

License Agreement

Shared Cost Agreement Addendum

The following terms of this Shared Cost Agreement were agreed upon on July 25th, 2009 by members of both Board of Directors (Santa Rosa and Gavilan Springs) acting as authorized representatives, able to negotiate and reach a binding agreement as representatives for both of their Associations and HOA Boards.

Santa Rosa Ranchos Homeowners Association and Gavilan Springs Homeowners Association agree to the following terms:

1. Both Associations agree to a shared responsibility in order to maintain the Horse Arena area in the following manner:
 - A- Gavilan Springs will insure that the Arena area is groomed twice a month.
 - B- Santa Rosa will also insure that the Arena area is groomed twice a month on alternative weeks from Gavilan Springs.
 - C- If grooming during any one week period is unnecessary then it can be postponed till the following week on a telephonic/email approval by both association Presidents.
2. Once the Equestrian bathroom facilities are brought up to a sanitary and clean condition by Santa Rosa. Then both associations will equally share the costs to maintain the Equestrian bathrooms. Santa Rosa will provide the cost of the maintenance to Gavilan Springs who will forward a check payable to the entity providing maintenance for the bathrooms to Equity Management 42430 Winchester Road, Temecula, CA 92590 on a monthly basis for the term of this agreement.* Maintenance costs which exceed \$25.00 in per month must be preapproved by both Associations.
3. Both associations agree that Gavilan Springs, as a part of the shared cost agreement, will contribute \$ 125.00 per month to be paid, as proportioned and directed by Santa Rosa, to the following utilities companies which service the Equestrian Center area known as Lot 47 and 48 of Tract 42484 and Lot 57 of Tract 14116-1, Electric Company, Water Company and the Trash Company.
 - Example \$75.00 to the Electric Company, \$25.00 to the Water Company and \$25.00 to the Trash Company, per month.
 - Santa Rosa will forward those proportioned amounts to Gavilan Springs after which Gavilan Springs agree to forward those payments payable to the individual utilities to Equity Management 42430 Winchester Road, Temecula, CA 92590 on a monthly basis for the term of this agreement.

4. Both Associations agree to maintain regular upkeep and maintenance of their own respective properties.

5. Both Associations agree to equally share costs for extraordinary maintenance which occurs on either properties. Example the replacement of light bulbs, repairing of water leaks, broken fence rails, etc. These shared costs do not extend to scheduled replacement or planned repairs of items on either property. * Extraordinary Maintenance costs which exceed \$25.00 in per month must be preapproved by both Associations.

As per the "License Agreement" the term of this agreement is as follows. Starting July 31, 2009, this license agreement shall automatically renew for a one year term, and there after shall automatically renew for additional one period on July 31st of each successive year unless either party has given written notice to the other, at least 90 days prior to the renewal date of its intent not to renew the license agreement. Gavilan Spring and Santa Rosa each reserve the right to terminate and revoke the license granted to the other at any time, at the sole discretion of either party and without cause, upon a 90 days written notice to the other. In addition, Gavilan Springs and Santa Rosa both reserve the right to terminate the license granted to the other for cause upon forty eight (48) hours written notice to the other with the agreement that Santa Rosa Ranchos HOA has 90 days to remove it's property from Gavilan Springs HOA's lots. Failure to comply with the provisions of the License Agreement and this Shared Cost Agreement shall constitute grounds for termination for cause.

