

DEPARTMENT OF REAL ESTATE
OF THE
STATE OF CALIFORNIA

(916) 739-3631

STANDARD

In the matter of the application of

WILLIAM A. SLATER, III,
And Others

for a Final Subdivision Public Report on

TIMBER COVE PROPERTIES UNIT 2

SONOMA COUNTY, CALIFORNIA

FINAL SUBDIVISION
PUBLIC REPORT

FILE NO.: 007879SF-A06

ISSUED: MARCH 25, 1965

RENEWED & 6TH
AMENDMENT: NOVEMBER 18, 1986

EXPIRES: NOVEMBER 17, 1991

THIS REPORT IS NOT A RECOMMENDATION OR ENDORSEMENT OF THE
SUBDIVISION BUT IS INFORMATIVE ONLY.

BUYER OR LESSEE MUST SIGN THAT HE HAS RECEIVED AND READ THIS REPORT

N A copy of this subdivision public report along with a statement
D advising that a copy of the public report may be obtained from the
T owner, subdivider, or agent at any time, upon oral or written
E request, must be posted in a conspicuous place at any office where
sales or leases or offers to sell or lease lots within the
subdivision are regularly made.
[Reference B&P Code Section 11018.1(b)]

This Report Expires on Date Shown Above. If There Has Been a Material
Change in the Offering, an Amended Public Report Must be Obtained and
Used in Lieu of This Report.

Section 12920 of the California Government Code provides that the
practice of discrimination because of race, color, religion, sex,
marital status, national origin or ancestry in housing accommodations
is against public policy.

Under Section 125.6 of the California Business and Professions Code,
California real estate licensees are subject to disciplinary action by
the Real Estate Commissioner if they make any discrimination,
distinction or restriction in negotiating sale or lease of real
property because of the race, color, sex, religion, ancestry or
national origin of the prospective buyer. If any prospective buyer or
lessee believes that a licensee is guilty of such conduct, he or she
should contact the Department of Real Estate.

Read the entire report on the following pages before contracting to
purchase a lot in this subdivision.

SPECIAL NOTES

1. A CLAIM OF LIEN BY TIMBER COVE HOME ASSOCIATION HAS BEEN FILED AGAINST THE SUBDIVIDER'S INTEREST IN THIS SUBDIVISION. THE SUBDIVIDER STATES THAN NO ESCROWS WILL CLOSE UNTIL THIS AND ANY OTHER LIENS ARE RESOLVED.
2. THIS REPORT WAS FIRST ISSUED ON MARCH 25, 1965, UNDER THE LAWS IN EFFECT AT THAT TIME.
3. THIS FIFTH AMENDMENT AND RENEWAL REPORT COVERS ONLY LOTS AS LISTED UNDER THE SUBSECTION "TITLE."
4. THE DEVELOPER HAS MADE NO PROVISION TO FURNISH ANY COMMUNITY FACILITIES SUCH AS PARKS, PLAYGROUNDS, OPEN SPACES AND AREAS FOR THE GENERAL USE OF OWNERS OR AT ALL, WITH THE EXCEPTION OF THE PRIVATE ROADS, NOR ARE ANY SUCH CONTEMPLATED TO BE FURNISHED BY THE DEVELOPER. THE RIGHT AND POWER RESIDES IN THE ASSOCIATION OF LOT OWNERS TO PROVIDE SUCH FACILITIES AT ITS SOLE COST, IF THE ASSOCIATION SO DESIRES.
5. IF YOU PURCHASE FIVE OR MORE SUBDIVISION INTERESTS (LOTS) FROM THE SUBDIVIDER, HE/SHE IS REQUIRED TO NOTIFY THE REAL ESTATE COMMISSIONER OF THE SALE. IF YOU INTEND TO SELL YOUR INTERESTS OR LEASE THEM FOR MORE THAN ONE YEAR, YOU ARE REQUIRED TO OBTAIN AN AMENDED SUBDIVISION PUBLIC REPORT BEFORE YOU CAN OFFER THEM FOR SALE OR LEASE.
6. THE SOMOMA COUNTY PLANNING DEPARTMENT ADVISES:

"BUILDOUT OF THE TIMBER COVE SUBDIVISION WAS RECOGNIZED BY THE SONOMA COUNTY COASTAL PLAN, IF WATER CONNECTIONS ARE AVAILABLE. SONOMA COUNTY WILL ISSUE 100 WATER CONNECTIONS BASED ON A COURT ORDER, ALTHOUGH THE TIMBER COVE WATER SYSTEM DOES NOT MEET CURRENT STANDARDS. SINCE THE COASTAL PLAN WAS ADOPTED, THE PRIVATE WATER COMPANY HAS BEEN REPLACED BY THE NEW TIMBER COVE WATER DISTRICT, WHICH IS CURRENTLY PURSUING AN UPGRADE OF THE WATER SYSTEM TO MEET CURRENT STANDARDS AND INCREASE WATER SUPPLY.

