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2021-0246686

04/21/2021 08:00 AM Fee: \$ 335.00

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Recorded in Official Records
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For Recorder's Use

**2021 AMENDED AND RESTATED
DECLARATION OF RESTRICTIONS
FOR
ELDORADO PROPERTY OWNERS ASSOCIATION
*A Residential Planned Development Community***

**NOTICE
(Gov. Code § 12956.1)**

If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

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**2021 AMENDED AND RESTATED
DECLARATION OF RESTRICTIONS
FOR
ELDORADO PROPERTY OWNERS ASSOCIATION**

THIS 2021 AMENDED AND RESTATED DECLARATION OF RESTRICTIONS is made this 5th day of April, 2021, by ELDORADO PROPERTY OWNERS ASSOCIATION, a California nonprofit mutual benefit association ("Association"), with reference to the following Recitals. The Association, its successors and assigns, shall hereinafter be referred to as the "Declarant" or the "Association."

R E C I T A L S

A. Declarant is the manager of the Covered Property under this Declaration as described in attached Exhibit "A." There exists on the Covered Property a common interest development consisting of a planned development as defined in Section 4175 of the California Civil Code. These amended covenants, conditions and restrictions are imposed upon the Covered Property in order to provide for its management and to enhance and protect the value, desirability and attractiveness of the Covered Property.

B. Common Area includes non-exclusive easements over the Private Streets described in attached Exhibit "B."

C. The Association was incorporated February 14, 1958, has managed the Project since that date, and will continue to manage the Project, maintain and administer the Common Areas, administer and enforce the Governing Documents of the Association, and perform such other acts as may benefit the Project.

D. The Project is currently subject to the covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges set forth in the 2019 Amended and Restated Declaration of Restrictions for Eldorado Property Owners Association recorded on February 13, 2020, as Instrument No. 2020-0065380 in the Official Records of the County Recorder of Riverside County and hereinafter referred to as the "2019 Declaration." The 2019 Declaration amended and restated the prior declarations listed in the attached Exhibit "C", hereinafter referred to as "Prior Declarations."

E. The Association now desires to amend and restate the 2019 Declaration (except any reservations and other provisions therein which reserved easements, including those easements reserved in Section 13 of the Prior Declarations which are confirmed in Article 13 of this Declaration, which easements shall remain continuously in effect as set forth in the Prior Declarations) in its entirety by recording this Declaration.

The Association further desires that, upon recordation of this Declaration, the Project shall be subject to the covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges contained herein, and that this Declaration take the place of and relate back in time to the recording of the 2019 Declaration. The 2019 Declaration, in Section 15.4, provides that it may be amended by the affirmative vote or written consent of a Majority Vote of the Members of the Association. The undersigned President and Secretary of the Association certify that, to the best of their knowledge, the affirmative vote or written consent of at least Majority Vote of the Members of the Association has been obtained.

F. Under California Civil Code section 4270, an amendment is effective after (1) approval of the percentage of Owners required by the Governing Documents has been given, (2) that fact has been certified in a writing executed and acknowledged by the Association President if no Officer has been designated in the 2019 Declaration for such purpose, and (3) the writing has been recorded in the County in which the Community is located.

NOW, THEREFORE, Declarant covenants and agrees that the Covered Property, the Project and all of the Lots, including any improvements now located on the Project, or added or constructed on or about the Project in the future, shall be held, conveyed, assigned, hypothecated, encumbered, leased, used, occupied and improved subject to the following covenants, conditions and restrictions, for the purpose of mutually benefitting the Covered Property, the Project and all of the Lots, and the future Owners thereof. All of the covenants, conditions and restrictions set forth herein shall run with the land, shall be enforceable as equitable servitudes, and shall be binding upon and for the benefit of all parties having or acquiring any right, title or interest in the Covered Property, the Project or any of the Lots.

DECLARATION

ARTICLE 1 - DEFINITIONS

The following terms used in this Declaration are defined as follows:

1.1 ***In General.*** Unless otherwise defined herein, capitalized terms or words used in this restated Declaration shall have the definitions in this Article, or in the Davis-Stirling Common Interest Development Act (California Civil Code section 4000 et seq., hereafter "Act") or in the California Nonprofit Corporation Law (California Corporations Code section 5002 et seq.). Words not defined in this Declaration, the Act or in the Corporations Code shall be understood in their ordinary and popular sense, as determined by the context in which they are used, unless the context indicates that the term or word is a defined term which was inadvertently not capitalized.

1.2 ***Agreed Share.*** The term "Agreed Share" shall mean and refer to the percentage of the costs shared by the Association, the ECOA and the Club under the Eldorado Master Agreement and any amendments thereto.

1.3 ***Alternative Dispute Resolution Program.*** The term "Alternative Dispute Resolution Program" shall mean and refer to the requirements of Section 5925 et seq., of the Act.

1.4 ***Applicable Law.*** The term "Applicable Law" shall mean statutes, public laws, ordinances, regulations and rulings of administrative agencies, court rulings having value as precedent and any other requirements having the force of law that are in effect at the time a provision of the Governing Documents is applied, and pertaining to the subject matter of the Governing Documents provision in question. Statutes and ordinances specifically referenced in the Governing Documents are "Applicable Law" on the date of the Governing Document, and are not intended to apply to the Community if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more statutes or ordinances.

1.5 ***Architectural Committee.*** The term "Architectural Committee" or "Committee" shall mean and refer to the Architectural Committee created pursuant to Article 12 of this Declaration entitled "ARCHITECTURAL CONTROL."

1.6 ***Articles.*** The term "Articles" shall mean and refer to the Articles of Incorporation of the Association filed in the Office of the Secretary of State of the State of California, as amended from time to time.

1.7 ***Assessments.*** The term "Assessments" shall mean any one or more of the following:

- 1.7.1 Regular Assessment shall mean the amount which is to be paid by each Owner to the Association for Common Expenses as provided by the terms of this Declaration. Regular Assessments may from time to time include assessments levied in emergency situations as described in Section 6.5 of this Declaration.
- 1.7.2 Special Assessment shall mean a charge against each Owner and his or her Lot, representing a portion of the cost to the Association for installation or construction of any Capital Improvements on any of the Common Area and other purposes which the Association may from time to time authorize pursuant to the provisions of this Declaration. Special Assessments may from time to time include assessments levied in emergency situations as described in Section 6.5 of this Declaration.
- 1.7.3 Reimbursement Assessment shall mean a charge against a particular Owner and his or her Lot (i) for the purpose of reimbursing the Association for costs incurred in bringing the Owner's Lot into compliance with the provisions of the Governing Documents; or (ii) any other charge designated as a Reimbursement Assessment in this Declaration or Association

rules, together with attorneys' fees and other charges payable by such Owner, pursuant to the provisions of this Declaration.

- 1.7.4 Reconstruction Assessment shall mean a charge against each Owner and his or her Lot representing a portion of the cost to the Association for reconstruction of any portion of the Common Area pursuant to the provisions of this Declaration.
- 1.7.5 Monetary Penalty Assessment shall mean a charge or fine imposed against a particular Owner and the Owner's Lot for failing to comply with the Governing Documents.
- 1.7.6 Non-Club Member Assessment shall be a charge used to reimburse or offset a portion of the costs incurred by the Association to benefit the Covered Property, by means of supporting the first-class care and maintenance of certain Club facilities, all of which either directly or indirectly serve or otherwise help protect the values of and provides additional benefits to the residences and the Lots.

The Assessments described above are also known as the "Lot Dues" payable by the Members to the Association.

1.8 **Association.** The term "Association" shall mean and refer to the ELDORADO PROPERTY OWNERS ASSOCIATION, a California nonprofit mutual benefit corporation, its successors and assigns, which was formed to manage and maintain the Project. As set forth in Section 5.1 of this Declaration, all Owners are Members of the Association.

1.9 **Authorized Delivery.** The term "Authorized Delivery" shall mean and refer to any of the approved methods of delivery to the Members as described in Civil Code sections 4040 and 4045.

1.10 **Board of Directors.** The term "Board of Directors" or "Board" shall mean and refer to the duly elected Board of Directors of the Association.

1.11 **Bylaws.** The term "Bylaws" shall mean and refer to the Bylaws of the Association, as amended from time to time.

1.12 **Capital Improvement.** The term "Capital Improvement" shall mean and refer to the use of Association funds to construct or build an addition to the Project, where such use of funds is optional under the Governing Documents, rather than mandatory, and is not otherwise required by Applicable Law. For purposes of the Governing Documents, the maintenance, repair or replacement of Improvements within the Project which the Association is obligated to maintain, using materials of similar kind, or using materials which are needed due to changes in building or fire codes or due to discontinued fabrication or unavailability, or using materials that have substantially similar cost over the useful life of the material shall not be considered a Capital Improvement, notwithstanding

that such expenditure or Improvement may be considered a Capital Improvement for tax purposes.

1.13 **City.** The term "City" shall mean and refer to the City of Indian Wells, California.

1.14 **Club.** The term "Club" shall mean and refer to the Eldorado Country Club, Inc., a California corporation.

1.15 **Club Member.** The term "Club Member" shall mean and refer to any natural person who (i) has been accepted for membership in the Club, (ii) has paid the full amount due to the Club in relation to the applicable category of membership, (iii) has been issued a Club membership number, and (iv) is in good standing with the Club.

1.16 **Code.** The term "Code" (whether referring the Civil Code, Corporations Code, Business & Professions Code, or Government Code) shall mean and refer to the particular referenced code of the State of California, unless the U.S. Code is specifically referenced.

1.17 **Common Area.** The term "Common Area" shall mean and refer to the mutual or reciprocal easement rights appurtenant to the Lots and easements granted or reserved to the Association for maintenance purposes. The Common Area includes (a) non-exclusive easements for access, ingress and egress over the Private Streets and walkways for use of the Owners in the Project and others, as described on the subdivision maps for the Project; (b) easements for drainage and drainage facilities, including storm channel improvements, and for maintenance of same; (c) easements for maintenance of Private Streets, street landscaping, and street lighting. The term "Common Area" as used herein shall specifically include, without limitation, the Private Streets and any other easement areas which the Association is required to maintain (or share in the cost of maintaining) hereunder.

1.18 **Common Expenses.** The term "Common Expenses" shall mean and refer to the actual and estimated costs of:

- 1.18.1 Maintenance, management, operation, repair and replacement of the Common Area and all other areas on or adjacent to the Covered Property which are maintained by the Association;
- 1.18.2 Unpaid Special, Reconstruction and Reimbursement Assessments;
- 1.18.3 Costs of management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and employees, including reimbursement to the Club for work performed by its employees on behalf of the Association;

- 1.18.4 The cost of utilities, cable, trash pickup and disposal, gardening and other services benefitting the Owners, their Lots and the Common Area to the extent such services are paid for by the Association and not separately and individually billed directly to Owners;
- 1.18.5 The costs for security of the Project in accordance with any "Security Billing" received from the Club for "Security Services," as defined below;
- 1.18.6 The costs of fire, casualty, liability, workers' compensation and other insurance covering the Common Area, the Project and the Association;
- 1.18.7 The costs of any other insurance obtained by the Association;
- 1.18.8 Reasonable reserves as deemed appropriate by the Board;
- 1.18.9 The costs of bonding of the members of the Board, any professional Managing Agent or any other person handling the funds of the Association;
- 1.18.10 Any taxes paid by the Association;
- 1.18.11 Amounts paid by the Association for discharge of any lien or encumbrance levied against the Common Area or portions thereof;
- 1.18.12 Costs incurred by the Architectural Committee or other committees of the Association;
- 1.18.13 Such other costs or expenses incurred by the Association in connection with the Common Area, the Governing Documents, or in furtherance of the purposes of the Association or in the discharge of any obligations imposed on the Association by this Declaration or the Eldorado Master Agreement.

Certain expenses by the Association may be subject to reimbursement from the Club and the ECOA for a portion thereof in accordance with any Eldorado Master Agreement or other agreement in effect from time to time relative to the shared costs of Common Area maintenance. In such case, only the portion of the Association's Agreed Share shall be a Common Expense of the Association.

- 1.19 ***Common Interest Development.*** The term "Common Interest Development" shall mean and refer to a planned development as defined in Civil Code section 4175. A planned development is a development in which (a) the Common Area is owned by an Association or by the owners in common (who possess appurtenant rights to the use and enjoyment of the

Common Area), and/or (b) the Association maintains the Common Area with the power to levy assessments that may become a lien on the owners' Separate Interests. The Project is a Common Interest Development subject to the "Act" as defined above.

1.20 **Controlled.** The term "Controlled" shall mean the direct or indirect ability, power, and authority of a natural person to unilaterally direct the affairs and business of a legal entity.

1.21 **County.** The term "County" shall mean and refer to Riverside County, California.

1.22 **Covered Property.** The term "Covered Property" shall mean and refer to all of the real property described in Exhibit "A" attached hereto.

1.23 **Declarant.** The term "Declarant" shall mean and refer to the Association, its successors and assigns.

1.24 **Declaration.** The term "Declaration" shall mean and refer to this 2021 Amended and Restated Declaration, i.e., this document.

1.25 **Director or Directors.** The term "Director" or "Directors" shall mean one or more members of the Board of Directors.

1.26 **ECOA.** The term "ECOA" shall mean and refer to the Eldorado Cottage Owners Association, a California mutual benefit nonprofit corporation, the manager of a common interest development adjacent to the Project. The Common Area is used jointly by the Association, the ECOA, and the Club.

1.27 **Eldorado Master Agreement.** The term "Eldorado Master Agreement" shall mean and refer to any written agreement in effect from time to time between the Association, the Club and the ECOA, relating to shared expenses between such entities for Common Area maintenance. Any such agreement shall be submitted to the Members for approval prior to execution.

1.28 **Golf Course.** The term "Golf Course" shall mean and refer to the 18-hole championship golf course owned by the Club.

1.29 **Governing Documents.** The term "Governing Documents" shall mean and refer to this Declaration, the Articles, the Bylaws, Association Rules, and any other documents or amendments to documents which govern the operation of the Project or the Association.

1.30 **Guidelines.** The term "Guidelines" shall mean and refer to the Design and Plan Submittal Guidelines, adopted by the Board, which Guidelines include the architectural standards to be administered through the Architectural Committee as the Board, in its discretion, has deemed appropriate and in accordance with this Declaration.

The Guidelines may be revised from time to time pursuant to the Rule Change procedures specified in Civil Code section 4360.

1.31 Improvements. The term "Improvement" or "Improvements" shall include buildings, outbuildings, driveways, private streets and curbs, gates, trails, sidewalks, parking areas, fences and walls, screening walls, retaining walls, stairs, pools, spas, decks, hedges, windbreaks, plantings, trees and shrubs, poles, signs, lighting, irrigation facilities, drainage facilities, and all other structures and landscaping of every type and kind.

1.32 Lot. The term "Lot" shall mean and refer to any plot of land or parcel shown on any recorded subdivision map of the Project, with the exception of the Common Area, and shall include a Unit constructed upon such Lot. A Lot is a "Separate Interest" as defined in Civil Code section 4185(a)(3). "Original Lots" are those Lots as shown on the original subdivision maps of the Project. If an Owner owns more than one (1) Original Lot, whether or not such Original Lots or portions thereof are merged, such Owner will be liable for assessments and have voting rights allocable to each of the Original Lots. If an Original Lot has been legally divided, the resulting partial Lots are hereafter referred to as "Half Lots." Owners of Half Lots are entitled to one-half ($\frac{1}{2}$) of the voting right and shall be responsible for payment of one-half ($\frac{1}{2}$) of the assessment obligation allocated to an "Original Lot" as described in Sections 5.3 and 6.1. The term "Lot," unless otherwise specified, shall include both Original Lots and Half Lots.

1.33 "Majority Vote of the Members" and "Approval by the Members"

1.33.1 The term "Majority Vote of the Members" shall mean the vote or written assent of a majority of all the votes entitled to be cast (Corporations Code section 5033), and shall not mean the majority of a quorum. For illustrative purposes only, if the total voting power of the Association were 100, then 51 positive votes would be needed to approve a vote by a "Majority Vote of the Members."

1.33.2 The term "approval by the Members" or "approval of the Members" means approval by the affirmative vote or written assent of a majority of the votes represented and voting at a duly held meeting at which a quorum is present or by written ballot, with the affirmative votes also constituting a majority of that quorum (Corporations Code section 5034). For illustrative purposes only, if the total voting power of the Association were 100 and 60 votes were returned, then 31 positive votes would be needed to approve the vote with "approval by or of the Members."

1.34 Manager. The term "Manager" shall mean the Club, whose agents and employees will manage the Project until such time as a new Manager is appointed by the Board. Such management duties are limited to those duties specifically authorized by the Board. The Manager is a Managing Agent as defined below.

