

**MOUNT MALARAYAT RESIDENTIAL ESTATES
(All Phases Except Phase I)**

DEED OF RESTRICTIONS

The **ACTIVE REALTY AND DEVELOPMENT CORPORATION**, ("Developer"), as owner and/or developer of the **MOUNT MALARAYAT RESIDENTIAL ESTATES (All Phases Except Phase I)** ("Subdivision") located at Lipa City hereby imposes this Deed of Restrictions for the benefit of the owners and future owners of the lots or units within the Subdivision and for the purpose of enhancing and protecting the value, desirability and attractiveness thereof. The Developer hereby declares that all lots in the Subdivision are held and shall be held, conveyed, encumbered, leased, rented, occupied and improved subject to this Deed of Restrictions. This Deed of Restrictions shall run with the land/units and shall be binding on all parties having or acquiring any right, title or interest in the same, whether as sole owners, joint owners, purchasers, mortgagees, lessees, tenants, occupants or otherwise (For brevity, the latter persons or entities, regardless of the nature of their ownership or possession, shall be referred to as "Lot Owner" in this Deed.) This Deed of Restrictions shall form an essential part of the consideration of the sale, transfer, assignment or encumbrance of the lots or properties within the Subdivision and shall be annotated on their corresponding Certificates of Titles as voluntary liens and encumbrances. The validity and effectivity of this Deed will, however, not be affected by the lack of annotation in the certificate of title.

I. HOMEOWNERS ASSOCIATION

1. A Homeowners Association ("Association"), with membership as provided for in the succeeding paragraph, shall be organized by the Developer as provided by law, as soon as practicable.
2. Every owner of a lot, house or unit in the subdivision ("Lot Owner") is an automatic member of Association. Membership shall be appurtenant to and may not be separated from ownership of the lot, house or unit. Lessees shall also become members, subject to the provisions of the Articles of Incorporation and By-Laws of the Association. While it still has lots or units registered in its name, the developer, Active Realty and Development Corporation, or its representatives shall also be members of the Association.
3. The Association shall be responsible for the maintenance, proper operation and beautification of the subdivision and shall manage the facilities, subject only to the control and supervision of the Developer until turn-over of the subdivision or a phase thereof to the Association.
4. Homeowners dues and other fees and charges shall be assessed against all members of the Association. Such assessment may be made by the Association and/or the Developer prior to the turn-over of the subdivision to the Association, and shall include, but shall not be limited to, such amounts as may be necessary to defray cost of security, maintenance and improvement of the subdivision, and charges incurred for various utilities enjoyed in common such as streetlight charges. The imposition of fees and charges by the Developer shall be either in substitution or in addition to the dues and fees imposed by the Association.

II. CONDITIONS OF OWNERSHIP, USE AND OCCUPANCY OF LOTS

1. The lots shall be used for residential purposes only.

The following or any analogous or similar activity or use shall not be allowed in the subdivision:

- commercial, industrial or any similar activity, in whatever scale
- motor pool
- vulcanizing shops
- keeping of animals, except pets. The term pets shall refer only to dogs, cats, chicken or fowl, but not in commercial quantities.
- illegal or immoral activities
- storage or use of hazardous or toxic materials
- other activities which shall be detrimental or inconsistent with the predominantly residential character of the subdivision

The lot shall not be used as a right of way to other properties of the Lot Owner not originally forming part of the subdivision whether located within, adjacent or beyond the subdivision unless with prior consent of the Developer which shall have the sole discretion whether or not to grant the right of way.

Any violation of these restrictions shall entitle the Developer to rescind the sale of the property and/or to re-acquire the same for the same price as it was originally sold by the Developer, without additional interest or charges.