Gavilan Springs

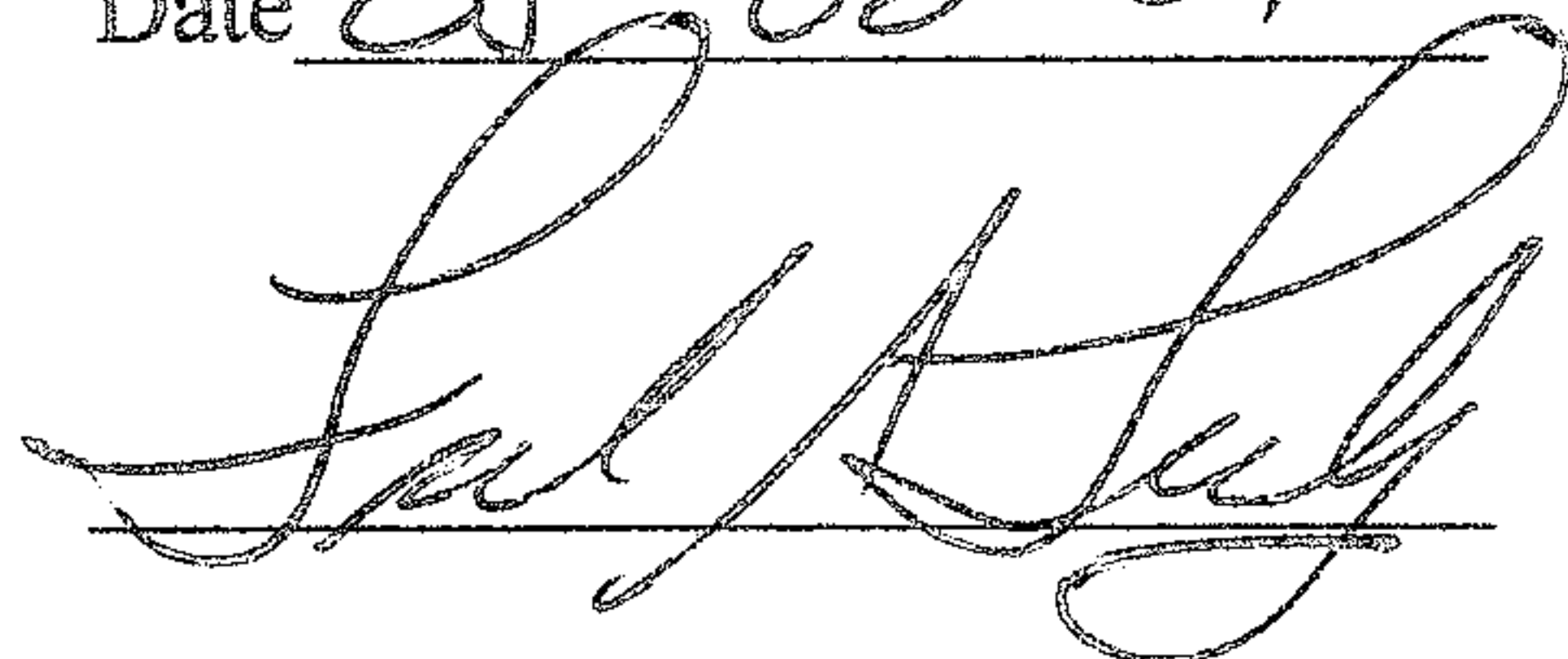
Santa Rosa Ranchos

Homeowners Association

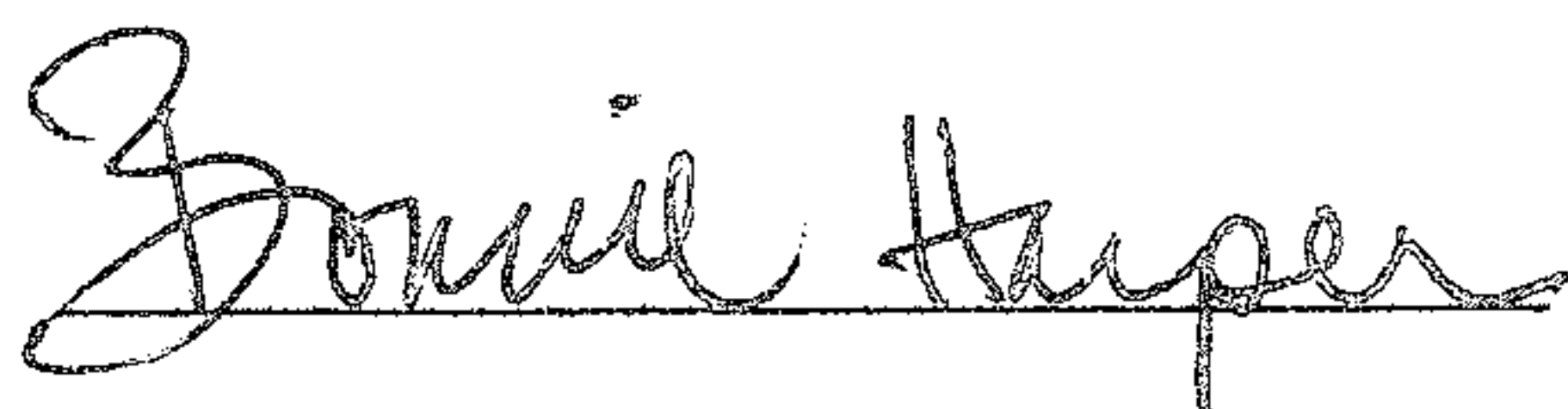
Homeowners Association

Date

8-02-09