1.35 **Managing Agent.** The term "Managing Agent" shall mean and refer to a person or entity, who for compensation, or in expectation of compensation, exercises control over the assets of the Association as directed by the Board. However, a "Managing Agent" does not include a full-time employee of the Association or a regulated financial institution operating within the normal course of its regulated business practice. Any contract with a Managing Agent is subject to the provisions of Section 8.2 of this Declaration and Section 7.5 of the Bylaws.

1.36 **Meet and Confer Program.** The term "Meet and Confer Program" shall mean and refer to the procedures required in Civil Code section 5900 et seq., (an internal dispute resolution process for resolving a dispute between the Association and a Member involving their rights, duties, or liabilities under Applicable Law or under the Governing Documents).

1.37 **Member.** The term "Member" shall mean and refer to each person entitled to membership in the Association as provided in the Governing Documents.

1.38 **Mortgage.** The term "Mortgage" shall mean and refer to any duly recorded and valid mortgage or deed of trust encumbering a Lot.

1.39 **Mortgagee.** The term "Mortgagee" shall mean and refer to any beneficiary of a deed of trust or mortgagee of a mortgage which encumbers a Lot in the Project.

1.40 **Notice and Hearing.** The term "Notice and Hearing" shall mean at least a ten (10) day notice to a Member of a hearing by the Board upon such Member's alleged violation of the Governing Documents, and the holding of such hearing in which the Member shall have an opportunity to be heard (satisfying the minimum requirements of Section 7341 of the Corporations Code and Section 5855 of the Act). The notice to the Member shall list the nature of the alleged violation or the nature of the alleged damage to the Common Area for which a monetary charge may be imposed to be heard by the Board, shall state the date, time and place of the hearing, and a statement that the Member has the right to attend and address the Board, all in accordance with Section 3.4 of the Bylaws.

1.41 **Operating Rule/Rule Change.** The term "Operating Rule" shall mean and refer to a regulation adopted by the Board that applies generally to the management and operation of the Project or the conduct of the business and affairs of the Association. The term "Rule Change" shall mean and refer to the adoption, amendment, or repeal of an Operating Rule by the Board. In accordance with Civil Code section 4350, an Operating Rule is valid and enforceable only if all of the following requirements are satisfied: (a) the rule is in writing; (b) the rule is within the authority of the Board as conferred by law or by the Declaration, Articles or Bylaws of the Association; (c) the rule is not inconsistent with Applicable Law and the Declaration, Articles or Bylaws of the Association; (d) the rule is adopted, amended or repealed in good faith and in substantial compliance with the requirements of Civil Code section 4340 et seq., and (e) the rule is reasonable.

1.42 **Owner.** The term "Owner" shall mean and refer to any natural person, firm, corporation, partnership, trust or other entity which owns a fee simple interest in any Lot, as shown on the most recent deed for the Lot recorded in the Office of the Riverside County Recorder, including the Association, and any contract sellers under recorded contracts of sale. "Owner" shall not include any persons or entities that hold an interest in a Lot merely as security for performance of an obligation. For purposes of exercising membership rights, including the right to serve as a Director, and incurring membership obligations when an Owner is a corporation, firm, limited liability company or other legal entity, any Director, Officer, employee or agent designated in writing by the Owner may exercise the membership rights attributable to the Owner. For Lots held in trust, the trustee may exercise the membership rights attributable to the trust. A person or entity is not an Owner due to: (i) community property or other marital rights where the person asserting such rights is not shown on the recorded title as an Owner; (ii) rights of adverse possession not adjudicated and shown on the recorded title as an Owner; or (iii) other equitable rights where the person asserting such rights is not shown on the recorded title as an Owner.

1.43 **Person.** The term "Person" shall mean and refer to any natural person, company, corporation, firm, partnership, joint venture, limited liability company, limited liability partnership, association, organization, revocable or irrevocable trust or any other legal entity.

1.44 **Private Streets.** The term "Private Streets" shall mean the Common Area streets over which the Owners have a non-exclusive easement for access, ingress and egress. The Private Streets are owned by the Club and are maintained by the Association pursuant to the Eldorado Master Agreement (subject to reimbursement of a portion of maintenance costs from the Club and the ECOA as described in Section 8.3 of this Declaration). The Private Streets are described and depicted in attached Exhibit "B."

1.45 **Project.** The term "Project" shall mean and refer to all of the Covered Property, including all of the Lots, the Common Area and all Improvements located upon the Covered Property.

1.46 **Right of First Refusal.** The term "Right of First Refusal" shall mean and refer to the right of the Association to purchase a Lot as provided in Section 15.9 hereof, and the right of the Association to rent or lease a Unit or Lot as provided in Section 4.12 hereof.

1.47 **Rules.** The term "Rules" shall mean any rules, including but not limited to the rules contained in the Guidelines, for the Association regulating the use of the Lots, the Common Areas, the Project and any facilities located thereon adopted by the Board.

1.48 **Security Services; Security Costs and Security Billing.**

1.48.1 "Security Services" shall mean and refer to the security services provided by the Club to the Association for monitoring of the main gate to the community, service gate to the community, and for

making regular patrols throughout the community. Security Services are performed by the Club's security department ("Security Department") and operate on a 24-hour basis, seven (7) days a week.

1.48.2 "Security Costs" shall mean and refer to the cost of operating the Security Department and providing the Security Services and includes other operating expenses and security assets charges. The operating expenses represent salaries, wages, payroll taxes and other operating expenses. The security assets charges represent a prorated cost of capital expenditures for the Security Department, which have been incurred by the Club. The assets charges are developed during the Club's budget process each year and are recomputed annually based on actual costs.

1.48.3 "Security Billing" shall mean and refer to any bill from the Club to the Association for Security Costs. The Club bills the Association for both operating expenses and the security asset charge and the Association, in turn, bills each Owner. (Reference is made to the Eldorado Master Agreement for the timing and calculation of these billings.) Security Costs are a common expense of the Association and the portion of the Security Costs allocated to each Lot is considered a portion of the Regular Assessments on the Lot.

1.49 **Separate Interest.** The term "Separate Interest" shall mean and refer to a separately owned Lot and the Unit constructed thereon. The estate in a Separate Interest may be a fee, a life estate, an estate for years, or any combination thereof.

1.50 **Unit.** The term "Unit" shall mean and refer to the residential Improvements located upon a Lot.

1.51 **Voting Power.** The term "Voting Power" shall mean and refer to the total number of votes eligible to be cast in the Association less the votes of any Lot where voting rights have been suspended.

ARTICLE 2 - PLANNED DEVELOPMENT

2.1 **Division of Project.** The Project consists of the following:

2.1.1 The Lots described in attached Exhibit "A" which are shown, defined and described on the recorded subdivision maps for the Project;

2.1.2 The Common Area consisting of (a) non-exclusive easements for access, ingress and egress over the Private Streets described in attached Exhibits "A" and "B"; (b) easements for walkways; (c) easements for drainage and drainage facilities, including

storm channel Improvements, and for maintenance of same; and (d) any other easements or other areas which the Association is required to maintain (or share in the cost of maintaining) hereunder. Such easements were reserved on the recorded subdivision maps for the Project and are used jointly by the Owners, the ECOA, Club Members, and their guests and invitees.

2.2 Interest in Common Area. Ownership of a Lot includes the right to use and enjoy all of the Common Areas within the Project, including a non-exclusive easement for ingress and egress in the Private Streets. Each conveyance of a Lot, whether voluntary or involuntary, shall also convey the right to use and enjoy the Common Area even though the conveyance document may omit reference to the Common Area.

2.3 Ownership of Common Area Private Streets. The Private Streets are owned by the Club, subject to easements as described in this Declaration. The Association maintains the Private Streets pursuant to the Eldorado Master Agreement.

2.4 Security Services. While the Club provides Security Services to the Association, Owners and occupants of a Lot, and their respective guests and invitees are responsible for their own personal safety and security of their property within the Project.

2.4.1 Neither the Association nor its Board, Officers, agents or representatives shall in any way be considered an insurer or guarantor of safety or security within the Project, nor shall such parties be held liable for any injury, loss or damage by reason of failure to provide any type or form of security or, if applicable, then the ineffectiveness of any security measures undertaken.

2.4.2 No representation or warranty is made that the Security Services or any other systems or measures, including any camera or surveillance system, mechanism, gate (including attendants), or other system or measures for limiting access to the Project, will not be compromised or circumvented, nor that any such systems or measures undertaken will in all cases prevent injury, loss or damage, or otherwise provide the detection or protection for which such system or measure is designed or intended.

2.4.3 Each Owner acknowledges, understands, and shall be responsible for informing his or her tenants and all occupants and guests of his or her Lot that the Association, its Board, Officers, agents or representatives, are not insurers or guarantors of safety or security and that each person within the Project assumes all risks of personal injury and loss of or damage to property, wherever located, including Lots, storage areas, and the contents of Lots and Units resulting from the acts of third parties.

ARTICLE 3 - RIGHTS OF ENJOYMENT

3.1 ***Members' Right of Enjoyment.*** Every Member of the Association has a nonexclusive easement for use and enjoyment of the Common Area, including the right of ingress, egress, and support (if necessary) in, to, and throughout the Common Area, which shall be appurtenant to and pass with title to each Lot, subject to all of the easements, covenants, conditions, restrictions and other provisions contained in this Declaration, including, without limitation, the following:

- 3.1.1 The right of the Association to establish uniform Rules and regulations pertaining to the use of the Common Area;
- 3.1.2 The right of the Association, upon a Majority Vote of the Members approving such action, to borrow money and incur indebtedness for the purpose of improving the Common Area and any Improvements thereon and to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the provisions of Section 8.5.7 of this Declaration;
- 3.1.3 The right of the Association to dedicate, release, alienate, transfer or assign an interest in the Common Area to any public agency, authority, utility or other person for such purposes and subject to such conditions as may be agreed to by at least a majority of the total Voting Power of the Association and the owner of the Common Area.

3.2 ***Delegation of Use.*** Any Member may delegate the Member's right to the use and enjoyment of the Common Area to the members of his or her family, guests or tenants who reside in the Member's Unit, subject to the Rules adopted by the Association.

3.3 ***Waiver of Use.*** No Member may exempt himself/herself from personal liability for assessments duly levied by the Association, or release his or her Lot from the liens, charges and other provisions of the Governing Documents, by waiver of the use and enjoyment of the Common Area or the abandonment of his or her Lot.

ARTICLE 4 - USE RESTRICTIONS

In addition to all other covenants contained herein, the use of the Project, each Lot and the Common Area is subject to the following:

4.1 ***Commercial Use.*** No Lot, Unit or any part thereof shall be used for any business, professional, commercial, manufacturing, mercantile, storing, vending, or other nonresidential purposes. No business or profession of any nature shall be conducted on any Lot, and no building or structure intended for or adopted to business or professional purposes, nor any apartment house, hotel, duplex house, flat building, lodging house, rooming house, hospital, or sanitarium shall be erected, placed, permitted or maintained on any Lot. Home offices are not considered to be in violation of this Section so long as

they are merely incidental to the use of the Unit as a single-family residence, and so long as there is no external evidence of nor any associated vehicular or pedestrian traffic caused by the existence of any such home office. A "family" is defined for purposes of this restriction as related or unrelated persons who jointly occupy and have equal access to all areas of a Unit and who function together as an integrated economic unit.

4.2 Maintenance of Lots and Units. Each Owner shall be responsible for the maintenance and appearance of his or her Lot, whether improved or unimproved, and his Unit, including, without limitation, the following:

- 4.2.1 Owner shall assure that their Lots are properly landscaped and that all landscaping, including grass, trees, ornamental shrubs, and the like, is properly irrigated, trimmed and maintained.
- 4.2.2 Palm trees shall be trimmed annually.
- 4.2.3 If any fruit trees are located on a Lot, Owners shall assure that their gardeners remove any hanging fruit and pick up fallen fruit by May 31 of each year.
- 4.2.4 Trees near to a property line must be properly maintained such that they do not become a hazard, nuisance or safety issue to an adjacent Lot, the Common Area, or the Golf Course.
- 4.2.5 Each Lot shall at all times be kept clear of weeds and other unsightly growth.
- 4.2.6 The Lots and Units shall be maintained in a clean, sightly, wholesome, neat, orderly, safe, sanitary and attractive condition.
- 4.2.7 All painting and alterations of the exterior surfaces of Units shall be undertaken in conformance with the requirements of Article 12 regarding the Architectural Control and the Guidelines.
- 4.2.8 No trash, litter, junk, boxes, containers, bottles, cans, implements, machinery, lumber or other building materials shall be permitted to remain exposed upon any Lot so they are visible from any neighboring Lot, Common Area, or Golf Course, except as necessary during any period of construction.
- 4.2.9 No Lot shall be used in whole or part for the storage of any property or thing that will cause such Lot to appear in an unclean, disorderly, or untidy condition.
- 4.2.10 No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done, placed or stored thereon which may be or become an annoyance or nuisance to the neighborhood or occasion any noise or odor which will or might disturb the peace,

quiet, comfort, or serenity of the Owners or occupants of nearby Lots, or players on the Golf Course.

- 4.2.11 In the event any structure is destroyed either wholly or partially by fire or any other casualty, said structure shall be promptly rebuilt or remodeled to conform to this Declaration in conformance with the requirements of Article 12 and the Guidelines, or all remaining portions of the structure, including the foundations and all debris, shall be promptly removed from the Lot and the Project.
- 4.2.12 Any drainage easement areas on an individual Lot as may be described or depicted in the recorded subdivision maps or other recorded documents for the Project shall be kept free of buildings and obstructions by the Owner of that Lot.

In the event that any Owner fails to maintain his or her Lot or Unit in accordance with the standards described in this Section, the Association shall have the right, but not the obligation, to undertake such maintenance and levy the expense thereof against the delinquent Owner as a Reimbursement Assessment. Any such Association maintenance shall be undertaken only after the Association has given the Owner thirty (30) days' notice to correct any maintenance deficiencies and a Notice and Hearing if the Owner has not corrected the maintenance deficiencies stated in the notice within the thirty (30) days period following the notice.

4.3 Lot Maintenance by Association. Should an Owner request that the Association maintain the landscaping on the Owner's Lot (in the Owner's absence from the Project or otherwise), the Association may, but is not obligated to maintain the landscaping on the Lot and bill the expense therefor to the Owner as a Reimbursement Assessment without prior Notice and Hearing. The Owner shall then reimburse the Association for the landscaping maintenance costs.

4.4 No Obstruction of Common Area. There shall be no obstruction of the Common Area nor shall anything be stored in the Common Area without the prior written consent of the Board. Nothing shall be altered or constructed in or removed from the Common Area, except upon the prior written consent of the Board. Any drainage easement or access easement within the Common Area as depicted in the recorded subdivision maps for the Project shall be kept free of buildings and obstructions.

4.5 Signs/Flags.

- 4.5.1 Commercial Signs. The display of commercial flags, posters and signs (including, without limitation, for sale, lease and rent signs) on any Lot is prohibited to the maximum extent such prohibition is permitted by Applicable Law.
- 4.5.2 United States Flag. An Owner may display a flag of the United States, maintained in good condition, from a window or from a

permanently installed flagpole installed and maintained in accordance with the Guidelines. The phrase "a flag of the United States" means the officially recognized, then-current, flag of the United States of America made of fabric, cloth or paper, and does not mean a depiction or emblem of the flag of the United States made of lights, paint, drawing, roofing, siding, paving materials, flora, or balloons, or any other similar building, landscaping, or decorative component.

- 4.5.3 Noncommercial Signs/Flags. An Owner may post noncommercial signs, posters, flags, or banners on the Owner's Lot in accordance with the Guidelines subject to the following restrictions: the number, manner of display and location of such items shall not violate any Applicable Law or pose a health or safety hazard, such noncommercial signs and posters shall not exceed nine (9) square feet in size and noncommercial flags or banners shall not exceed fifteen (15) square feet in size. A noncommercial sign, poster, flag or banner may be made of paper, cardboard, cloth, plastic, or fabric, and may be posted or displayed from the yard, window, door, balcony, or outside wall of the Unit and in the case of a flag, from a flagpole, but may not be made of lights, roofing, siding, paving materials, flora, or balloons, or any other similar building, landscaping or decorative component, or include the painting of or drawing on architectural surfaces.
- 4.5.4 Signs/Flags Prohibited on Common Area. No signs or flags may be erected or displayed on the Common Area without the prior written approval of the Board.
- 4.5.5 Replacement. All flags shall be replaced when they become faded, tattered or torn, and if an Owner fails to so replace such flag after notice to do so, the Association may remove such flag as provided in Section 4.2 hereof.