2. A single lot cannot be subdivided without the prior written approval of the Developer, which shall have the sole discretion whether or not to allow the subdivision. Two or more lots, however, may be used for a single building, in which case, all the lots shall be considered as a single lot for purposes of the application of this Deed. After consolidation and upon prior written approval of the Developer, the consolidated lots may be re-subdivided into their original components or into lesser number of lots, provided that none of the resulting lots shall have a smaller area than the smallest lot before consolidation as reflected in the original subdivision plan, and provided further that each lot shall have at least one side directly fronting a street.
3. Except during construction, no part of the property shall be used or maintained as stockpile area or dumping ground for rubbish, trash, garbage, or any other kind of materials or aggregates.
4. Commercial, promotional or advertising signs of whatever size or form shall not be placed, constructed or entered in the lot.
5. The lot shall be subject to permanent easement in favor of the Developer or the Association and their respective representatives as well in favor of representatives of utility companies for purposes of inspecting and relocating lot monuments, of installing or disconnecting lines for light, telephone water and other facilities, and for other legitimate purposes necessary to public safety and to the preservation of utility lines.
6. The Lot Owner shall not sell, cede, encumber, transfer his rights to his lot or in manner do any act which will violate this Deed without prior written approval of the Developer.
7. The Lot Owner shall not alter, remove, displace or in any manner interfere with any monument or other evidence of boundary of his lot or other lots without prior written approval of the Developer. Neither shall the Lot Owner be allowed to cut or destroy or in any manner cause any waste or damage to or upon the lot or to allow others to commit any of the aforesaid acts.
8. The Lot Owner shall further be subject to all the rules and regulations of the subdivision promulgated and amended by the Developer and/or the Association from time to time, including but not limited to the development or building rules and regulations; and, further, to the applicable rules and regulations of the Mount Malarayat Golf and Country Club.

III. BUILDING AND ARCHITECTURE

1. All plans and specifications for new buildings and for additions or modifications of any existing building shall first be submitted for approval of the Developer, and subsequently, for approval of the Building Official and/or other appropriate official of the local government unit as provided for in local ordinances or regulations, before any construction is made on the lot. Any construction commenced without all the necessary approvals and permits shall be stopped and all materials for use in the construction shall be refused entry in the subdivision.

Building plans, specifications and construction method shall be subject to this Deed and to the National Building Code, P.D. 957 and other pertinent laws, rules and regulations and ordinances. For this purpose, the Developer reserves the right to determine whether or not the building plans and specifications submitted by the Lot Owner are in conformity with this Deed and to refuse to issue construction permit should the plans and specifications be found to be not in conformity with this Deed.

2. As a condition for the issuance of the construction permit, the Lot Owner shall post a construction deposit in such amount as may be fixed by the Developer from time to time with or without prior notice to the Lot Owner. The deposit shall be refunded to the Lot Owner after the completion of the construction, less reimbursement for cost of damage on the properties or facilities of the subdivision or of the Mount Malarayat Golf and Country Club and on all other properties, occasioned by such construction, if any; fine for violations of this Deed or the development rules and regulations imposed by the Developer or the Association, and administrative fee as may be imposed by the Developer from time to time but, which administrative fee shall, in no case, be less than ten (10) percent of the deposit. The Developer shall have the right to forfeit the deposit should the Lot Owner be found to have violated any of the provisions of this Deed, unless and until such violations are corrected. The provisions of Section X of this Deed, shall likewise apply.

3. Relocation of the lot is required prior to construction. If the Lot Owner builds in the wrong lot, entirely or partially, he/she shall immediately remove the encroaching structure at his/her expense, otherwise the Developer shall immediately remove the same at the Lot Owner's expense without the necessity of an order from competent authorities, and without any criminal or civil liability on its part or on the Developer or on the part of its representatives or employees.

4. The fundamental restrictions relating to buildings shall be as follows:

a) *Building Type/Height.* Only single detached houses with a maximum height of eleven meters shall be allowed to be constructed in the lot. The height of the building shall be measured from the highest point of the lot to roof apex.

b) *Use of buildings* - The buildings shall be used for purely residential purposes only.

c) *Setback.* Lots, whether intended for single detached houses or multi-dwelling buildings, are subject to the following minimum setback measured from the building line. For this purpose, building line shall be measured from the projection of the building nearest the property line. No structures or living quarters shall be allowed within the setback.