IN ORDER TO BUILD EACH SINGLE-FAMILY DWELLING, A WATER PERMIT MUST BE OBTAINED FROM THE SONOMA COUNTY PLANNING DEPARTMENT. MOST LOTS CAN OBTAIN A COASTAL PERMIT WITHOUT A PUBLIC HEARING BUT A PUBLIC HEARING IS REQUIRED FOR ALL PARCELS WEST OF HIGHWAY ONE WHERE A 16-FOOT HEIGHT LIMIT IS ALSO A REQUIREMENT.

IN SUMMARY, AS LONG AS HEIGHT LIMITS AND SETBACK REQUIREMENTS ARE MET AND WATER CONNECTIONS ARE AVAILABLE, THERE SHOULD BE LITTLE DIFFICULTY BY INDIVIDUAL LOT OWNERS IN OBTAINING COASTAL PERMITS AND BUILDING PERMITS."

7. GEOLOGIC CONDITIONS: THE UNIFORM BUILDING CODE, CHAPTER 70, PROVIDES FOR LOCAL BUILDING OFFICIALS TO EXERCISE PREVENTIVE MEASURES DURING GRADING TO ELIMINATE OR MINIMIZE DAMAGE FROM GEOLOGIC HAZARDS SUCH AS LANDSLIDES, FAULT MOVEMENTS, EARTHQUAKE

SPECIAL NOTES: (Continued)

SHAKING, RAPID EROSION OR SUBSIDENCE. THIS SUBDIVISION IS LOCATED IN AN AREA WHERE SOME OF THESE HAZARDS MAY EXIST. SOME CALIFORNIA COUNTIES AND CITIES HAVE ADOPTED ORDINANCES THAT MAY OR MAY NOT BE AS EFFECTIVE IN THE CONTROL OF GRADING AND SITE PREPARATION.

PURCHASERS MAY DISCUSS WITH THE DEVELOPER, THE DEVELOPER'S ENGINEER, THE ENGINEERING GEOLOGIST AND THE LOCAL BUILDING OFFICIALS TO DETERMINE IF THE ABOVE-MENTIONED HAZARDS HAVE BEEN CONSIDERED AND IF THERE HAS BEEN ADEQUATE COMPLIANCE WITH CHAPTER 70 OR AN EQUIVALENT OR MORE STRINGENT GRADING ORDINANCE DURING THE CONSTRUCTION OF THIS SUBDIVISION.

LOCATION AND SIZE: East of North Coast Highway #1, approximately 2.8 miles north of Fort Ross. Approximately 450 acres divided into 224 lots or parcels.

TITLE: A title report shows title, among other things, to be subject to:

Reservations of mineral, oil and gas rights without right of surface entry. Easements affecting certain lots for utility, drainage, roadway, pedestrian, right-of-way and other purposes. These easements as they affect individual lots may be determined by an examination of title report and recorded map of the subdivision.

Title is vested as follows:

"Philip A. Trowbridge and Joyce T. Trowbridge, as joint tenants, as to Tract One, Lots 5 and 18 in Block 1 and Lots 19 and 49 in Block 6.

Philip A. Trowbridge and Joyce A. Trowbridge, husband and wife, as joint tenants, as to Tract Two, Lot 19 in Block 1 and Lot 15 in Block 5.

Richard Clements, Jr., a married man, as his separate property, as to Tract Three, Lots 6, 31 and 35 in Block 1, Lots 25, 26, 30 and 32 in Block 2, Lot 4 in Block 3 and Lots 13, 16, 34, 35, 61, 62 and 65 in Block 6.

Richard Clements, Jr., and Nineve Castro Clements, his wife, as to Tract Four, Lot 2 in Block 2.

Richard Clements, a married man, as his separate property, as to an undivided one-half interest, and C.R.E. Smith, a married man, as community property, as to an undivided one-half interest, as to Tract Five, Lots 7, 28 and 34 in Block 1, and Lots 17 and 32 in Block 6.

TITLE: (Continued)

C.R.E. Smith, a married man, as community property, as to Tract Six, Lot 12 in Block 5.

Gualala Investment Company, a limited partnership, as to Tract Seven, Lots 17, 20 and 48 in Block 1, Lot 8 in Block 2, Lots 6, 8, 9, 10, 11 and 12 in Block 3, and Lots 2, 11, 20, 37, 41, 42, 44 and 48 in Block 6.

Gualala Investment Company, a partnership, as to Tract Eight, Lots 39 and 40 in Block 1.

Vernon Johnson, as to Tract Nine, Lot 24 in Block 1, and Lots 20 and 21 in Block 2.