4.6 ***Animals.*** No horses, cattle, sheep, goats, pigs, rabbits, birds, poultry, livestock, insects, reptiles or animals of any kind shall be raised, bred or kept on the Project except that a reasonable number (not to exceed three (3) pets per household) of dogs, cats or other usual and ordinary household pets, which do not make objectionable noises or otherwise constitute a nuisance or inconvenience to any Owners of adjacent Lots, may be kept, provided that they are not kept, bred or maintained, for any commercial purpose, or in violation of any other provision of this Declaration and the Rules and regulations of the Association. The Association, acting through the Board of Directors, shall have the right to prohibit maintenance of any animal on any Lot in the Project which constitutes, in the opinion of the Board, a nuisance to other Owners within the Project, whereupon the persons having said animals in custody shall forthwith remove them from the Project. Animals belonging to Owners or their family members, tenants, invitees or

guests within the Project must be either kept within an enclosure, an enclosed yard or on a leash or bridle being held by a person capable of controlling the animal when the animal is outside. Owners shall be liable to other Owners, their families, guests, tenants and invitees, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon the Project by such Owner or by members of the Owner's family, the Owner's tenants or guests. It shall be the duty and responsibility of each Owner to clean up after the Owner's and Owner's tenant's and guest's animals. The Association, its Board, Officers, employees and agents shall have no liability to any Owner, their family members, guests, invitees, tenants and contract purchasers, or any other person in the community, for any damage or injury to persons or property caused by any animal, absent any gross negligence on the part of Association, or its Board, Officers, employees and agents.

4.7 Utilities. Each Owner shall be obligated to pay any and all assessments for sewage, electricity, other utilities, taxes and other charges assessed individually against his or her Lot.

4.8 Trash. No rubbish, trash, garbage or other waste material shall be kept or permitted upon any portion of the Project, except in sanitary containers located in the service yard area of the Lot as described in Section 4.22, which area is screened and concealed from view, and no odor shall be permitted to arise therefrom so as to render the Project, or any portion thereof, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity or to its occupants. Trash is collected directly from the enclosed service yard areas located on the individual Lots; such areas shall be kept accessible to refuse collection personnel. On trash collection days or otherwise, no trash shall be left at curbs or in any other location other than the enclosed service yard areas constructed for that purpose upon each Lot.

4.9 Vehicles. No trailer, motor home, truck, camper, boat, automobile (except those belonging to Owners or to guests having been issued a current guest pass) and no inoperable vehicle, shall be parked, stored, kept, constructed, repaired or maintained anywhere on the Project (including the Private Streets or parking lots within the Project) in such manner as to be visible from any other Lot within the Project, except such a vehicle may be kept on a Lot for a period not to exceed twenty-four (24) hours. Automobiles belonging to Owners or to guests and displaying a current guest pass in the window may be parked on the Private Streets. Construction vehicles, commercial vehicles and any other vehicles belonging to contractors and/or commercial vendors must comply with all rules and restrictions contained in the Guidelines. The Board shall have the authority to promulgate further reasonable rules and restrictions of uniform application regarding the access rights, parking and/or operation of vehicles within the Development as may be deemed prudent and appropriate.

4.10 Compliance with Governing Documents. Each Owner, tenant or occupant of a Unit shall comply with the provisions of this Declaration, the Bylaws, decisions, Rules and regulations of the Association or its duly authorized representatives which may from time to time be promulgated. Failure to comply with any such provisions, decisions, or resolutions, shall be grounds for an action by the Association to recover

sums due, for damages, for injunctive relief, or for any other remedy permitted by law or by the terms of this Declaration, including attorneys' fees and costs for enforcing compliance.

Notwithstanding the foregoing, if any Association Rule is deemed to be an Operating Rule, the Association and its Members shall comply with the requirements and procedures set forth in Civil Code section 4340 et seq., when making or revising Rules, including providing notice of such Operating Rules or intended Rule Changes and following the procedures and notice requirements for calling meetings and voting requirements to reverse Rule Changes.

4.11 Conduct in Units and Common Area. No one may perform any act or keep anything on or in any Lot or in the Common Area that will increase the rate of insurance on the Common Area without the Board's prior written consent. Further, no Owner shall permit anything to be done or kept on his or her Lot or in the Common Area that would result in the cancellation of insurance on any Lot or on any part of the Common Area or that would violate any law. No Unit shall be used in such a manner as to obstruct or interfere with the enjoyment of occupants of other Units or annoy them by unreasonable noises of otherwise, nor shall any nuisance be committed or permitted to occur upon any Lot or in any Unit or upon the Common Area.

4.12 Leasing and Occupancy of Units. No Owner may lease or rent a Unit and/or Lot in violation of the following:

- 4.12.1 No Owner shall lease or rent his or her Unit or Lot for transient or hotel purposes. No Owner shall lease or rent his or her Unit or Lot for a period of less than thirty-one (31) consecutive days.
- 4.12.2 The terms of any lease shall be in accordance with and subject in all respects to the provisions of the Governing Documents, and any failure by the lessee to comply with the terms of such documents shall be a default under the lease. Owners shall provide all prospective tenants with a copy of this Declaration and the Rules of the Association. Notwithstanding the fact the Owner shall provide any prospective tenant or lessee with a copy of this Declaration and the Rules of the Association, the Owner shall be responsible for ensuring compliance by the tenant or lessee with the Declaration and the Rules of the Association. The Owner shall defend, indemnify, and hold the Association harmless from any and all actions of such Owner's tenant or lessee. Such indemnity shall include, without limitation, any damage or claim which may arise from or be sustained by virtue of the actions and/or omissions of the Owner's tenant or lessee.
- 4.12.3 All leases shall be in writing and shall include an agreement that the tenant has received, read, and agrees to comply with the provisions of this Declaration and the Rules of the Association.

All leases and rental agreements shall also contain a provision that the tenant or lessee acknowledges the Association is authorized and empowered to terminate the lease or rental agreement and to evict the tenant or lessee based upon the lessee or tenant's non-compliance with this Declaration and/or the Rules of the Association.

- 4.12.4 No Unit or Lot may be occupied by a property manager or temporary caretaker employed by or under contract with the Owner, a real estate company, a lender, or any other person.
- 4.12.5 Nothing in this Section shall be construed as preventing the leasing of an entire Lot together with its improvements to a single family, as defined in Section 4.1.
- 4.12.6 Nothing in this Section shall be construed as preventing an Owner's permanent in-home employees who normally reside with an Owner from being the sole occupants of a Unit while the Owner is temporarily absent.
- 4.12.7 Leasing and occupancy are also restricted by Section 15.10 of this Declaration.
- 4.12.8 The Association and its Members have determined that a high percentage of Owner-occupied Units or Lots and, conversely, a low percentage of non-Owner-occupied Units or Lots helps to preserve and protect property values and enhance the desirability of the Project. Therefore, except as otherwise provided in this Section, each Owner shall use his or her Unit or Lot as a private dwelling solely for the Owner and the Owner's immediate family or other individuals who reside with the Owner on a non-transient basis, and for no other purpose. The leasing or rental of Units or Lots to others is only permitted in limited circumstances as provided in this Section. This program is subject to an exception for hardships and Applicable Law as more fully described below. In furtherance of this program to restrict leasing, the following limitations on leasing are adopted:
 - (a) General Parameters Concerning Leasing. The leasing or rental of Units or Lots to others is only permitted when the total number of rented or leased Units and/or Lots is no more than twenty-five percent (25%) of the total number of Lots or separate interests (as "separate interest" is defined in CA Civil Code section 4185(a)(3))" in the Project (hereinafter sometimes referred to as the "twenty-five percent (25%) Lot threshold") at any one time. Owners contemplating leasing or renting their Units or Lots must

first obtain written approval from the Association to ensure that the twenty-five percent (25%) Lot threshold has not been exceeded. Further, prior to entering into any lease or rental agreement, the Owner shall apprise the Association of the proposed leasing or rental of the Lot or Unit and upon the completion of the lease, Owner shall provide a full and complete copy of the executed lease to the Association. Subject to the provisions of Section 4.12.8 (b), the leasing or rental of any Unit or Lot by an Owner is subject to a Right of First Refusal in favor of the Association as set forth in this Section 4.12.8. The Right of First Refusal will be held and exercised by the Association, or the Association's assignee. In the event that an Owner receives and accepts a bonafide offer from a person to lease or rent such Owner's Lot or Unit, the Association, except as otherwise provided below, shall have a Right of First Refusal to lease or rent the Owner's Lot and/or Unit, instead and in lieu of the person executing the lease or rental agreement, on the same terms and conditions as are provided in such contract, subject to modification as expressly provided herein. Within five (5) days of the date of acceptance of the lease or rental agreement between the Owner and the prospective lessee or tenant, the Owner shall provide the Association with a full and complete copy of the fully executed contract for review and consideration by the Association. Any time frames specified in such contract for the performance of any act or the expiration of any right shall be deemed suspended until such time as the Association has elected to lease or rent the Lot or Unit, with such affirmative election to be provided by means of providing written notice to the Owner, or with the Right of First Refusal having otherwise expired without the Association exercising its Right of First Refusal. The Association shall have 30 days from its receipt of the contract to elect in writing to lease or rent the Lot and/or Unit. If the Association fails to exercise its Right of First Refusal, by providing a written notice of its affirmative election to the Owner within the 30 day period, or if the Association affirmatively elects in writing to decline its right, the Owner may lease or rent the Lot or Unit to the prospective tenant or lessee subject to the proviso that if, after the Association declines to exercise its Right of First Refusal, or if the Association fails to timely exercise its Right of First Refusal in writing as required hereby, the terms and conditions of the lease or rental agreement are modified so as to be

more favorable to the prospective tenant or lessee, Owner shall, within five (5) days thereafter, give written notice thereof to the Association. Upon such modification and written notice to the Association, the Association's Right of First Refusal shall thereupon become effective again and the provisions of this Section 4.12.8 shall be applicable, provided, however, the time period for the Association to give written notice of exercise of its Right of First Refusal shall be a period of fifteen (15) days following the Association's receipt of such notice. The notice shall include all documentation concerning such modification. The Association's right of first refusal shall not be deemed to apply in the event an Owner leases or rents his Unit or Lot to a Club Member.

- (b) Hardship Exception. To meet special situations and to avoid undue hardship or practical difficulties, the Board may waive these restrictions and grant permission to an Owner to lease the Owner's Unit or Lot to a specified lessee for a period not to exceed twelve consecutive months. Lease agreements under hardship exemption or practical difficulties shall include a clause stating lessee must vacate the Unit or Lot no later than thirty (30) days prior to close of escrow on the sale of such Lot or upon conclusion of such hardship or practical difficulties. Such special situations and undue hardships shall include, but are not necessarily limited to, an inability to sell the Lot after a relocation out of the area, an extended period in which the Owner is hospitalized or similarly confined thus causing the Lot to be vacant, or a period during which court actions are involved as in probate, bankruptcy, or mortgage foreclosure proceedings. Furthermore, the Board may charge a reasonable fee for processing and monitoring such requested permissions to rent or lease the Unit or Lot. No Owner, during the period of his or her ownership of the Lot, shall be granted a hardship exception more than twice, unless such is necessary to avoid extreme undue hardship. The determination of hardship by the Board is final and binding, and one favorable determination of hardship shall not prejudice the right of the Board to deny the same Owner's subsequent hardship application. Notwithstanding anything in this Section 4.12.8(b) which provides to the contrary, the Association reserves the right, from time to time, to adopt, modify, and enforce rules and regulations so as to monitor and apply the hardship exception.

- (c) **Mandatory Rotation.** The Association, from time to time, may adopt, amend, and apply rules, regulations, and/or other guidelines so as to ensure the provisions limiting and/or governing leases of Lots and Units is applied in an equitable manner such that there is a mandatory rotation of Lots where an Owner seeks to lease or rent his Unit or Lot, where the lease or rental is to be subject to the twenty-five percent (25%) Lot threshold limitation.
- (d) **Application to Owners as of Date of Enactment.** Pursuant to Civil Code Section 4740, Owners on the date that this Section 4.12.8 is recorded, shall not be subject to this Section; provided, however, that Owners as of the date of the recordation of this Declaration shall be subject to the restrictions for the leasing and occupancy of Units and/or Lots as such restrictions for the leasing and occupancy of Units and/or Lots existed as of the date such Owners acquired title to their respective Lots, provided further, however, any such prior restrictions shall be deemed modified as may be necessary to conform any such restrictions to the maximum level of restriction as may be permitted by Applicable Law as of the date of recording of this Declaration.

4.13 Antennas and Satellite Dishes. Exterior antennas and satellite dishes, not exceeding one (1) meter (39.37") in diameter, are permitted, but only in strict compliance with the Guidelines and Applicable Laws and not on any portion of the Common Area. The Board may adopt further Rules restricting the construction, installation, maintenance or replacement of any such equipment as long as such restrictions do not conflict with Applicable Law.

4.14 Window Covers. Curtains, drapes, shutters or blinds may be installed as interior window covers, in compliance with the Guidelines. No window shall be covered with aluminum foil or similar materials. Between June and September, protective window coverages of any type may be used so long as they are attractive from the outside and not offensive to Owners who remain in the Project during those months.

4.15 Seasonal Outdoor Storage. No outdoor furniture (including covered or stacked patio furniture) may be stored outside between October and June in such a manner and location that it is exposed to view from the Golf Course.

4.16 Solar Energy Systems. Subject to approval of (a) the Planning Department of the City or other governmental authority having jurisdiction, and (b) the Association, Owners shall have the right to place and maintain solar energy equipment or any other energy saving devices on their Lots in compliance with the Guidelines. The application for Association approval shall be processed by the Architectural Committee in the same manner as an application for approval of an architectural modification to the

Unit. The Association may impose reasonable requirements in connection with the approval as set forth in Civil Code sections 714 and 714.1. Such equipment shall be installed in such location and in such manner as to be obscured from the view of other persons in the Project to the greatest degree practicable without significantly decreasing its efficiency.

4.17 Temporary Structures. No temporary house, trailer, tent, garage or outbuilding shall be placed or erected upon any Lot, and no residence placed or erected on any Lot shall be occupied in any manner at any time prior to its being fully completed in accordance with plans approved by the Architectural Committee, nor shall any residence when completed be in any manner occupied until made to comply with all requirements, conditions and restrictions set forth in this Declaration; provided, however, that during the actual construction or alteration of a residence on a Lot, necessary temporary buildings for storage of materials may be erected and maintained by the person doing the work in compliance with the Guidelines.

4.18 Unit/Lot Improvements Subject to Approval.

4.18.1 Units. A Lot shall be used for private residential purposes only, and no dwelling, other than one first class, single story, private, one-family residence and guest houses permitted by this Declaration, shall be erected, placed or maintained on any Lot. Except for any of the following structures previously approved by the Architectural Committee and located in the Project on the date of recordation of this restated Declaration, (a) no other building or type of structure that has a roof and one or more walls is allowed, including a pool house, cabana, play house, greenhouse, dog house, tree house, shed or storage building, except that a dog house may be placed on a Lot so long as it is not visible from other residences, the Common Area or the Golf Course, and (b) no other freestanding structure that has a roof or roof-like top is allowed, including a pergola, gazebo, overhead trellis or detached arbor.

4.18.2 Square Footage.

- (a) Minimum Square Footage. Except for Units located in the Association on or before February 13, 2020, a residence constructed on a Lot shall have not less than three thousand (3,000) square feet of fully enclosed floor area devoted to living purposes (exclusive of roofed or unroofed porches, terraces, garages or carports).
- (b) Maximum Square Footage. Except for Lots that do not comply with this restriction on the date this restated Declaration is recorded, the total amount of square footage under roof (including roofed porches, garages and carports and areas

under eaves and overhangs but not counting basement areas) on a Lot ("Total Area Under Roof") shall not exceed the lesser of (a) thirty-five percent (35%) of the total square footage of the Lot or (b) 15,000 square feet. The square footage of the area under the tops of overhead trellises, pergolas, gazebos, arbors, breezeways and similar structures shall be included in the calculations of Total Area Under Roof. The Total Area Under Roof of a Lot that exceeds this restriction on the date this restated Declaration is recorded shall not be increased.

- 4.18.3 **Carports / Garages.** Except for the Units with carports or garages that do not comply with this restriction on or before February 13, 2020, all carport areas or garages shall be enclosed with doors to conceal parked automobiles and golf carts from neighboring Lots, Private Streets and the Golf Course. Should an Owner of a grandfathered Unit significantly modify the exterior of his or her Unit, the Association may require the Owner to modify his or her carport or garage to comply with this restriction. The determination as to whether a grandfathered Unit is being significantly modified so as to require the Owner to modify his or her carport or garage to comply with this restriction is solely the determination of the Association.
- 4.18.4 **Guest Houses.** Guest houses are allowed on a Lot in strict compliance with the Guidelines.
- 4.18.5 **Plans and Specifications.** All plans and specifications for any building, swimming pool, fence, wall or other Improvement to be constructed within the Project and any remodeling, reconstruction, alteration or additions to any Improvement on any Lot shall be subject to and shall require approval of the Architectural Committee in writing before any such work is commenced, to the extent set forth in Article XII of this Declaration.