Side	Setback
fronting street	three (3.0) meters
facing adjoining lots	two (2.0) meters
facing fairways	five (5.0) meters
Back (not facing street, adjoining lots or fairways)	two (2.0) meters

If two or more lots are consolidated or combined as a site for a single building the consolidated or combined lots where one building is located shall be considered as a single lot for purposes of application of the setback requirements.

d) *Materials.* All buildings and structures shall be of strong materials with the intention of permanency. No temporary building, shack, barn or other structures shall be constructed in the lot. No toxic and hazardous materials shall be used, applied or installed in the construction or improvement of houses.

e) Laundry spaces and other utility areas shall not be located on side fronting (wholly or partly) the fairways or any part of the golf course and other facilities of the Mount Malarayat Golf and Country Club.

f) *Cost of building.* For single-detached houses, the building to be constructed shall have a minimum cost of at least P2.0 Million. The minimum cost for multi-dwelling buildings shall be set by the Developer from time to time and depending on the type of building to be constructed. In either case, it is provided, however, that the minimum cost may be adjusted by the Developer from time to time with or without prior notice to the Lot Owner.

5. The Lot Owner shall restore destroyed sidewalks and pavements, and other facilities, after construction.

IV. WATER AND ELECTRICAL FACILITIES

1. No booster pumps or similar devices shall be installed by the Lot Owner directly to the subdivision water system. Violation of this rule shall entitle the Developer the right to discontinue service to the delinquent Lot Owner.

2. No wells to draw ground water shall be allowed to be drilled within the lot.

3. Unless otherwise advised, the Lot Owner shall apply for electrical service connections directly with the local electric or utility company. Water service shall be provided by the Developer until the water system has been turned over to the local water district or other utility company.

V. DRAINAGE AND SEWAGE DISPOSAL

1. No Lot Owner shall be allowed to install any drainage or sewer outlet outside his property and to the subdivision's sewerage system without the written approval of Developer.

2. Sewage disposal must be by means of adequate septic tanks built by the Lot Owner and shall consist of three chambers and built in accordance with the Sanitation Code and pertinent ordinances, and rules and regulations. As soon as the Developer completes the subdivision's sewerage disposal system, the lot's sewage disposal shall then be connected to such system.

3. The Lot Owner shall be responsible for ensuring proper garbage collection and garbage disposal. No part of the property or the subdivision may be used as dumping ground for garbage.

VI. WALLS AND FENCES

1. The perimeter fence or wall shall not be more than two (2) meters in height from center line of paved road. Lots with sloping or varying elevations shall have the same height every three (3) meters from the natural grade line of the adjoining lot to the top of the finished fence.

2. The design, material and height of fences for sides of the lot fronting the fairways shall be strictly in accordance with the plans and specifications provided by the Developer. Cost and construction shall, however, be the responsibility of the Lot Owner.

3. No fencing may be allowed prior to construction of the house.

4. The perimeter fence along the subdivision boundary shall not be breached or altered by the Lot Owner without the prior written approval of the Developer.

VII. VEHICULAR ENTRANCES

No vehicular entrances or exits shall be allowed along the circular curves at street intersections and street corners.

Lots adjoining the main boulevard from the main entrance to the rotunda leading to the main clubhouse complex (i.e, Block 1 of the subdivision) shall not have any vehicular entrance or pedestrian access to the said boulevard.

VIII SUBDIVISION FACILITIES AND MAINTENANCE FEES

1. The Lot Owner shall abide by all the rules and regulations imposed by the Developer and/or by the Association for the use and enjoyment of the facilities and utilities in the subdivision and shall faithfully pay such dues, assessments, fees and charges as imposed by the Developer or the Association for this purpose. For this purpose, the Developer or the Association shall have first lien over the real property or properties owned by the Lot Owner in the Subdivision.