President

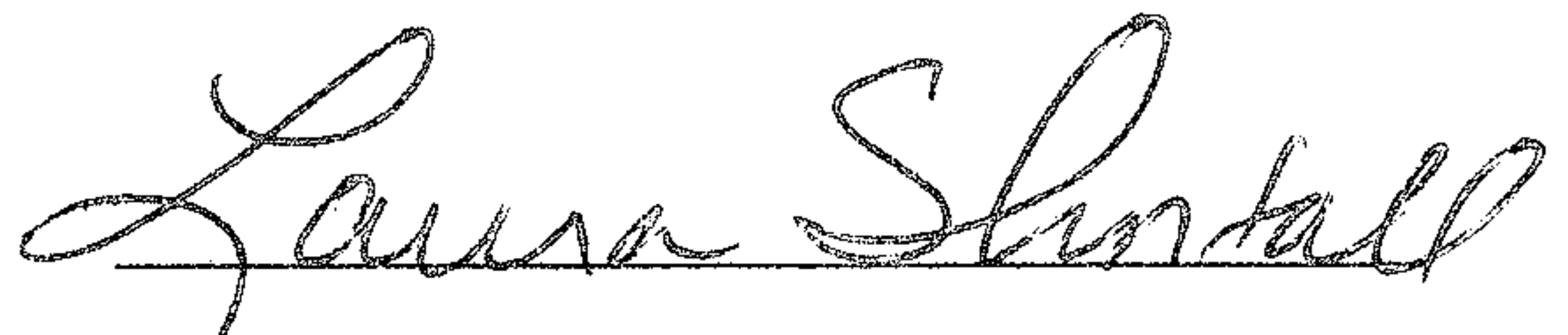


~~Secretary~~

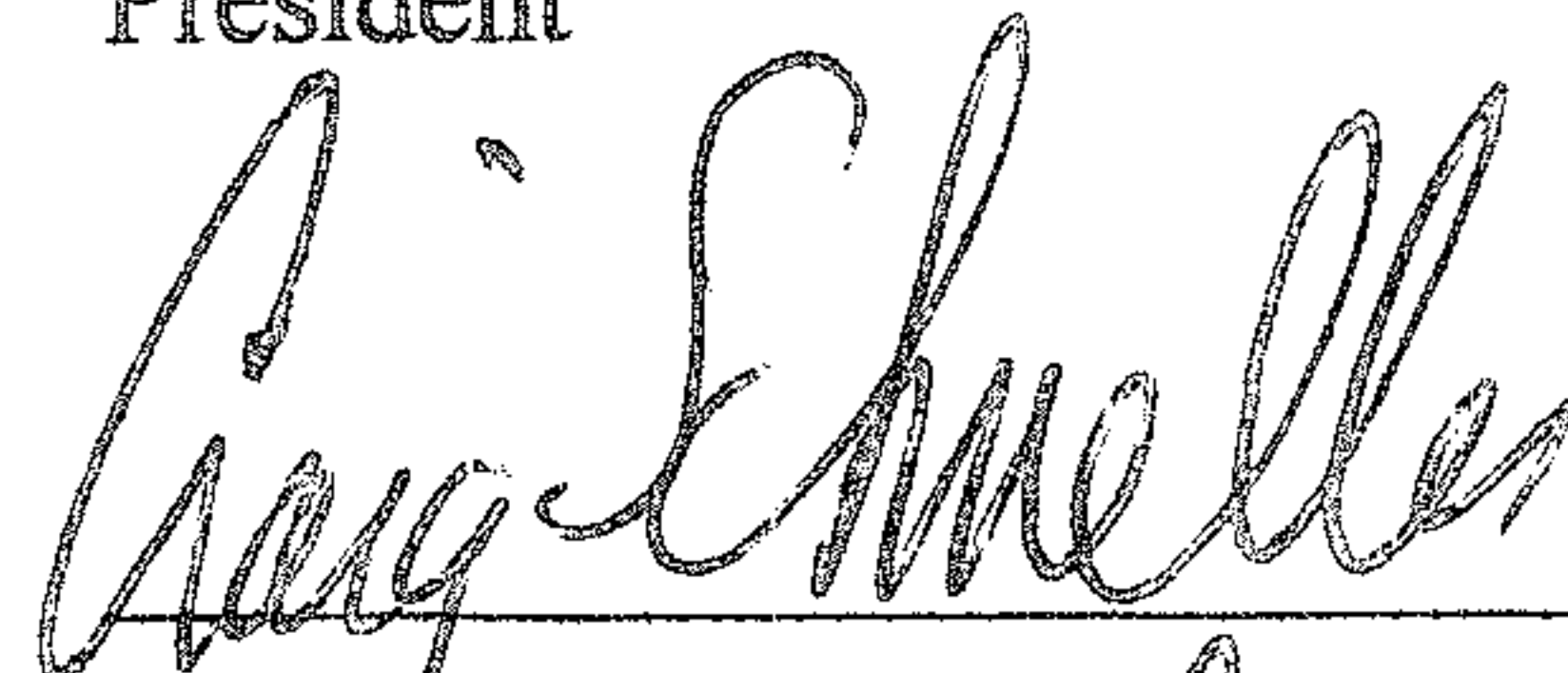
VICE President

Date

8-02-09



President



~~Secretary~~

Vice President