4.19 *Diligent Prosecution of Work.* The work of constructing, altering, or remodeling any Improvement on any part of a Lot shall be prosecuted diligently from the commencement thereof until the completion thereof in strict compliance with the Guidelines. The Association may impose disciplinary action pursuant to the Governing Documents for exceeding time requirements set forth in the Guidelines.

4.20 *Setbacks.* Every building, and except as otherwise provided in the Guidelines, every other Improvement that is erected or placed upon any Lot shall be set back the following prescribed distances from Lot lines:

- 4.20.1 Front Yard Setbacks. Not less than twenty feet (20') from any street Lot line. Corner Lots fronting on two streets shall be considered as having two street Lot lines and the setbacks shall not be less than 20 feet from each.
- 4.20.2 Side Yard Setbacks. Not less than twelve feet (12') from any side Lot line.
- 4.20.3 Rear Yard Setbacks. Not less than twenty feet (20') from any rear Lot line. Where the rear Lot line of one Lot is also the side Lot line of an adjoining Lot, the minimum setback provided for side Lot lines shall apply to both sides of said Lot line. Where the rear line of a Lot also constitutes the rear line of another Lot or Lots, or when a Lot adjoins open property, other than the Golf Course, then the rear setback shall be not less than twelve feet (12').
- 4.20.4 Golf Course Setback. Not less than twenty feet (20') from any Lot line abutting the Golf Course.

4.21 ***Intentionally deleted.***

4.22 ***Service Yard Area.*** Each Lot shall have a service yard area of at least two hundred (200) square feet, fully enclosed with a solid type wall or solid type fencing with a maximum height of six feet (6'), with solid type gates required for access. This area shall be integrated with the main structure of the Unit and have convenient access for trash pickup.

4.23 ***Derricks/Tanks/Outside Equipment.*** No derrick or other structure designed for use in boring for water, oil, or natural gas shall be erected, placed or permitted upon any part of the Project, nor shall any water, oil or natural gas be produced or extracted therefrom (except as may be applicable to any previously reserved water, oil and natural gas rights in any portion of the Project). No elevated or underground tanks of any kind shall be erected, placed or permitted upon any part of the Project. All types of refrigerating, cooling or heating equipment must be on the ground level and concealed.

4.24 ***Subdivision of Lots.*** No Lot or Lots shall be subdivided, except for the purpose of combining portions with an adjoining Lot, provided that no additional Lot or building site is created thereby. Any ownership or single holding by any person comprising the whole of one Lot and part or parts of one or more adjoining Lots shall, for all purposes of this Declaration, be deemed as constituting a single Lot (except with regard to collection of assessments and voting rights as described in Sections 1.31, 5.3 and 6.1). Not less than one Original Lot (as described in Section 1.31) shall be used as a building site.

4.25 ***Underground Installation of Utilities.*** All electric, cable, telephone and other utility line installations and connections from Owner's property line to their Unit or

other structures shall be placed underground, except for those installations, if any, which are required to be placed above ground by Applicable Law or the utility company.

4.26 Dry Wells/Drainage. A dry well or wells, as the case may be, is required on each Lot to collect nuisance water and assure proper drainage or water which may otherwise accumulate on the Lot or the surrounding area, including the Golf Course. Owners shall take particular measures, if necessary, to assure proper drainage in those portions of their Lots which adjoin the golf course. Any construction or reconstruction of Improvements on a Lot shall require that the Owner comply with the Guidelines then in effect with respect to dry wells and drainage.

ARTICLE 5 - MEMBERSHIP AND VOTING RIGHTS

5.1 Membership. Every Owner shall automatically, upon becoming the Owner of a Lot, be a Member of the Association, and shall remain a Member thereof until his or her ownership ceases for any reason, at which time his or her membership in the Association shall also automatically cease. For each Lot there shall be on file with the Association an address of record for the Owner, if different from the Unit address, and a phone number in case of emergency, all of which shall be kept current by the Owner. Ownership of a Lot shall be the sole qualification for membership in the Association; provided, however, that a Member's voting rights may be regulated or suspended as provided in the Governing Documents. All memberships shall be appurtenant to the Lot conveyed, and a person or entity shall be deemed an Owner of a Lot only upon recordation of a deed, contract of sale or other document conveying the Lot to such Owner.

5.2 Transfer. The membership held by any Owner shall not be transferred, pledged or alienated in any way, except upon the conveyance or encumbrance of his or her Lot, and then only to the transferee or Mortgage holder of the Lot. Any attempt to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association. Any conveyance, judicial sale, or other voluntary or involuntary transfer of a Lot also includes the Owner's membership interest in the Association. In the event an Owner fails or refuses to transfer the membership registered in the Owner's name to the transferee of his or her Lot, the Board may record the transfer upon the books of the Association. The Association may impose reasonable fees against the selling Owner for the actual costs of (a) transferring the selling Owner's membership on the books of the Association, and/or (b) providing documentation to the selling Owner as required by Civil Code section 4525 et seq.

5.3 One Class of Membership/Voting Rights. The Association shall have one (1) class of voting membership. Members shall be those Owners described in Section 5.1 above. Subject to the voting rights for Half Lots described below, each Member shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be Members, but only a single vote for such Lot shall be cast with respect to any Lot. If one Owner casts the vote attributed to a Lot, the vote shall conclusively bind all the Owners of that Lot. If more than

one Owner casts the vote attributed to a Lot, the votes cast by such Owners shall not be counted and shall be considered void.

Voting rights are based on the lots created by the original subdivision maps ("Original Lots" as defined in Section 1.31 above). Should any entire Original Lot have been combined or merged with another entire Original Lot under one ownership, the Owner shall have one (1) vote for each such Original Lot. Should any Original Lot have been divided into "Half Lots" (as defined in Section 1.31 above), each Owner of a Half Lot shall be entitled to one-half ($\frac{1}{2}$) of the vote allocated to the Original Lot from which the Half Lot was created. (For instance, should an Owner own both an Original Lot and a Half Lot, that Owner is entitled to one (1) vote for the Original Lot and one-half ($\frac{1}{2}$) vote for the Half Lot.)

ARTICLE 6 - COVENANT FOR MAINTENANCE ASSESSMENTS

6.1 *Covenant to Pay Assessments.* Each Owner of any Lot, and each future Owner, by acceptance of the conveyance of such Lot (whether or not it is expressed in such conveyance), is deemed to covenant and agree to pay to the Association: (1) Regular Assessments or charges, (2) Special Assessments for Capital Improvements and other purposes, (3) Reimbursement Assessments, (4) Reconstruction Assessments, (5) Monetary Penalty Assessments, and (6) Non-Club Member Assessments, all such assessments to be established and collected as hereinafter provided. Each of these assessments, together with interest, costs of collection and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time the assessment became due. The personal obligation for delinquent assessments shall not pass to such person's successor in interest unless expressly assumed by them. If an Owner owns more than one Lot, whether merged or not, the Owner is liable for assessments on each of the Lots as shown on the original subdivision map. Delinquent assessments shall be collected as set forth in Article 7 of this Declaration.

Except for Monetary Penalty Assessments and Non-Club Member Assessments, Assessments are based on the legal lots created by the original subdivision maps ("Original Lots" as defined in Section 1.31 above). Should any Original Lot have been combined or merged with another Original Lot under one ownership, the Owner shall pay the Assessments allocated to each such Original Lot. Should any Original Lot have been divided into "Half Lots" (as defined in Section 1.31 above), each Owner of a Half Lot shall pay one-half ($\frac{1}{2}$) of the Assessments allocated to the Original Lot from which the Half Lot was created. (For instance, should an Owner own both an Original Lot and a Half Lot, that Owner shall pay all Assessments on the Original Lot plus one-half ($\frac{1}{2}$) of the Assessments due on the Original Lot from which the Half Lot was created.)

6.2 *Purpose of Assessments.* The Association shall levy Regular and Special Assessments in sufficient amounts to perform the Association's obligations under the Governing Documents, but shall not impose or collect an assessment or fee that exceeds the amount necessary to defray the costs for which it is levied. The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the residents of the Project and for the improvement, operation and maintenance of the

Common Area and the Project and the performance of the duties of the Association as set forth in the Governing Documents. Association funds shall not be used for campaign purposes in connection with any Association board election, and Association funds shall not be used for campaign purposes in connection with any other Association election except to the extent necessary to comply with duties of the Association imposed by Applicable Law, all in accordance with Civil Code section 5135. Notwithstanding the foregoing, the Non-Club Member Assessment shall be used to reimburse or offset a portion of the costs incurred by the Association to benefit the Covered Property, by means of supporting the first-class care and maintenance of certain Club facilities, all of which either directly or indirectly serve or otherwise help protect the values of and provide other benefits to the residences and the Lots.

6.3 Regular Assessments. The amount and time of payment of Regular Assessments against each Lot shall be determined by the Board, giving due consideration to the current maintenance costs and future needs of the Association. Regular Assessments are collected from the Owners to defray expenses attributable to the ownership, operation for furnishing of common interests or the enjoyment of mutual and reciprocal rights of use. Not less than thirty (30) days nor more than ninety (90) days prior to the beginning of each fiscal year, the Board shall estimate the total Common Expenses to be incurred for the upcoming fiscal year, and shall determine the amount of Regular Assessments to be assessed against each lot. Written notice of the amount of the Regular Assessment for the year shall be sent to each Member (together with the budget or summary of the budget and the assessment and reserve funding disclosure summary required by Civil Code section 5300 et seq.), who shall thereafter pay the Regular Assessment to the Association in one annual payment due on January 1st. Any increase in Regular Assessments shall be undertaken in compliance with Section 6.5 below.

6.4 Special Assessments. If the Board determines that the estimated total amount of funds necessary to defray the Common Expenses of the Association for a given fiscal year is or will become inadequate to meet expenses for any reason, including, but not limited to, unanticipated delinquencies, costs of construction, unexpected damage and destruction or condemnation of, the Common Area, the Board shall determine the approximate amount necessary to defray such expenses and, if the amount is approved by a majority vote of the Board and does not exceed five percent (5%), of the budgeted gross expenses of the Association for that fiscal year, it shall become a Special Assessment; provided any Special Assessment in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year shall be subject to limitations set forth in Section 6.5 below. The Board may, in its discretion, prorate such Special Assessment over the remaining months of the fiscal year or levy the Special Assessment so it is due and payable in one lump sum.

6.5 Increases in Regular and Special Assessments. In the event that the Board at any time determines that the estimate of total charges for the current year is or will become inadequate to meet all Common Expenses for any reason, it shall immediately determine the approximate amount of such inadequacy and issue a supplemental estimate for the Common Expenses and determine a revised amount of

Regular Assessments for each Lot and the date or dates when due. However, annual increases in Regular Assessments for any fiscal year shall not be imposed unless (a) the Board has prepared and distributed, not less than thirty (30) days nor more than ninety (90) days prior to the beginning of the fiscal year of the Association, a copy of the pro forma operating budget (as described in Section 7.6.1 of the Bylaws) with respect to that fiscal year, or (b) has obtained the approval of Owners constituting a quorum, casting a majority of the votes at a meeting or election of the Association. In any event, except as provided below, Regular Assessments may not be increased by more than twenty percent (20%) over the Regular Assessment for the preceding fiscal year and increases in Special Assessments may not exceed in the aggregate five percent (5%) of the budgeted gross expenses of the Association for the current fiscal year, without Approval by the Members. Notice for any meeting called to approve an increase in Regular or Special Assessments in excess of the percentage limitations described above (or in connection with any increase for which a pro forma operating budget was not prepared and distributed as set forth above) shall be given to the Members in accordance with Section 4.4 of the Bylaws and shall require a Majority Vote of the Members. Any meeting or election of the Association for purposes of complying with this Section shall be conducted in accordance with Sections 7510 through 7527 and 7613 of the Corporations Code.

The Association shall provide notice pursuant to Civil Code section 4040 to the Owners of any increase in Regular or Special Assessments, not less than thirty (30) nor more than sixty (60) days prior to the date the increased Assessment becomes due.

The percentage limitations for increases in Regular and Special Assessments described above will not limit assessment increases necessary for emergency situations. An "emergency situation" includes any one of the following:

- 6.5.1 An extraordinary expense required by an order of a court;
- 6.5.2 An extraordinary expense necessary to repair or maintain the Project or any part of it for which the Association is responsible where a threat to personal safety is discovered; or
- 6.5.3 An extraordinary expense necessary to repair or maintain the Project or any part of it for which the Association is responsible which could not have been reasonably foreseen by the Board in preparing and distributing its pro forma operating budget of the Association as described in Section 7.6.1 of the Bylaws. Prior to the imposition or collection of an assessment under this Section 6.5.3, the Board shall adopt a resolution containing written findings regarding the necessity of the extraordinary expense and why such expense was not or could not have been reasonably foreseen in the budgeting process, which resolution shall be distributed to the Members with the notice of such assessment.

6.6 Reimbursement Assessment. Subject to the limitations of the Governing Documents and in addition to Regular and Special Assessments, the Board

may levy Reimbursement Assessments against Owners and Lots whenever the Association (1) performs any service or accomplishes any item of repair or maintenance which is the duty of any Owner to accomplish, but which has not been accomplished by such Owner, (2) incurs any costs to remedy the effects of the Owner's noncompliance with the Governing Documents, or (3) incurs any costs which by Applicable Law or as required by the Governing Documents must be reimbursed by an Owner.

- 6.6.1 Such Reimbursement Assessment shall include the cost thereof, together with any financing costs and administrative costs incurred by the Association.
- 6.6.2 Prior to levying a Reimbursement Assessment, the Board shall provide the Owner with a Notice and Hearing. The Notice and Hearing regarding the levy of a Reimbursement Assessment may be combined with the Notice and Hearing regarding any underlying violation.
- 6.6.3 Duly levied Reimbursement Assessments shall be subject to the provisions in the Governing Documents regarding costs, late charges and interest for delinquent payment, and may become a lien on the Lot, in the same manner as Regular and Special Assessments.

6.7 Reconstruction Assessments. Assessments for reconstruction of Improvements upon the Common Area may be levied (in excess of available insurance proceeds, if any) as necessary in order to effect reconstruction should it become necessary. Such reconstruction costs shall be shared with the Club and the ECOA in accordance with the Agreed Share as described in Section 8.3 or any superseding Eldorado Master Agreement then in effect. The Association's share of such reconstruction costs shall be levied against the Owners as a Reconstruction Assessment, payable upon such terms and conditions as the Board may deem appropriate. Any such Reconstruction Assessment shall be enforceable in the manner described in Article 7 below.

6.8 Monetary Penalty Assessments. Subject to the provisions of the Act and subject to Notice and Hearing, the Board of Directors may levy, subject to the limitations of the Governing Documents, Monetary Penalty Assessments (fines) against an Owner and his or her Lot. In the event the Board of Directors imposes a Monetary Penalty Assessment, that Monetary Penalty Assessment shall be subject to costs, late charges and interest as described in this Article for delinquent payment, and, subject to the provisions of the Act, may become a lien on the Lot, collectible by the Association through judicial foreclosure as allowed in this Article. In no event may the Association collect a Monetary Penalty Assessment through nonjudicial foreclosure.

6.9 Non-Club Member Assessment. The Board of Directors may levy an annual Non-Club Member Assessment against an Owner and his or her Lot, if the Owner is not a member of the Club. This Section 6.9 will not apply to any Owner who acquired

title to a Lot prior to the date of the recordation of 2019 Declaration. For purposes of this Section 6.9, an Owner will be deemed to be a Club Member if the Owner, the Owner's spouse, or the Owner's domestic partner is a Club Member, or in the case of an Owner that is not a natural person, if a natural person holding a beneficial interest in such entity is a Club Member. The purpose of the annual Non-Club Member Assessment is to impose an equitable contribution from the non-Club Member Owner in favor of the Association and/or Club for the value derived by such non-Club Member as such value is specifically attributable to the Owner's occupancy, retention, and use of his/her Lot, from the continued presence and operation of the Club as well as its ongoing programs of superlative maintenance and capital refurbishment and enhancement, all of which serve to create and maintain a stable foundation for Lot values and the augmentation and enhancement thereof. Overall Lot and Project desirability and marketability are thus preserved at peak levels as contrasted to surrounding properties. The Non-Club Member Assessment shall not exceed an amount of \$10,000 per fiscal year, with the maximum amount of the assessment to be subject to an annual increase based on any increase in the CPI Index for the Los Angeles – Long Beach – Anaheim area, All Items, All Urban Consumers, 1982-1984 = 100, or in the event such index is no longer published, by any succeeding comparable index which may be designated by the Board. The equitable contribution is imposed as all Club Members otherwise make annual contributions and are subject to assessment from time to time related to the maintenance and capital refurbishment and/or replacement of all Club property, which contributions and assessments directly benefit each non-Club Member and directly enhance the value of such non-Club Member's Lot.