Delinquency in the payment of the fees or dues shall also entitle the Developer or the Association to suspend the right of the delinquent Lot Owner from the use and enjoyment of any facilities or amenities in the subdivision.

2. Until the Lot Owner takes possession of the lot, he/she/it shall pay a monthly maintenance fee of such amounts as may be imposed by the Developer from time to time for the maintenance of the lot.

3. Until after turn-over to the Association, the absolute ownership of the facilities and utilities for service, water supply, street lighting systems, roads and drainage systems and such other facilities and utilities that may be put up for the promotion of the general welfare, health, safety and morals of the members of the Association, shall continue to remain with the Developer.

IX. TERM/AMENDMENT OF RESTRICTIONS

1. These restrictions shall be effective upon execution of this Deed and shall remain in force for thirty (30) years from and after turn-over of the facilities of the subdivision unless said period is shortened or extended by two-thirds vote of the members in good standing of the Association, provided, however, that if the amendment is made prior to turn-over, prior approval of the Developer shall be required.

2. The Association may, by the same number of votes, from time to time modify, amend or abolish particular restrictions or part thereof, provided, however, that prior approval by the Developer shall be required should the amendment, modification, or abolition be made prior to turn-over of the facilities. It is provided, furthermore, that, prior to turn-over of the subdivision to the Association, the Developer is entitled to the right to add, amend, modify or abolish particular restrictions or part thereof, without concurrence of the Lot Owners.

X. ENFORCEMENT/ INTERPRETATION OF RESTRICTIONS

1. Enforcement of these Restrictions may be by legal action by the Developer, its assigns and successors and/or the Association, its successors and assigns. The Developer and/or the Association also reserves the right to resort to other remedies, such as but not limited to extra judicially disallowing use of subdivision facilities, imposition of fines, withholding or forfeiture of construction deposit, and forfeiture of construction materials, as may be appropriate under the circumstances. The resort to such remedies shall be in addition to requiring the Lot Owner to rectify any violation at his expense.

2. Any construction or structure built or installed in violation of the provisions of this Deed and of the subdivision rules and regulations shall be immediately removed by the Lot Owner, otherwise the same shall be extra judicially or summarily removed and/or demolished or caused to be removed or demolished by the Developer at the expense of the Lot Owner, and without the Developer incurring any civil or criminal liability therefore.
3. Whatever consideration or forbearance the Developer may concede to the Lot Owner as not exacting strict compliance with any of the terms and conditions of this Deed, as well as any other condonation that may be given the Lot Owner, shall not be construed as a renunciation or waiver, in whole or in part, of any right, cause of action, or sanction herein granted to the Developer.
4. Where there appears to be any conflict in the interpretation of these restrictions and of the rules and regulations imposed by the Developer and the Association, the most stringent interpretation shall control.
5. The headings of this Deed are inserted for convenience only and shall not govern the interpretation and construction of its provisions.

XI. DEVELOPMENT GUARANTEE

The Developer hereby guarantees the construction of concrete roads, concrete curbs, sidewalks and gutters and drainage system on the particular portion of the subdivision where the lot subject of this contract is located in accordance with the approved development plans for the subdivision. Electrical facilities and services shall be installed and supplied in coordination with the local utility company. In any case, the Developer is given by the Lot Owner such reasonable period as may be necessary within which to comply with its development guarantee if, for any reason beyond its control, it is prevented or adversely affected from completion of the facilities herein mentioned.

XII. DONATION/TURN-OVER OF SUBDIVISION

At any time after completion of the subdivision facilities, the Developer shall donate the facilities to the Association and/or the local government unit pursuant to the provisions of P.D. 957, P.D. 1216 and other pertinent laws, rules and regulations. Upon such donation, the Developer shall likewise turn-over management of the Subdivision to the Association. Thereafter, all the rights and obligations of the Developer in this Deed shall pertain to the Association, without need of formal amendment of this Deed.

ACTIVE REALTY AND DEVELOPMENT CORPORATION

by:

Conforme

Buyer

Buyer