Vernon Johnson, Richard Erb, Felix Buchenroth, Jr., and Dean K. Bark, all as tenants in common, as to Tract Ten, Lot 27 in Block 1, Lot 1 in Block 3 and Lots 1, 4, 7, 12, 14, 33, 38, 43, 57 and 71 in Block 6.

John Bell, as to Tract Eleven, Lot 26 in Block 1, Lot 27 in Block 2, and Lots 55 and 63 in Block 6.

Timber Cove Properties, Inc., as to Tract Twelve, Lot 45 in Block 1.

William A. Slater, III, as to Tract Thirteen, Lots 16, 13, 15, 29, 31, Block 2.

ZONING: The property is to be sold for residential purposes except for Lots 3, 17, 24, 25, 31 in Block VI and Lot 1 in Block V, which are to be sold for Commercial purposes.

RESTRICTIONS: Restrictions recorded in Book 2112, Page 651, March 25, 1965, restrictions amended Book 2116, Page 810, March 25, 1965, Official Records of the Sonoma County Recorder, affecting the development, among other restrictions, limitations, or use, contain the following provisions:

No building, outbuilding, garage, stable fence, wall, retaining wall, or other structure of any kind shall be erected, constructed, placed or maintained on said real property, or any part thereof nor shall any alteration, addition prior to the commencement of any construction, excavation, or any other work, two complete plans and specifications, therefore, including front, side and rear elevations and floor plans for each floor and basement, color scheme thereof, and two block or plot plans indicating and fixing the exact location of such structure, or such altered structure on the building site with reference to the street and side lines thereof (grading plan if requested), shall have been first submitted in writing for approval, and approved in writing by the Association or Declarant, or its duly appointed agent. A fee of not to exceed \$25.00 shall be paid to the

RESTRICTIONS: (Continued)

Association or Declarant in the submission of such plans. (Preliminary sketch of plans may be submitted prior to execution of detailed drawings.)

TAXES: The maximum amount of any tax on real property that can be collected annually by counties is 1% of the full cash value of the property. With the addition of interest and redemption charges on any indebtedness, approved by voters prior to July 1, 1978, the total property tax rate in most counties is approximately 1.25% of the full cash value. In some counties the total tax rate could be well above 1.25% of the full cash value. For example, an issue of general obligation bonds previously approved by the voters and sold by a county water district, a sanitation district or other such district could increase the total tax.

For the purchaser of a lot in this subdivision, the "full cash value" of the lot will be the valuation, as reflected on the tax roll, determined by the county assessor as of the date of purchase of the lot or as of the date of completion of an improvement on the lot if that occurs after the date of purchase.

This subdivision lies within the boundaries of the Timber Cove Water District and is subject to any taxes, assessment and obligations thereof.

MAINTENANCE AND OPERATION OF THE ASSOCIATION: The Association herein referred to is Timber Cove Homes Association, a California non-profit corporation. Its business is conducted by a five-member Board of Directors. Elections are held annually.

Owners shall be notified of the place, date and hour of any meeting of owners and in the case of a special meeting, the notice shall set forth the general nature of the business to be transacted. Such notice shall be sent to owners not less than 10 nor more than 50 days before the meeting.

At any meeting, the owner's voting rights shall be allocated on the basis of one vote per lot.

At least a majority of the vote power shall prevail at all meetings and the presence, in person or by proxy, of owners holding 51% shall constitute a quorum for the transaction of business, except that voting for the Board of Directors or officers may be by mail.

The provisions of any documents relating to management and operation of the project may not be amended without the vote or written approval of a majority of the members.

Owners or members shall be assessed to meet expenditures and reserves authorized in connection with the management and operation of the Association, but not in excess of \$200.00 per annum, per lot.

MAINTENANCE AND OPERATION OF THE ASSOCIATION: (Continued)

Default in the payment of such assessment may become a lien upon the defaulting owner's parcel. Assessment charged to unsold units shall be the debt of the subdivider in accordance with a formula set forth in the Declaration of Restrictions.

The association, among other things, shall have the power to:

Enforce the provisions of the Declaration of Restrictions.

Delegate its powers to others.

Owner's membership in the Association may not be severed from other interest conveyed.

No lot shall be further subdivided by the lot purchaser.

MINERAL RIGHTS: You will not own the mineral, oil and gas rights under your land. The right to surface entry has been waived.

PURCHASE MONEY HANDLING: The subdivider must impound all funds received from you in an escrow depository until legal title is delivered to you. [Refer to Section 11013.2(a) of the Business and Professions Code.]

If the escrow has not closed on your lot within three (3) months of the date of your deposit receipt, you may request return of your deposit.

NOTE: Section 2995 of the Civil Code provides that: "No real estate developer shall require as a condition precedent to the transfer of real property containing a single family residential dwelling that escrow services effectuating such transfer shall be provided by an escrow entity in which the developer . . . (owns or controls) 5% or more of the escrow entity."