6.9.1 The payment of the annual Non-Club Member Assessment shall be separate and in addition to the Assessments imposed pursuant to this Article.

6.9.2 Any Non-Club Member Assessment not paid within thirty (30) days after the due date shall be subject to costs, late charges and interest as described in this Article for delinquent payment as well as reasonable costs of collection and attorneys' fees incurred to collect the Non-Club Member Assessment. The Association shall have the right to pursue any and all available remedies in law or in equity, including, without limitation, the prosecution of litigation against a delinquent Owner for any unpaid Non-Club Member Assessment. Any judgment rendered in such action shall include reasonable attorneys' fees and costs in such amount as a court may determine. The Non-Club Member Assessment shall not be enforceable by way of a lien. The Association may delegate and/or assign the right to collect any delinquent Non-Club Member Assessment to the Club or any third party.

6.10 ***Uniform Rate of Assessment.*** Regular and Special Assessments shall be fixed at a uniform rate for all Lots (whether improved or unimproved) and shall be levied against each Owner according to the ratio of the number of Lots owned by the Owner to the total number of Lots subject to assessment.

6.11 Regular Assessments: Due Dates. The annual Regular Assessments described herein shall continue to be due on January 1 of each calendar year as to all Lots, except for increased assessments, if any, which shall be due on the date determined by the Board as set forth in Section 6.5 above.

6.12 Certificate of Payment. The Association shall, within ten (10) days after receipt of written request, furnish to any Member liable for assessments a certificate in writing signed by an Officer or authorized agent of the Association, stating (as of the date the statement is issued) whether assessments for a specific Lot have been paid and the amount of unpaid Assessments, if any, including penalties and attorneys' fees, which are or may be made a lien upon the Member's Lot. A reasonable charge, of not less than Fifteen Dollars (\$15.00), and not more than the reasonable cost of preparing the certificate (as determined by the Board) may be collected for the issuance of such a certificate. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid as to all third parties relying thereon, but shall not relieve any Owner of liability for assessments not in fact paid.

6.13 No Offsets. All assessments shall be payable in the amount specified and no offset against such amount shall be permitted for any reason, including, without limitation, a claim that the Association is not properly exercising its duties and powers as provided in this Declaration.

6.14 Reserves. Regular Assessments shall include reasonable amounts as determined by the Board collected as reserves for the future periodic maintenance, repair or replacement of major components of the Common Area that the Association is obligated to repair, restore, replace, or maintain, and for which the reserve fund was established, and for litigation involving these purposes. All amounts collected as reserves, whether pursuant to this Section or otherwise, shall be (a) collected on an annual basis included in Regular Assessments, and (b) deposited by the Board in a separate bank account to be held in trust for the purposes for which they are collected and are to be segregated from and not commingled with any other funds of the Association. Such reserves shall be deemed a contribution to the capital account of the Association by the Members. The Board's responsibilities in regard to the reserve funds are further described in Article 7 of the Bylaws.

6.15 Pledge of Assessment Rights. The Association shall have the power to pledge to exercise its assessment powers to obtain funds to repay a debt of the Association; provided, however, that any such pledge shall require the prior affirmative vote or written assent of not less than a Majority Vote of the Members at a meeting duly called and noticed pursuant to the provisions of the Bylaws dealing with Special Meetings of Members. The Association may levy Special Assessments against the Members to obtain such funds. Upon the failure of any Member to pay such a Special Assessment when due, the Association may exercise all of its rights, including, without limitation, the right to foreclose its lien, pursuant to the further provisions of this Declaration.

6.16 Recording Statement of Relevant Information. The Board is authorized, but not required, to record, in the Recorder's Office of the County, a statement or

amended statement identifying the relevant information for the Association in order to facilitate the collection of Regular Assessments, Special Assessments, transfer fees, and similar charges. Any such statement may include any or all of the information described in Civil Code section 4210.

ARTICLE 7 - COLLECTION OF ASSESSMENTS

7.1 *Effect of Nonpayment of Assessments; Remedies of the Association.* Each Owner of a Lot, and each future Owner, by acceptance of the conveyance of such Lot (whether or not it is expressed in such conveyance), is deemed to covenant and agree (a) to pay to the Association all of the Assessments provided for in this Declaration, excluding Non-Club Member Assessments, which applies to certain Owners as described in Section 6.9 and (b) to the enforcement of all such Assessments in the manner herein specified. Assessments and any late charges, reasonable fees and costs of collection, reasonable attorneys' fees, and interest, shall be a debt of the Owner at the time the assessment or other sums are levied. The Board may enforce collection of Assessments in accordance with Civil Code section 5600 et seq., as generally set forth in this Article 7 and subject to any applicable limitations set forth in the Governing Documents.

7.2 *Delinquent Assessments.* Late charges may be levied by the Association against an Owner for the delinquent payment of Assessments, including Monetary Penalty Assessments and Reimbursement Assessments. Assessments, including any installment payments, are delinquent fifteen (15) days after they become due. If an Assessment is delinquent, the Association may recover all of the following from the Owner:

- 7.2.1 Reasonable costs incurred in collecting the delinquent assessment, including reasonable attorneys' fees;
- 7.2.2 A late charge not exceeding ten percent (10%) of the delinquent assessment or Ten Dollars (\$10.00) whichever is greater (a late charge may not be imposed more than once on any single delinquent payment, but it shall not eliminate or supersede any charges imposed on prior delinquent payments); and
- 7.2.3 Interest on the above sums, including the amount of the delinquent assessment, reasonable fees and costs of collection and reasonable attorneys' fees and late charges, at an annual interest rate of twelve percent (12%) commencing thirty (30) days after the assessment becomes due.

No late charge may be imposed more than once for the delinquency of the same payment. However, the imposition of a late charge on any delinquent payment shall not eliminate or supersede charges imposed on prior delinquent payments. The amounts delinquent, including the entire unpaid balance and any related costs described herein, may be collected by the Association as provided in this Article.

7.3 Enforcement of Assessments and Late Charges. As provided in Civil Code section 5650 et seq., 5700 et seq., and 2924, a delinquent Assessment, and any related late charges, reasonable costs of collection (including actual attorneys' fees), and interest assessed in accordance with this Article, shall become a lien upon the Lot when a Notice of Assessment Lien is duly recorded as provided in Applicable Law.

- 7.3.1 Unless otherwise provided by statute, the Notice of Assessment Lien shall describe the amount of the delinquent Assessment or installment, the related charges authorized by this Restated Declaration, the legal description of the Lot, the name of the purported Owner, and, if the lien is to be enforced by power of sale under nonjudicial foreclosure proceedings, the name and address of the trustee authorized by the Association to enforce the lien by sale. The Notice may be signed by any Officer or Director of the Association, or any employee or agent of the Association authorized to do so by the Board. The Notice shall be mailed by certified mail to every person whose name is shown as an Owner of the Lot in the Association's records, and the notice shall be mailed no later than ten (10) calendar days after recordation.
- 7.3.2 Unless otherwise allowed by Applicable Law, the Notice of Assessment Lien may not be recorded until after the Association has mailed, via certified mail, a written demand for payment to the delinquent Owner. The written demand shall comply with the requirements of Applicable Law.
- 7.3.3 If not paid in full within thirty (30) days after recordation of the Notice of Assessment Lien, any lien described herein may be enforced in any manner permitted by Applicable Law, including judicial foreclosure or nonjudicial foreclosure. Any nonjudicial foreclosure shall be conducted by the trustee named in the Notice or by a trustee substituted pursuant to Applicable Law.
- 7.3.4 If all sums specified in the Notice of Assessment Lien are paid before the completion of any judicial or nonjudicial foreclosure, the Association shall (1) record a notice of satisfaction and release of lien, and (2) upon receipt of a written request by the Owner, shall also record a notice of rescission of any recorded notice of default and demand for sale.
- 7.3.5 The Notice of Assessment Lien is not required to be amended by the Association or Trustee to reflect any partial payments made on the account of the delinquent Owner after its recordation, and any such partial payments received shall not be construed to invalidate the Notice of Assessment Lien. The Notice of Assessment Lien may be foreclosed upon as set forth herein

even though the delinquent Owner has made one or more partial payments.

- 7.3.6 Notwithstanding any other provision herein, a Monetary Penalty Assessment may not become a lien on a Lot enforceable by the sale of the Lot through nonjudicial foreclosure. Any Notice of Assessment Lien recorded to enforce a Monetary Penalty Assessment must specifically state that such lien may not be enforceable by sale of the Lot through nonjudicial foreclosure.

7.4 *Priority of Assessment Lien.* As set forth hereinbelow, the Assessment lien referred to in this Article shall be superior to all other subsequent liens, except (1) all taxes, bonds and governmental Assessments which, by Applicable Law, would be superior thereto, and (2) the lien or charge of any first mortgage of record ("First Mortgage"). Notwithstanding any other provision to the contrary, the following provisions shall govern the priority and obligation for payment of the Assessment lien:

- 7.4.1 Only the judicial or nonjudicial foreclosure of the First Mortgage shall operate to transfer title free of the Assessment lien or obligation for any Assessment lien, and then only as to payments which became due prior to the date of sale, and excluding those Assessment liens recorded prior to the recording of the First Mortgage.
- 7.4.2 Neither the transfer of a Lot pursuant to a foreclosure of any Mortgage, nor an election by the Association to proceed against any new Owner for payment, shall serve to cancel the personal obligation of the prior Owner for payment of the delinquent Assessments and charges which accrued during such Owner's period of ownership.
- 7.4.3 No sale or transfer of any Lot shall relieve such Lot or its new Owner from liability for any future Assessments which accrue during such Owner's period of ownership.
- 7.4.4 The personal obligation of any Owner for payment of delinquent Assessments and charges may be satisfied, and therefore discharged, only by payment of the entire amount of the delinquent Assessments and charges, whether or not such Owner remains in possession of his or her Lot.
- 7.4.5 To the extent permitted by Applicable Law, each Owner hereby waives the benefit of any homestead or exemption laws of the State of California now in effect, or in effect from time to time hereafter, to the extent of any liens created pursuant to the Governing Documents, whether such liens are now in existence or are created at any time in the future.

ARTICLE 8 - MANAGEMENT OF THE ASSOCIATION AND THE PROJECT

8.1 *General Powers of the Association.* All powers relating to the management, operation and maintenance of the Project and of the Common Area, shall be vested in the Association. The specific and primary purposes and powers of the Association are to provide architectural control of, manage and maintain the Project and the Common Area and to enforce the provisions of the Governing Documents. The Association may do any and all other acts and things that a nonprofit mutual benefit corporation is empowered to do, as enumerated in section 7140 of the Corporations Code, which may be necessary, convenient or desirable in the administration of its affairs and in order to carry out the duties described in this Declaration and the Bylaws, including (to the extent not inconsistent herewith) those powers described in the Act, as the act may be amended from time to time.

Whenever this Declaration or the Bylaws require or permit the approval, consent or action of the Association, such approval, consent or action shall be that of the Board of Directors, unless otherwise provided by this Declaration or the Bylaws. The Association, through its Board of Directors, shall also have the authority to delegate the management of the activities of the Association to any person or persons, management company, or committee however composed, provided that the activities and affairs of the Association shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

8.2 *Contracts of the Association.* The Association shall have the right and power to employ or engage a manager or "Managing Agent" (as defined herein) and other employees or agents and contract for such services, labor and materials as it may deem reasonably necessary to operate and maintain the Project, the Common Area and the Improvements thereon and to discharge its other duties. Any agreement for professional management of the Association must provide for termination of such contract or agreement by either party with or without cause or payment of a termination fee on thirty (30) days or less written notice and for a maximum contract term not to exceed one (1) year. Any agreement for professional management of the Association, and the maintenance of the Association funds received by any Managing Agent, shall be subject to the provisions of Civil Code sections 5375 et seq., and Business and Professions Code section 11504. Notwithstanding any other law or provision of the Governing Documents, the provisions of sections 7233 and 7234 of the Corporations Code (which relates to contracts in which a director has a material financial interest) shall apply to any contract or other transaction authorized, approved, or ratified by the Board or a committee of the Board.

8.3 *Shared Maintenance Costs.* The Association shall maintain the Private Streets and Common Areas, and the Association shall pay sixty-six percent (66%) of the costs, the ECOA shall pay four percent (4%) of the costs, and the Club shall pay thirty percent (30%) of the costs for such maintenance pursuant to the Agreed Share. The Eldorado Master Agreement and the Agreed Share to be paid by the Association is subject to change at the discretion of the Board without amending this Declaration, providing that notice of any meeting of the Board to consider such change was given to

the Members in accordance with Section 5.9 of the Bylaws, along with a copy of the agenda for such Board meeting. The Association shall notify its Members of any such change in the Agreed Share to be paid by the Association within three (3) days following the Board meeting at which such action was taken, along with an explanation as to why such change was made. The Association's Agreed Share is a Common Expense.

8.4 Shared Security Costs. As described in Section 1.47, the Club provides Security Services and presents the Association with a Security Billing for the Association's portion of the overall Security Costs in accordance with the Eldorado Master Agreement then in effect. The Association shall pay the Security Costs as shown in the Security Billing as a Common Expense.

8.5 General Duties of Association. In addition to the duties and powers enumerated in its Articles and Bylaws, or elsewhere described herein, and without limiting the generality thereof, and subject to the limitations set forth in Section 8.7 below, the Association shall:

- 8.5.1 Repair, replace and maintain and otherwise manage all of the Common Area and all facilities, Improvements, and landscaping within the Common Area;
- 8.5.2 Procure and maintain casualty, liability and other insurance on behalf of the Association, including, without limitation, general liability and fire insurance with extended coverage on the Common Area as required by the terms of this Declaration. The Association shall also have the authority to procure and maintain any other type of insurance which the Association determines is in the best interest of the Association and its Members;
- 8.5.3 Obtain, for the benefit of the Common Area all necessary water, gas, electric, refuse collection, and other utility services;
- 8.5.4 Pay taxes and assessments which are or could become a lien on the Common Area, or some portion thereof;
- 8.5.5 Prepare budgets, financial statements, summaries, disclosure and notices for the Association and its Members as prescribed in this Declaration and the Bylaws;
- 8.5.6 Initiate and pursue disciplinary proceedings against Members for violations of provisions of the Governing Documents, in accordance with the procedures set forth in this Declaration;
- 8.5.7 To borrow money and incur indebtedness for the purposes of the Association, including the purchase of real property as described in Section 15.9 below, and to cause to be executed and delivered therefor, in the name of the Association, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges,

hypothecations or other evidences of debt and securities therefor. Provided, however, that the Association's unsecured debt shall not exceed Two Million Dollars (\$2,000,000) and a total debt shall not exceed Four Million Dollars (\$4,000,000). For the purposes of this Section, the Association borrowing from its reserve fund shall not be considered an unsecured debt. The Board shall have the power to exceed these limits upon the Approval of the Members;

- 8.5.8 Obtain and cause to be maintained in force at all times a fidelity bond for any person handling funds of the Association, including, but not limited to, employees of the Manager.

8.6 Maintenance of the Project. The Association shall provide landscaping and gardening services for all Common Areas and shall repair, replace and maintain all Improvements within the Common Areas. This maintenance shall include, without limitation, maintenance of the Private Streets (which maintenance shall include resurfacing at appropriate intervals, regular maintenance to keep Private Streets free from potholes and hazards to vehicular and pedestrian traffic, and appropriate signage and striping), street lighting, perimeter landscaping, and storm channel maintenance. All grass, trees and ornamental vegetation shall be properly irrigated, trimmed and in all respects cared for in a manner so as to provide a well-maintained appearance at all times. Any Improvements located within the Common Areas shall be maintained in a neat, clean, orderly, safe, sanitary and attractive condition so as to be usable and enjoyable by all Members of the Association at all times. Each Owner shall be responsible to repair and maintain his or her Lot and Unit and to keep such Lot and Unit in good and attractive condition at all times, all as more particularly described in Section 4.2 above. Should the activities of any Owner, family members, guests or invitees of such Owner result in damage to or destruction of any portion of the Common Area or any Common Area Improvement, that Owner shall be held responsible for all costs associated with the repair or replacement of that portion of the Common Area, which expense may be collected as a Reimbursement Assessment.

