of living space.
- b. Two Story homes shall have a minimum of 2600 square feet of living space.

Section 8.06. Each dock constructed shall meet the following specifications:

- a. Any dock or dwelling being constructed within the common area must be approved.
- b. Dock construction may not be any closer than 100' from the centerline of the lake.

Section 8.07. Temporary structures shall be used as a residence for a maximum of 2 years and no longer than one year without construction progress on a permanent residence.

Section 8.08. No lot may be subdivided smaller than 10.0 acres without unanimous member approval.

Section 8.09. No lot may contain more than one single family primary residence. However a secondary unit up to 1500 sq ft may be constructed if allowed per Butte County authority.

Section 8.10. No animals or livestock shall be kept on the property for commercial purposes. All animals must be properly contained and may be required to be contained if becoming a disturbance.

Section 8.11. Utilities:

- a. All trash or garbage shall be kept so as not to be seen from neighboring dwelling units and streets and shall be regularly removed and contained in a closed container as required by county ordinance.
- b. All septic systems must be approved per Butte County authority and maintained or repaired as needed and per county ordinance.
- c. Use of underground power is required from the property line.
- d. Gas and Propane tanks must be screened from view from the lake or neighboring parcels. Underground tanks are preferred.

Section 8.12. An owner of a lot shall do no act nor allow any condition to exist which will adversely affect the other lots or their owners as determined by the majority of the association members.

Section 8.13. No nuisance, noxious or offensive activity shall be carried on the property nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the owners or occupants of any dwelling units on the property.

Section 8.14. All areas of the lots covered with ground cover shall be mowed regularly. All areas of the lots designed or intended for the proper drainage or detention of water including drainage ways and ditches shall be kept unobstructed and shall be mowed and maintained regularly so as to keep such areas in good and functional condition. No trees, plantings, shrubbery or other obstruction shall be allowed to remain in any areas to prohibit grading and maintenance of lake shorelines for machinery.

Section 8.15. Fences shall not be built within 40 feet of the lakes. Fences shall be of an open design. Chain link fences are not permitted. Small privacy fences are permitted near deck, hot tubs, etc. Sea Walls are not permitted along lake unless in area that will not affect recreation activities of the lake. The intent is primarily to allow for Lake Shoreline line grading and prevent wave kick back.

Section 8.16. No structures or modification shall be made to the lake area, shoreline or property within 20 feet of the normal water line without the permission of the association membership. This includes but is not limited to docks, boat lifts, screen rooms, beaches and landscaping.

Section 8.17. Operation of Inboard Ski boats, Wave Runner and other muffled watercraft is permitted on the lake. Operation of other watercraft, recreational vehicles, and ATV's is prohibited except for the purpose of maintenance and agricultural use.

Miscellaneous:

Section 9.01. The covenants and restriction of this declaration shall run with and bind the land for a term of fifty (50) years from the date this declaration is recorded. After which time said covenants shall be automatically extended for successive periods of ten (10) years, subject to amendment as hereinafter set forth. The covenants and restriction of this declaration may be amended during the first fifty (50) year period or within any successive ten (10) year period by a majority vote of the members. Any instrument executed pursuant to the provisions contained in this section shall be filed for record in the Office of Recorder of Butte County, California, and a true, complete copy of such instrument shall be transmitted to each Owner promptly.

In Witness Whereof, each party has executed this agreement or a counterpart hereof on the day and year first above written.

By: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

here