The subdivider has no such interest in the escrow company which is to be used in connection with the sale or lease of lots in this subdivision.

FILLED GROUND: The subdivider in his application for this report states that no lots are to contain filled ground.

WATER: Water is to be provided by the Timber Cove Water District.

There is a \$4,000.00 hook-up fee and \$30.00 monthly user fee.

FIRE PROTECTION: California Division of Forestry.

During the non-fire season period--normally November to May--structural fire protection is provided on a contractual basis by the County of Sonoma with the Division of Forestry. The four stations manned during this time are Cloverdale, Healdsburg, Petaluma and Santa Rosa.

FIRE PROTECTION: (Continued)

During the declared fire season there is no guaranteed protection for specific areas, as the men and equipment are subject to district-wide and state-wide movements.

ELECTRICITY: Electricity will be supplied by the Pacific Gas and Electric Company.

Lot purchasers will be required to pay the costs for extension and to deposit 20% of such charge, which funds will be refundable upon further utilization of facilities.

Certain lots will require underground installation, which costs shall be borne by the lot purchaser.

TELEPHONE: Telephone service will be supplied by the Redwood Empire Telephone Company whose facilities are presently located parallel to the subdivision along Highway #1.

Lot purchasers will be required to pay the costs for normal connection charge.

SEWAGE DISPOSAL: Septic systems will be used for sewage disposal. You must pay for your septic system. The developer's engineer estimates the costs to be from \$9,000.00 - \$10,000.00.

The sales contract and escrow instructions utilized in the offering of these lots/parcels will provide that prior to close of any sale of a lot or parcel in this subdivision, the subdivider will furnish the purchaser evidence from the local health authority that a sewage disposal system will be permitted on the lot/parcel. Please note, this assurance is applicable at the time of purchase and that if you do not intend to install a sewage disposal system at that time there is no guarantee that the lot/parcel will later qualify for use of a septic system. Prior to purchasing a lot/parcel and commencing construction, you should contact the local health department for specifications, requirements and any local problems.

STREETS AND ROADS: Streets and roads are private roads. The future care and maintenance will be the responsibility of the Association.

The subdivider's engineer advises:

"Streets -- the streets within the subdivision are paved with imported base rock to the specifications of the County Department of Public Works and approved by them. The roadways are maintained by a special assessment district and it is unlikely that further improvement will be done. To provide an all weather surface of two inches of asphalt concrete will cost approximately \$2,600.00 per lot, assuming an average of 220 feet of frontage per lot on a typical street with half the road cost shared by the lot on the opposite side of the street."

PUBLIC TRANSPORTATION: Not available.

CONDITIONS OF SALE: Pursuant to Civil Code Sections 2956 through 2967, inclusive, subdivider and purchasers must make certain written disclosures regarding financing terms and related information. The subdivider will advise purchasers of disclosures he needs from them, if any.

If your purchase involves financing, a form of Deed of Trust and Note will be used. The provisions of these documents may vary depending upon the lender selected. These documents contain the following provisions:

Acceleration Clause. This is a clause in a mortgage or deed of trust which provides that if the borrower (trustor) defaults in repaying the loan or sells the property, the lender may declare the unpaid balance of the loan immediately due and payable. An acceleration clause that is triggered by a sale of the property is commonly referred to as a due-on-sale clause.

If the loan instrument for financing your purchase of an interest in this subdivision includes a due-on-sale clause, the clause will be automatically enforceable by the lender in the event of a sale of the property by you. This means that the loan will not be assumable by a purchaser of the property without the approval of the lender. If the lender does not declare the loan to be all due and payable on transfer of the property by you, the lender is nevertheless likely to insist upon modification of the terms of the instrument as a condition to permitting assumption by the buyer. The lender will almost certainly insist upon an increase in the interest rate if the prevailing interest rate at the time of the proposed sale of the property is higher than the interest rate of the promissory note by which you are financing the purchase of the property.

A "Balloon Payment". This means that your monthly payments are not large enough to pay off the loan with interest during the period for which the loan is written, and that at the end of this period, you must pay the entire remaining balance in one payment. If you are unable to pay the balance and if the remaining balance is a sizeable one, you should be concerned with the possible difficulty in refinancing the balance. If you cannot refinance or sell your property, or pay off the balloon payment, you will lose your property.

BEFORE SIGNING, YOU SHOULD READ AND THOROUGHLY
UNDERSTAND ALL LOAN DOCUMENTS.

SHOPPING FACILITIES: Approximately two (2) miles south from the subdivision on Highway #1 consisting of Ocean Cove Store.

For further information in regard to this subdivision, you may call (916) 739-3631 or examine the documents at the Department of Real Estate, Subdivisions North, 2201 Broadway, Sacramento, CA 95818.