8.7 Additional Restrictions on Power of the Board. The Board shall be prohibited, without the prior vote or written consent (by vote at a meeting of the Association or by written ballot without a meeting) of a majority of the Members constituting a quorum consisting of more than fifty percent (50%) of the voting power of the Association residing in Members, from doing any of the following: (i) selling during any fiscal year property of the Association, excluding any property purchased by the Association pursuant to Section 15.9, having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year; (ii) paying compensation to Directors or Officers of the Association for services performed in the conduct of the Association's business; provided, however, that the Board may cause a Director or Officer to be reimbursed for expenses incurred in carrying on the business of the Association; or (iii) filing a vacancy on the Board created by the removal of a Director.

8.8 Maintenance of Public Utilities. Nothing contained herein shall require or obligate the Association to maintain, replace or restore the underground facilities of public utilities or television cable providers which are located within easements in the Common Area. The Association shall, however, take such steps as may be necessary or convenient to ensure that such facilities are properly maintained, replaced or restored by such public utilities or cable providers.

8.9 Rights of Entry. The Association, through its agents or employees, shall have a limited right of entry upon all Lots for the purpose of inspecting the Project and taking whatever corrective action may, after approval by a majority vote of the Board, be deemed necessary or proper by the Board, consistent with the provisions of this Declaration. This right of entry shall include the right to enter a Lot (but not the interior of the Unit) for purposes of construction, maintenance or repair for the benefit of the Common Area or the Owners in common. In addition, the Association, the Architectural Committee and their authorized representatives shall have the right to enter upon any Lot for the purpose of ascertaining compliance with the Guidelines and the architectural requirements of the Declaration and otherwise fulfilling their responsibilities under the Guidelines.

Nothing in this Article shall in any manner limit the right of an Owner to the exclusive occupancy and control of his or her Lot and Unit. Entry onto a Lot by the Association for other than emergency repairs or routine maintenance of the Common Areas shall be made only at a time mutually agreeable with the Owner or after three (3) days' notice has been given to the Owner, shall be made with as little inconvenience as reasonably possible to the Owner and any damage caused thereby shall be repaired by the party causing such damage. In the case of an emergency, the right of the Association to enter upon a Lot shall be immediate; provided, however, that such entry shall be made with as little inconvenience as reasonably possible to the Owner and any damage caused thereby shall be repaired by the party causing such damage. Nothing herein shall be construed to impose any obligation upon the Association to maintain or repair any property or portion of a Lot to be maintained or repaired by the Owner thereof. The Association shall not be liable for failing to exercise this right of entry during an emergency or otherwise.

8.10 Association Rules. The Association shall have the power to adopt, amend and repeal such rules and regulations as it deems reasonable which may include the establishment of a system of fines and penalties enforceable as a Monetary Penalty Assessment. The Association Rules shall govern matters in furtherance of the purposes of the Association, including, without limitation, the use of the Common Area; provided, however, that the Association rules may not discriminate among Owners, and shall not be inconsistent with this Declaration, the Articles or Bylaws. A copy of the Rules as they may from time to time be adopted, amended or repealed or a notice setting forth the adoption, amendment or repeal of specific portions of such Rules shall be delivered to each Owner. The Rules shall have the same force and effect as if they were set forth in and were part of this Declaration and shall be binding on the Owners and their successors in interest whether or not actually received by them.

ARTICLE 9 - INSURANCE

9.1 ***Duty to Obtain Insurance; Types.*** The Association shall obtain and continue in effect the following types and policies of insurance:

- 9.1.1 **General Liability Insurance.** General liability insurance for claims for personal injury and/or property damage arising out of a single occurrence with a limit of not less than One Million Dollars (\$1,000,000.00), as applicable to a Project consisting of more than one hundred (100) Separate Interests in accordance with Civil Code section 5800. Such policy of general liability insurance covering the Common Area shall contain a "Severability of Interest" endorsement which shall preclude the insurer from denying the claim of any Owner because of negligent acts of the Association or other Owners. Such liability insurance shall include coverage for general liability of the Association and its agents, and liability of the Owners and their family members incident to the ownership, use or maintenance of the Common Area or any other Association-owned or maintained real or personal property.
- 9.1.2 **Fire and Casualty Insurance.** If required for the Project at the discretion of the Board (based on the types of Improvements in the Common Area and the need for such insurance), casualty insurance and fire insurance with extended coverage, in an amount equal to one hundred percent (100%) of the full insurable replacement cost of all Improvements, equipment and fixtures within the Common Area, without deduction for depreciation. Such insurance shall be maintained for the benefit of the Association and the Owners. Should such insurance coverage be obtained jointly by the Association, the ECOA and the Club, the Association shall be responsible for a share of the costs of such insurance in accordance with the Agreed Share described herein or in accordance with any superseding Eldorado Master Agreement.
- 9.1.3 **Workers' Compensation Insurance.** Workers' compensation insurance to the extent required by law (or such greater amount as the Board deems necessary). If any work is performed on behalf of the Association by the Club, the Board shall request that the Association be named as an additional insured on the Club's workers' compensation policy.
- 9.1.4 **Directors and Officers Liability Insurance.** The Association shall obtain and maintain one or more policies of insurance which include coverage for individual liability of Officers and Directors of the Association for negligent acts or omissions of those

persons acting in their capacity as Officers and Directors or at the direction of Officers and Directors. Limits of liability under this insurance shall be determined by the Board at its sole discretion. If the minimum amount necessary to comply with Civil Code section 5800 or any successor statute is a larger amount, the statute shall control.

9.1.5 **Fidelity Coverage.** The Association shall maintain fidelity bond coverage for its Directors, Officers, and employees in an amount that is equal to or more than the combined amount of the reserves of the Association and total assessments for three months. The Association's fidelity bond shall also include computer fraud and funds transfer fraud. If the Association's uses a Managing Agent or management company, the Association's fidelity bond coverage shall additionally include acts by that person or entity and its employees.

9.1.6 **Other Association Insurance.** The Association may purchase such other insurance as it deems necessary, including but not limited to, earthquake insurance, flood insurance, plate glass insurance, medial payments, malicious mischief and vandalism insurance.

9.2 ***Waiver of Claims Against Association.*** As to each policy of insurance maintained by the Board, the Owners hereby waive and release all claims against the Association and the Board, only to the extent of the insurance proceeds available to the Owners, whether or not the insurable damage or injury is caused by the negligence of or breach of any agreement by said persons.

9.3 ***Notice of Expiration Requirements.*** All of the policies of insurance or fidelity bonds described herein shall contain a provision that such policies shall not be canceled or terminated, or expire by their terms, without thirty (30) days' prior written notice to the Association and the Owners (provided that such Owners have filed written requests with the carrier for such notice) and every other person in interest who has requested such notice of the insurer.

9.4 ***Insurance Premiums.*** Premiums for any blanket insurance coverage obtained by the Association and any other insurance deemed necessary by the Board shall be a Common Expense to be included in the assessments levied by the Association and collected from the Owners. The proportion of such assessments necessary for the required insurance premiums shall be used solely for the payment of premiums of required insurance as such premiums become due.

9.5 ***Trustee for Policies.*** The Board shall be trustee of the interests of all named insureds under policies of insurance purchased and maintained by the Association. All insurance proceeds under any such policies shall be paid to the Board as trustee. The Board shall have full power to receive and to receipt for the proceeds and

to disburse such proceeds as provided herein. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried or otherwise disposed of as provided in this Declaration. The Board shall have the authority to negotiate loss settlements with insurance carriers. The President, together with one (1) other Officer of the Association, may sign a loss claim form and release form in connection with the settlement of a loss claim, and such signatures shall be binding on all the named insureds.

9.6 Actions as Trustee. Except as otherwise specifically provided in this Declaration, the Board, acting on behalf of the Association and all Owners, shall have the exclusive right to bind such parties in respect to all matters affecting insurance carried by the Association, the settlement of a loss claim, and the surrender, cancellation, and modification of all such insurance. Copies of policies or certificates of insurance for all policies of insurance carried by the Association and of all renewals thereof, together with proof of payment of premiums, shall be delivered by the Association to all Owners and Mortgagees who have requested the same in writing.

9.7 Annual Insurance Review. The Board shall, upon issuance or renewal of insurance, but no less than annually, review the insurance carried by the Association for the purpose of determining the adequacy of the Association's insurance coverage, including, without limitation, the general liability policy referred to in Section 9.1.1, and the amount of the casualty and fire insurance referred to in Section 9.1.2 above.

The Association shall disclose such information regarding insurance coverage as and when required by any Applicable Law. Failure to disclose such information shall not impose any liability upon the Association or Board other than that provided for in such Applicable Law.

The Board may, in its discretion, obtain a current appraisal of the full replacement value of any buildings and other Improvements within the Common Area, except for foundations, footings and masonry walls, without deduction for depreciation, by a qualified independent insurance appraiser, prior to each such annual review.

9.8 Required Waiver. All policies of hazard and physical damage insurance shall provide for waiver of the following rights, to the extent that the respective insurers would have the rights without such waivers:

- 9.8.1 Subrogation of claims against the tenants of the Owners;
- 9.8.2 Any defense based on co-insurance;
- 9.8.3 Any right of set-off, counterclaim, apportionment, proration or contribution by reason of other insurance not carried by the Association;
- 9.8.4 Any invalidity, other adverse effect or defense on account of any breach of warranty or condition caused by the Association, any Owner or any tenant of an Owner, or arising from any act, neglect

or omission of any named insured, or the respective agents, contractors and employee of any insured;

- 9.8.5 Any right of the insurer to repair, rebuild or replace, and, in the event the Improvement is not repaired, rebuilt or replaced following loss, any right to pay under the insurance an amount less than the replacement value of the Improvements insured or the fair market value thereof;
- 9.8.6 Notice of the assignment of any Owner of its interest in the insurance by virtue of a conveyance of any Lot; and
- 9.8.7 Any right to require any assignment of any Mortgage to the insurer.

9.9 Failure to Acquire Insurance. The Association, and its Directors and Officers, shall have no liability to any Owner or Owner's lender ("Lender") if, after a good faith effort, it is unable to obtain any insurance required hereunder, because the insurance is no longer available or, if available, can be obtained only at a cost that the Board in its sole discretion determines is unreasonable under the circumstances, or Association Members fail to approve any Assessment increase needed to fund the insurance premiums. In such event, the Board immediately shall notify each Member and any Lender entitled to notice that the specific insurance will not be obtained or renewed.

The Association, and its Directors and Officers, shall also have no liability to any Owner or Lender if it does not obtain any of the insurance referenced hereunder which is not required but may be obtained at the discretion of the Association. The Board may, in good faith in its sole discretion, determine that obtaining any of the discretionary insurance is unreasonable or unnecessary under the circumstances. In making a determination as to whether to acquire any such discretionary insurance, the Board may, but is not required to, base its decision upon, among other things, a vote of the Owners.

9.10 Insurance Policy Deductibles. The Board of Directors shall have the power, in its sole discretion, to determine the amount of any deductible applicable to any insurance policy carried by the Association. In the event of a covered claim under the Association's property policy, the responsibility for payment of any deductible shall be as follows:

- 9.10.1 Owners shall be responsible for the deductible, if the covered loss occurs only to the Owners' real or personal property, or other property the Owner is responsible for repairing or replacing ("Owner Property").
- 9.10.2 The Association shall be responsible for the deductible if the covered loss occurs only to any real or personal property owned by Association, or other property the Association is responsible for repairing or replacing ("Association Property").

9.10.3 If the covered loss occurs to any Owner Property and any Association Property, or to more than one Owner's Property, the responsibility for the payment of any deductible shall be apportioned among the affected parties on the basis of the ratio of each party's insured loss to the total insured loss under that policy.

9.10.4 The foregoing notwithstanding, if the Board determines the damage or loss is caused by the negligence or misconduct of any Owner, or resident, guest, tenant or invitee of an Owner or is the Owner's responsibility pursuant to Section 4.10 herein, such Owner shall be liable for the full amount of the deductible.

9.11 Individual Property Insurance. All Owners shall obtain and maintain insurance, at their sole expense, to protect against any damage to, or loss of the Owner's real or personal property, and the cost of repair or replacement of damaged items, including, but not limited to, any Improvements made by an Owner, any personal property, decorations, floor and wall coverings, appliances, cabinets, fixtures or other items therein, or any exterior items for which the Owner is responsible for maintenance, repair and replacement by the terms of this Declaration, such as landscaping. Owner and his or her tenants, guests, invitees, agents and employees shall hold the Association, its Officers, Directors, agents and employees harmless for any claim for property damage or personal injury alleged to arise from the failure of the Association, its Officers, Directors, agents or employees to verify and ensure that every Owner has complied with this requirement to obtain and maintain insurance.

9.12 Individual Liability Insurance. An Owner may carry any personal liability and property damage liability insurance with respect to his or her ownership of a Lot that he or she desires.

ARTICLE 10 - PROPERTY TAXES

Real property taxes, levies and assessments shall be separately and individually billed by the County Assessor's office to the Owners of individual Lots. Payment of such taxes for Lots shall be the sole responsibility of the Owner of such Lot. The Association shall not be liable for the collection and payment of any real or personal property taxes of any type whatsoever levied against individual Owners on account of their Lots. Real property taxes and assessments, if any, levied against the Common Area in the name of the Association, or levied against any personal property of the Association, shall constitute a Common Expense.

ARTICLE 11 - PROHIBITION AGAINST PARTITION OR SEVERANCE OF LOT FROM INTEREST IN COMMON AREA

The rights in the Common Area and title to the respective Lots, together with any exclusive or non-exclusive easements or rights appurtenant to each Lot, shall not be separated, severed or separately conveyed, assigned, encumbered or otherwise

transferred. All rights in the Common Area shall be conclusively deemed to be conveyed, assigned, transferred or encumbered with the respective Lot even though the description in the instrument of conveyance or encumbrance may refer only to the Lot.

ARTICLE 12 - ARCHITECTURAL CONTROL

12.1 **Architectural Approval.** In order to maintain a uniform and well-maintained appearance throughout the Project, to encourage excellence in architecture, construction and landscaping, to promote an image readily identifiable with quality, and to maintain lasting values, no structure, landscape or other Improvement shall be commenced, constructed or maintained within the Project, nor shall any remodeling, reconstruction or replacement of or alteration or addition to, any Improvement within the Project be made, without the prior written approval of the Architectural Committee, except for such types of Improvements and replacements, additions or changes thereto that the Board has determined do not require prior written approval of the Architectural Committee which said exceptions are specifically set forth in the Guidelines.

12.2 **Architectural Committee.** The Architectural Committee shall consist of three (3) or more Members, as appointed by the President from time to time.

12.3 **Director of Property Services.** The Committee may from time to time appoint a "Director of Property Services," who need not be a Member of the Association, to serve for the time periods and have the duties as determined by the Committee. The Director of Property Services shall be responsible for supervising and managing the approval process, serving as a liaison between the Owner and the Committee, coordinating with an Owner's contractors and consultants to facilitate compliance with these Guidelines, and keeping the Committee informed and reporting to the Committee any violations of the Guidelines. The current Director of Property Services for the Association is the Club's Director of Security and Safety.

12.4 **Submission, Approval and Conformity of Plans.** Except for certain types of Improvements and replacements, additions or changes thereto that the Board has determined do not require prior written approval of the Architectural Committee which said exceptions are specifically set forth in the Guidelines, no Improvement shall be commenced, constructed or maintained within the Project, nor shall any remodeling, reconstruction, replacement, alteration or addition to any Improvement be made, until a completed application and plans and specifications for such proposed project are submitted to and approved in writing by the Architectural Committee in accordance with the Guidelines. The Guidelines include, without limitation, the following restrictions and limitations:

- 12.4.1 Time limitations for the completion of the Improvements for which approval is required pursuant to the Guidelines. The Guidelines also provide for a monetary penalty for each month in which the construction time limitation established in the Guidelines is exceeded which penalty may be collected as a Monetary Penalty Assessment;

- 12.4.2 Conformity of completed Improvements to plans and specifications approved by the Architectural Committee;
- 12.4.3 Such other limitations and restrictions as the Board in its reasonable discretion has adopted or shall adopt, including, without limitation, regulation of architecture, landscaping, construction, reconstruction, exterior addition, change, alteration to or maintenance of any building, with regard to the nature, kind, shape, size, height, materials, exterior color and surface and location of such structure;
- 12.4.4 The Committee may delegate its plan review responsibilities to one or more members of the Committee. Upon such delegation, the approval or disapproval of plans and specifications by such persons shall be equivalent to approval or disapproval by the entire Committee. The Guidelines establish reasonable procedural rules and assess reasonable fees in connection with review of plans and specifications and construction of the Improvements, including but not limited to (a) a Design Review Fee and a Construction Compliance Deposit; (b) a requirement that the Owner shall post a Construction Compliance Deposit prior to commencement of a project; and (c) the Association may draw down this Construction Compliance Deposit as a means of enforcing compliance with the provisions of the Guidelines and the Declaration, including but not limited to correcting security, safety or health risks/hazards, cleaning or maintaining the site, adjacent property and streets, repairing damages to any adjacent areas, collecting fines for violation of Construction Site Rules, and legal expenses (including attorneys' fees and costs) for enforcing compliance;
- 12.4.5 All Improvements and any subsequent replacements, additions or changes thereto shall follow types of architecture and design acceptable to the Architectural Committee to the extent set forth in the Guidelines. Any Improvement placed, erected or maintained upon any Lot in the Project shall be entirely constructed or placed within the legal boundaries of such Lot and in compliance with the applicable set back requirements.

Unless such procedural rules regarding submission of plans as set forth in the Guidelines are complied with, such plans and specifications shall be deemed not submitted.

12.5 Requirements for Reviewing Proposed Physical Changes. In reviewing and approving or disapproving a proposed change, the Association shall provide a fair, reasonable and expeditious procedure for making its decision. Such procedure shall be in accordance with Civil Code section 4765, including the following requirements:

- 12.5.1 Prompt deadlines, including, without limitation, the maximum time for response by the Architectural Committee or the Board to an application or a request for reconsideration by the Board, which shall be a maximum of thirty (30) days;
- 12.5.2 A decision on a proposed change shall be made in good faith and may not be unreasonable, arbitrary, or capricious;
- 12.5.3 A decision on a proposed change may not violate any governing provision of law, including, but not limited to, the Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2 of the Government Code), or a building code or other applicable law governing land use or public safety;
- 12.5.4 A decision on a proposed change shall be in writing. If a proposed change is disapproved, the written decision shall include both an explanation of why the proposed change is disapproved and a description of the procedure for reconsideration of the decision by the Board.

12.6 Appeal. In the event plans and specifications submitted to the Architectural Committee are disapproved, the party making such submission may appeal in writing to the Board, unless the decision was made by the Board or by a committee having the same members as the Board. If requested, the applicant is entitled to reconsideration by the Board at an open meeting that satisfies the requirements of Civil Code section 4765(a)(5). The written request must be received by the Board not more than thirty (30) days following the final decision of the Architectural Committee. The Board shall submit such request to the Architectural Committee for comment and the Committee's written comments will be submitted to the Board. Within sixty (60) days following receipt of the request for appeal, the Board shall render its written decision, or, if requested, hold an open meeting. Failure of the Board to render a decision or hold an open meeting within this sixty (60) day period shall be deemed a decision in favor of the appellant. Reconsideration by the Board does not constitute dispute resolution within the meaning of Civil Code section 5905.

12.7 Dispute Resolution. In the case of a dispute between the Association and a Member regarding the Guidelines or other aspects of the Association's architectural control, the Association and the Member shall first attempt to resolve the dispute through the Association's Meet and Confer Program as described in Section 1.36. Should a Member refuse to participate in the Meet and Confer Program, or should the matter be unresolved through such program, then the Association and the Member shall participate in the Association's Alternative Dispute Resolution Program as described in Section 1.3. If the dispute cannot be resolved under either of these dispute resolution programs, either party may file an action against the other in the Riverside Superior Court or any court having jurisdiction. As described in Section 1.3, the court, in determining an award of fees and costs, may consider whether a party's refusal to participate in alternative dispute resolution before the commencement of the action was reasonable.

12.8 General Provisions. Operation of the Architectural Committee shall be subject to the following general provisions:

- 12.8.1 Review and approval by the Committee of plans and specifications does not constitute approval of engineering design, and by approving such and specifications, neither the Committee, the members thereof, the Association, the Members, nor the Board assumes liability or responsibility therefor, or for any defect in any structure constructed from such plans and specifications. Approval of plans and specifications by the Committee does not relieve the Owner-applicant of the responsibility to obtain necessary building permits and approvals from the City or other governmental authority having jurisdiction.
- 12.8.2 The address of the Architectural Committee shall be the principal office of the Association as designated by the Board pursuant to the Bylaws. Such address shall be the place for submission of plans and specifications and the place where the current Guidelines shall be kept.
- 12.8.3 The establishment of the Architectural Committee and the procedures described herein for architectural approval shall not be construed as changing any rights or restrictions upon Owners to maintain, repair, alter or modify or otherwise have control over their Separate Interests as may otherwise be specified in the Governing Documents.
- 12.8.4 The Architectural Committee or the Board may allow reasonable variances and adjustments of the architectural provisions contained in this Article and in the Guidelines, in order to overcome practical difficulties and prevent unnecessary hardships in the application of the regulations contained herein, provided this may be done in conformity with the intent and purposes of the Declaration and also provided in every instance that such variance or adjustment will not be materially detrimental or injurious to other property or Improvements in the Project. Any such variances or adjustments of the architectural provisions granted by the Architectural Committee or the Board, or any acquiescence or failure to enforce any violation of the architectural provisions, shall not be deemed to be a waiver of any of the architectural provisions in any other instance.

12.9 No Liability. Neither the Committee nor any member thereof, nor their duly authorized representatives, shall be liable to the Association or to any Owner for any loss, damage or injury arising out of or in any way connected with the performance of the Committee's duties hereunder unless due to the willful misconduct or bad faith of the Committee. The Committee's review of plans submitted to it will be based solely on

aesthetic considerations, elevations and setbacks, and the overall benefit or detriment which might result to the immediate vicinity and the Project generally. The Committee will not be responsible for reviewing, and its approval of any plan or design will not be deemed approval of, any such plan or design from the standpoint of structural safety or conformance with building or other codes.

12.10 *Effect of Owner-Installed Improvements.* This Section shall apply to all Improvements installed on any Lot or elsewhere in the Project, either by a current or former Owner or by that Owner's family members, agents, tenants, or anyone exercising the Owner's powers, and without regard to whether the Owner first complied with the requirements of this Article, including without limitation, the requirement for seeking and obtaining prior written approval before installing any such Improvements.

12.10.1 Owner shall pay all costs and expenses incurred in the construction and installation of any such Improvements, and shall be fully responsible for the maintenance, repair and replacement of such Improvements. Each Owner shall be responsible for any damages to persons, property or otherwise which result from the construction, maintenance, use or continued existence of such Improvements and shall hold the Association free and harmless from any and all costs and expenses attributable to the construction, installation, maintenance, repair, or replacement of such Improvements or to their continued existence or use. The Association shall have no responsibility either for securing or maintaining insurance for any such Improvements.

12.10.2 Each Owner covenants and agrees that any such Improvements shall be constructed in strict compliance with the plans and specifications and in the exact location approved by the Association, if so approved, and shall be maintained in good condition and repair in accordance with generally accepted construction, maintenance and repair practices, and shall comply with all Applicable Laws. Owner shall be obligated to obtain any necessary building permits and inspections and to verify compliance with all requirements imposed by law. The Association's approval of any such Improvements, if given, is limited to an approval based solely on the criteria contained in the Governing Documents and does not include a review for compliance with Applicable Laws.

12.10.3 All such Improvements shall be subject to the jurisdiction of the Association, acting through the Board, and to the Governing Documents; and shall be subject to an easement in favor of the Association to perform its duties under the Governing Documents. As such, each Owner shall pay all costs and expenses incurred in removing and replacing the Improvements, if such removal is required by the Association, in its sole

discretion, to perform its maintenance and repair responsibilities under the Governing Documents. The Association shall exercise such discretion reasonably and not arbitrarily.

- 12.10.4 Owner shall defend, indemnify and hold harmless the Association, its Members, Board, Officers, agents and employees from and against any and all injuries, damages, causes of action or claims which may exist or be instituted against any or all of said parties because of, or in any manner arising from or connected with, the granting of written confirmation of approval for any Improvements, the power to grant and confirm such approval in writing, or the construction, maintenance, repair, replacement, existence or use of any such Improvements.
- 12.10.5 Each Owner releases Association, its Members, Board, Officers, agents and employees from any duty or obligation to pay, or otherwise be responsible, for the cost of construction, maintenance, repair or replacement of any such Improvements, and releases said parties from any and all claims, injuries, damages and causes of action which may arise as a result of the construction, maintenance, repair or replacement of the Improvements or the continued existence or use of the Improvements.
- 12.10.6 The failure by an Owner to obtain prior written approval of a project requiring Architectural Committee approval, or to construct, maintain or use an Improvement in accordance with an approval granted by the Architectural Committee, or otherwise to comply with the Guidelines and the architectural provisions contained in this Declaration shall constitute a violation of the Governing Documents. Such violation may be enforced by any means available at law or in equity or as specified in the Governing Documents. Without limiting the foregoing, the Association shall have power, after Notice and Hearing, to maintain, repair, modify, replace or remove any noncompliant Improvement and to levy the cost thereof against the Owner as a Reimbursement Assessment should the Owner fail to take such corrective action voluntarily and within a reasonable deadline established by the Board.
- 12.10.7 The Association shall have the power, but not the obligation, unilaterally to record a document against the title to Owner's Lot identifying the nature, description and location of any Improvements installed by Owner, whether installed with or without the Association's approval, to put subsequent Owners on notice of their duties and obligations with respect to such Improvements under this Article.

12.11 Conflicts Between Applicable Law and Association. In the event of any conflict between any Applicable Law and the Association's Governing Documents or other requirements, the more restrictive of such conditions shall be controlling. Further, nothing herein shall limit the Association from imposing conditions of approval of any proposed Improvements which are more restrictive than any Applicable Law.

ARTICLE 13 - EASEMENTS

13.1 Common Area Easements Previously Granted or Reserved in Favor of Owners and Others. Easements over the Project exist, having have been created for the benefit of the Owners and others, for access, drainage, and other purposes (a) as shown on the recorded maps of the Project, and/or (b) as reserved or granted in documents of record on the Project, including, without limitation, those easements reserved in the Prior Declarations, specifically including Article 13 of the 2019 Declaration.

13.2 Utilities and Drainage Easements. Utility and drainage easements and rights-of-way over the Project have been created for the benefit of Owners and others (a) as shown on the recorded maps of the Project, and/or (b) as reserved or granted in documents of record on the Project. Said recorded easements include, without limitation, (i) easements for drainage, and (ii) easements for the erection, construction, maintenance and operation of underground wires, cable, pipes, conduits and apparatus for the transmission of electrical energy, for telephone, television and radio lines and for the furnishing of water, gas, sewer service, or for other utility purposes, together with the right of entry for the purpose of installing, maintaining, and reading gas, electric and water meters, installation and maintenance of electric, telephone, water, gas and sanitary sewer lines and facilities, over, under, along, across, upon and through a strip of land five (5) feet in width along the boundary lines of all Lots in the Project.

ARTICLE 14 - ENFORCEMENT

The provisions of this Article 14 deal with enforcement of the Governing Documents and disputes between the Owners or between the Association and an Owner, and other specified matters as set forth herein.

14.1 Right to Enforce; Remedies. The Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the Governing Documents. Each remedy provided in this Article, this restated Declaration and under Applicable Law shall be considered cumulative and not exclusive.

14.2 Board Discretion Whether to Enforce. In deciding whether to take any action to enforce the restrictions, conditions, covenants, reservations, liens and changes in the Governing Documents, the Board may exercise its discretion using the business judgment rule of Corporations Code section 7231.

14.3 Nuisance. The result of every act or omission, whereby any provision, condition, restriction, covenant, easement, or reservation contained in the Governing Documents is violated in whole or in part, is declared to be and constitute a nuisance,

and every remedy allowed by Applicable Law or equity against a nuisance, either public or private, shall be applicable against every act or omission or incident resulting in a nuisance and may be exercised by any Owner and the Association.

14.4 Failure to Enforce. Failure by the Association or any Owner to enforce any provisions of the Governing Documents shall in no event be deemed a waiver of the right to do so thereafter.

14.5 Nonwaiver of Remedies. Each remedy provided for in this Declaration is separate, distinct, and nonexclusive. Failure to exercise a particular remedy shall not be construed as a waiver of the remedy.

14.6 Violation of Applicable Law. Any violation of any Applicable Law pertaining to the ownership, occupancy or use of any Lot within the Community is declared to be a violation of this Declaration and subject to any or all of the enforcement procedures herein set forth.

14.7 Compliance with Applicable Law. All activities to enforce the provisions of the Governing Documents shall be conducted in accordance with all Applicable Laws. This Section shall apply to both the Association and to all Owners.

14.8 Attorneys' Fees. In the event an attorney is engaged by the Board to enforce the Governing Documents, the Association shall be entitled to recover from the adverse party to the controversy its attorneys' fees and costs so incurred, whether or not such controversy proceeds to litigation. In the event litigation is commenced to enforce the Governing Documents, the prevailing party shall be entitled to its attorneys' fees and costs. Said costs and attorneys' fees shall constitute a lien on the Lot which is enforceable as an Assessment pursuant to the Governing Documents. This Section shall also apply to attorneys' fees incurred to collect any post-judgment costs.

ARTICLE 15 - GENERAL PROVISIONS

15.1 Severability of Covenants. Invalidity of any one of these covenants or restrictions by judgment or court order shall not affect any other provisions which shall remain in full force and effect.

15.2 Term. The covenants and restrictions of this Declaration shall run with and bind the Covered Property and the Project, and shall inure to the benefit of and be enforceable by the Association or the Owners, their legal representatives, heirs, successors and assigns until thirty (30) years after the date this Declaration is recorded, after which date they shall automatically be extended for successive periods of ten (10) years, unless an instrument signed by seventy-five percent (75%) of the then Owners has been recorded (i) within the year preceding the end of said thirty (30) year period, or (ii) within the year preceding the beginning of each successive period of ten (10) years, agreeing to terminate this Declaration.

15.3 Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the management and

operation of a Common Interest Development, and for the maintenance of the Common Areas. In case of any conflict between this Declaration and the Bylaws, this Declaration shall control. The article and section headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction. The provisions of this Declaration will be deemed modified by additions or modifications to Applicable Law, unless any such additions or modifications are specified to be prospective only in their application.

15.4 Amendments. This Declaration may be amended only by the affirmative assent or vote by a Majority Vote of the Members; provided, however, that the percentage of voting power necessary to amend a specific clause or provision shall not be less than the percentage of affirmative votes prescribed for action to be taken under that clause.

In the event that a Majority Vote of the Members cannot be obtained in favor of an amendment, the Association, or any Owner, may petition the Superior Court of the County for an order reducing the percentage of affirmative votes required. The filing of any such petition shall be in compliance with the procedures set forth in Civil Code section 4275.

This amendment provision shall not be amended to allow amendments by the assent or vote of less than the prescribed percentage of voting power required for amendments hereof except by court order as set forth above. An amendment or modification shall be effective when executed and acknowledged by the Secretary of the Association, who shall certify that the amendment or modification has been approved as provided herein, and recorded in the official records of the County. No amendment or modification of this Declaration shall have the effect of interfering with the rights of ingress and egress to any Lot or the Common Area.

15.5 Dissolution. So long as there is any Lot, Common Area or Unit for which the Association is obligated to provide management, maintenance, preservation or control, the Association may be dissolved or may transfer all or substantially all of its assets only upon the approval of one hundred percent (100%) of the Members in accordance with Corporations Code section 8724.

15.6 Nonliability of Officials. To the fullest extent permitted by law, neither the Board, the Architectural Committee, any other committees of the Association or any member of such Board or committee shall be liable to any Member of the Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of plans or specifications (whether or not defective), course of action, act, omission, error, negligence or the like made in good faith within which such Board, committees or persons reasonably believed to be the scope of their duties.

15.7 Statutory References; Fixed Amounts. References in this Declaration or the Bylaws to specific statutes or provisions of California law shall include those statutes or provisions as they may be modified or amended from time to time. References in this Declaration or the Bylaws to specific dollar amounts or percentage rates shall be modified from time to time as the dollar figures or percentage rates in statutes upon which they are based are modified. Any modification of this Declaration or the Bylaws resulting from the

application of this Section may be affected by a validly adopted resolution of the Board, without utilizing the formal amendment procedures contained herein or in the Bylaws.

15.8 Common Plan Declaration. The covenants, conditions and restrictions set forth in this Declaration constitute a general program for the development, protection and maintenance of the Project to enhance its value, desirability and attractiveness for the benefit of all Owners. By acquiring any ownership interest in a Lot subject to this Declaration, each person or entity, for himself, his heirs, personal representatives, successors, transferees and assigns, agrees to be subject to all of the provisions, restrictions, covenants, conditions, rules and regulations now or hereafter imposed by this Declaration. Declarant, by this Declaration, sets forth a program for the improvement, operation and maintenance of the Project and hereby evidences its intent that all the restrictions, conditions, covenants, rules and regulations contained herein shall run with the land and be binding on all future Owners, grantees, purchasers, assignees, and transferees.

15.9 Lot Transfer Restrictions; Right of First Refusal. The Project is located adjacent to and is physically integrated with Club facilities and properties, which include, among other things, the Golf Course, clubhouse and other recreational facilities and amenities, as well as the road system within the Project. The presence of the Club and its many amenities as well as its ongoing programs of superlative maintenance and capital refurbishment and enhancement, all serve to create a stable foundation for Lot values and the augmentation and enhancement thereof. Overall Lot and Project desirability and marketability are thus preserved at peak levels as contrasted to surrounding properties. Club Members provide annual financial support through dues and assessments to achieve the goals to maintain and enhance all elements of the Club which ultimately have a positive impact upon all Lot values within the Project. The financial well being of the Club and preservation of Lot values are thus closely correlated. Those Club Members that live in the Project are particularly motivated to support the Club and its programs not only because the value of their Lots is impacted thereby, but also because they more frequently experience and enjoy the Club facilities, including views of the Golf Course and other Club grounds, compared to Club Members who do not reside in the Project. Therefore, the Association desires to enhance opportunities for Club Members to purchase Lots within the Project. Further, the Association believes that the desirability and value of the Lots within the Project, as well as the value and desirability of the Club, will be mutually enhanced if Owners of Lots within the Project are also Club Members and if Club Members have an enhanced opportunity to purchase Lots within the Project. In furtherance of these objectives, Lots within the Project will only be sold or voluntarily transferred in accordance with the provisions of this Section, and will not be occupied or leased except in accordance with the provisions of Section 15.10 below.

15.9.1 Sales of Lots. All Lots in the Project will be subject to a Right of First Refusal as set forth in this Section 15.9. The Right of First Refusal will be held and exercised by the Association. In the event that an Owner receives and accepts a bona-fide offer from a Person to purchase such Owner's Lot in the Project, the Association, except as otherwise provided below, shall have a Right of First Refusal to purchase the Lot, instead and in lieu of the Person executing the contract of sale, on the same terms

and conditions as are provided in such contract, subject to modification as expressly provided herein. In the case of a Lot owned by a Person that is not a natural person, the forgoing Right of First Refusal shall be deemed to be applicable to and shall extend to the sale or transfer of any interest in the Owner entity whereby following such proposed transfer, the entity would not be Controlled by a Club Member. In such case, the provisions of Section 15.9.2 shall apply.

Within five days of the date of acceptance of the contract of sale between the Owner and the prospective purchaser, irrespective of whether the contract of sale relates to a Lot or an interest in an Owner entity, the Owner shall provide the Association with a full and complete copy of the fully executed contract for review and consideration by the Association. Any timeframes specified in such contract for the performance of any act or the expiration of any right shall be deemed suspended until such time as the Association has elected to purchase the Lot, with such affirmative election to be provided by means of providing written notice to the Owner, or with the Right of First Refusal having otherwise expired without the Association exercising its Right of First Refusal. Subject to extensions which may be provided under Section 15.9.2 (as related to the sale or transfer of an interest in an Owner entity) the Association shall have sixty (60) days from its receipt of the contract to elect in writing to purchase the Lot.

Notwithstanding the foregoing, the Right of First Refusal in favor of the Association shall not apply if the purchaser is (i) a Club Member in good standing, (ii) a married couple, domestic partnership or co-habiting adults whereby at least one of the named purchasers and prospective title holders is a Club Member, or where one spouse or domestic partner is a Club Member and the other spouse or domestic partner is named in the contract as the purchaser and prospective title holder; (iii) a Person other than a natural person and such Person is solely owned or Controlled by a natural person who is a Club Member and such Club Member is designated by the legal entity to exercise the legal entity's Association membership rights, or where the entity is owned or Controlled by the spouse or domestic partner of a Club Member, or where there is joint Control of an entity by the Club Member and the Club Member's spouse or domestic partner, (iv) a natural person, or the spouse or domestic partner of the natural person named as the purchaser under the contract, who at the time of the acceptance of the contract for purchase of a Lot has been accepted for membership in the Club and who, prior to the transfer of title, has paid the entirety of the applicable initiation fee and has been issued a Club Member number, or (v) an entity that is solely owned or Controlled by a natural person, or is owned or Controlled by the spouse or domestic partner of said natural person, or is jointly owned or Controlled by the natural person and the spouse or domestic partner of such natural person, who at the time of the acceptance of the contract for purchase of the Lot has been accepted for membership in the Club and who, prior to the transfer of title, has paid the entirety of the applicable initiation fee and has been issued a Club Member number. No Lot within the Project shall be sold or conveyed and no Controlling interest in an entity owning a Lot shall be assigned or transferred except as provided herein.

If the Association fails to exercise its Right of First Refusal, by providing written notice of its affirmative election to the Owner within the sixty (60) day period (subject to extension under Section 15.9.2 as referred to above), or if the Association affirmatively elects in writing to decline its right, the Owner may sell the Lot to the prospective purchaser without regard to whether the prospective purchaser is a Club Member. If, after the Association declines to exercise its Right of First Refusal, or if the Association fails to timely exercise its Right of First Refusal in writing as required hereby, the terms and conditions of the contract of sale are modified so as to be more favorable to the prospective purchaser (and upon any subsequent modification thereafter from time to time), Owner shall, within five (5) days thereafter give written notice thereof to the Association. Upon such modification and written notice to the Association, the Association's Right of First Refusal shall thereupon become effective again and the provisions of this Section 15.9.1 shall be applicable, provided, however, the time period for the Association to give written notice of exercise of its Right of First Refusal shall be a period of twenty (20) days following the Association's receipt of such written notice. The notice shall include all documentation concerning such modification. Any subsequent resale of any Lot will remain subject to the provisions of this Section.

15.9.2 Voluntary Transfer of Title. If (i) an Owner, including situations without consideration, or at a substantially reduced consideration, elects to transfer title to a Lot to any Person who is not a Club Member, and where the spouse or domestic partner of such Person is not a Club Member, or (ii) In the case of a Lot owned by a Person that is not a natural person, the Owner entity or any of its interest holders proposes to transfer any interest in the Owner entity whereby following such proposed transfer, the entity would not be Controlled by a Club Member, Controlled by the Club Member's spouse or domestic partner, or be jointly Controlled by the Club Member and the Club Member's spouse or domestic partner, the Association, except as otherwise provided below, shall have a Right of First Refusal pursuant to this Section 15.9 to purchase the Lot, but with the purchase to be subject to the terms as expressly provided herein, including the appraisal process delineated herein. Prior to effecting any such transfer, Owner shall provide the Association with a full and complete description of the proposed transfer, as well as a copy of all underlying and/or related documentation. Any timeframes specified for the performance of any act or the expiration of any right shall be deemed suspended until such time as the Association has elected to purchase the Lot, with such affirmative election to be provided by means of providing written notice to the Owner, or with the Right of First Refusal having otherwise expired without the Association electing to exercise its Right of First Refusal to purchase and/or otherwise acquire the Lot. The Association shall have sixty (60) days from both its receipt of the notice from Owner of the proposed transfer and the completion of the applicable appraisal process as provided below, to elect in writing to acquire the Lot.

Notwithstanding the foregoing, the Right of First Refusal in favor of the Association shall not apply if the transferee is (i) a Club Member in good standing, (ii) a married couple, domestic partnership or co-habiting adults whereby at least one of the named transferees and prospective title holders is a Club Member, or where one spouse or domestic partner is a Club Member and the other spouse or domestic partner is named

in the description of the proposed transfer as the transferee and prospective title holder; (iii) a Person other than a natural person and such Person is solely owned or Controlled by a natural person who is a Club Member and such Club Member is designated by the legal entity to exercise the legal entity's Association membership rights, or where the entity is owned or Controlled by the spouse or domestic partner of a Club Member, or where there is joint Control of an entity by the Club Member and the Club Member's spouse or domestic partner, (iv) a natural person, or the spouse or domestic partner of the natural person named as the transferee, who at the time of the proposed transfer of a Lot has been accepted for membership in the Club and who, prior to the transfer of title, has paid the entirety of the applicable initiation fee and has been issued a Club Member number, or (v) an entity that is solely owned or Controlled by a natural person, or is owned or Controlled by the spouse or domestic partner of said natural person, or is jointly owned or Controlled by the natural person and the spouse or domestic partner of such natural person, who at the time at the acceptance of the proposed transfer of the Lot has been accepted for membership in the Club and who, prior to the transfer of title, has paid the entirety of the applicable initiation fee and has been issued a Club Member number. No Lot within the Project or Controlling interest in an entity owning a Lot shall be transferred except as provided herein.

In connection with any such proposed transfer of title to a Lot, or any transfer of an interest in an Owner entity as described above where the Right of First Refusal would apply, the appraisal process, as outlined below, shall be undertaken by the parties, and if the Association elects to acquire title to the Lot, the Association shall pay the Owner fair market value, as determined by such process, for the Lot. In lieu of the appraisal process specified below, the parties may mutually agree upon the fair market value to be paid by the Association. The process by which the Lot will be appraised is as follows:

(a) The transferor and the Association shall each designate an MAI residential real estate appraiser to appraise the fair market value of the Lot taking into consideration all applicable covenants, conditions and restrictions related to such Lot, the condition of any improvements on the Lot and all other associated market conditions pertinent to such valuation that a knowledgeable and skilled appraiser would take into consideration to determine fair value for the Lot. Each MAI appraiser must have a minimum five (5) years' experience as a real estate appraiser in luxury residential property in the Coachella Valley. Unless otherwise agreed to by the parties, the appraisals must be completed within thirty (30) days after the designation of the appraiser, but in any event not later than ninety (90) days after the transferor's notice to the Association of the proposed transfer. Each party shall be responsible for all costs and expenses related to their designated appraiser. Neither party shall confer with or otherwise make contact with any designated appraiser for the purpose of influencing or directing the appraisal results. Once the appraisals are completed, they shall each be provided to both parties. If the high appraisal is no more than five percent (5%) greater than the low appraisal, then the fair market value shall be deemed to be the average of the two appraisals. If the high appraisal is more than five percent (5%) greater than the low appraisal, then the parties shall meet and confer on one or more occasions during the following twenty (20) day period in an attempt to agree on the fair market value of the Lot which shall be no higher

than the high appraisal and no lower than the low appraisal. If the parties cannot agree upon a fair market value, then the two appraisers shall mutually agree upon the selection of a third appraiser who shall meet the same qualifications. The sole function of the third appraiser shall be to study the two existing appraisals and the related fair market value and to select one appraisal or the other as the closest representation of fair market value. Such selected fair market value shall be the fair market value to be paid by the Association if the Association elects to exercise its Right of First Refusal. The third appraiser shall make a determination of fair market value within thirty (30) days of being designated and each party shall be responsible for payment of one-half of all costs and expenses for such third appraiser. If any party fails to timely designate its initial appraiser, the other party's appraiser shall be the sole appraiser and shall solely determine the fair market value. If, after receiving the appraisals, the fair market value is not determined by the averaging process described above and the parties are unable to agree upon the fair market value and the two appraisers designated cannot agree upon a third appraiser, the third appraiser shall be appointed by the Presiding Judge of the Riverside County Superior Court or his or her designee upon application of either party.

(b) If the Association elects in writing to purchase a Lot based upon its exercise of the Right of First Refusal under this Section 15.9.2, and (i) the terms of the contract entered into by the Owner and the prospective buyer provides for alternate or less favorable terms or (ii) the fair market value is determined as provided in subsection (a) above, then the terms provided below shall apply. Within ten (10) days of the Association's written election to purchase the Lot, the parties shall open an escrow at a company designated by the Association (the "Escrow"). In no event shall the Association be liable for the payment of or participation in the payment of any brokerage fees or commissions in connection with any such purchase by the Association. The Association shall designate a title company to issue the title insurance policy. Within five (5) days thereafter the parties shall sign the standard form escrow instructions of such Escrow as modified for the terms of the applicable sale of the Lot (the "Instructions"). The "Opening" of Escrow shall be the date of execution by both parties of the Instructions and delivery to Escrow. The Instructions shall provide for the following (unless the purchase derives from a residential sale contract and the terms of the sale are more favorable to the buyer than as provided below, in which case the more favorable contract terms shall be applicable) as well as general terms and provisions for a purchase and sale of a property of this type:

- (1) Transferor shall deliver to Association within seven (7) days of Opening all disclosures required under California law for a property sale of the Lot, including a standard form seller questionnaire on the standard form of the California Association of Realtors as then in effect or, if not available, a reasonable equivalent disclosure document.
- (2) Association shall have a fifteen (15) day period to review a current preliminary title report on the Lot as well as copies of all documents referenced in the title commitment. The fifteen (15) day period shall commence upon delivery of the foregoing.

- (3) Association shall have a twenty-one (21) day period commencing upon Opening to conduct any inspections it desires to conduct at its own cost. Owner shall pay for (i) a natural hazards zone disclosure report including tax, (ii) a wood destroying pests and organisms report for house and garage prepared by a registered structural pest control company and all Section 1 work specified therein, (iii) the cost of all mandatory governmental compliance retrofitting (water conservation, energy conservation, safety devices, etc.), (iv) all governmental transfer taxes, (v) all public or private transfer fees, including HOA fees, and (v) a home warranty plan in favor of the Association with extended coverage for HVAC, pool/spa and roof, as applicable, not to exceed a cost of \$1,000.00.
- (4) Association shall indicate approval of subsections (1)-(3) above, by delivery to transferor and Escrow of such approval or conditional approval in writing.
- (5) Transferor shall pay for a CLTA/ALTA 2013 or later homeowner's policy of title insurance in favor of Association. Association may choose to pay any cost for a change to the policy form and/or the addition of any endorsements not included in the standard CLTA/ALTA homeowner's title insurance policy.
- (6) Within forty-five (45) days of Opening Escrow, the sale shall close and all prorations and adjustments (including but not limited to taxes, insurance and Association assessments, fees and costs) shall be paid according to local custom for Riverside County where the Lot is located. Escrow fees shall be split equally between the parties.
- (7) Association shall pay the entire purchase price in cash.

15.9.3 Involuntary Transfers of Title. The Right of First Refusal provisions of Section 15.9 will not apply to involuntary transfers of title. For purposes of the foregoing, involuntary transfers shall mean a transfer resulting directly from the death of a natural person who is an Owner, a transfer pursuant to the distribution provisions of a revocable, irrevocable, or testamentary trust of the owner resulting from the death of a natural person who is an Owner, or a change of Control in, dissolution or termination of any Person who is not a natural person resulting from the death of the natural person who Controls such entity and who exercises the rights of an Owner in the Association on behalf of such entity, provided, however, any such transfer must be a transfer of the interest held by such Person who is the Owner of a Lot or the transfer of interests in the entity which holds title to the Lot, by operation of such Person's last will and testament, by the provisions of such Person's revocable, irrevocable, or testamentary trust, or by the laws of the intestate succession (if the transferor is an individual); or by the terms of any trust instrument, LLC operating agreement, partnership agreement or other charter document or applicable law

(if the transferor is other than an individual member), provided however, that for any involuntary transfer pursuant to the provisions of this Section 15.9.3 to be exempt from the Right of First Refusal provisions, the transfer must be to a transferee permitted pursuant to Section 15.9.4 below.

15.9.4 Intra-family Transfers of Title. The Right of First Refusal provisions of Section 15.9 will not apply to intra-family transfers of title to a Lot or of interests in an entity which holds title to a Lot. For the purposes of this provision, the term "intra-family" shall mean (1) as to any Owner who is a natural person, such person's spouse (to include a conveyance in the context of a dissolution proceeding, whether by means of a court order or pursuant to a property settlement agreement), domestic partner (to include a conveyance in the context of a dissolution proceeding, whether by means of a court order or pursuant to a property settlement agreement), natural or adopted siblings, ancestors and descendants, including descendants who become such by legal adoption by such natural person or by a natural descendant of such natural person, step-children, in-laws, and any entity owned or controlled by such person and (2) as to any Owner which is other than a natural person but such Owner is Controlled by a natural person who exercises the rights of an Owner in the Association on behalf of such entity, such person's spouse (to include a conveyance in the context of a dissolution proceeding, whether by means of a court order or pursuant to a property settlement agreement), domestic partner (to include a conveyance in the context of a dissolution proceeding, whether by means of a court order or pursuant to a property settlement agreement), natural or adopted siblings, ancestors and descendants, including descendants who become such by legal adoption by such natural person or a natural descendant of such natural person, step-children, in-laws, and any entity owned or controlled by such person.

15.9.5 Delegation. The Board, in its sole and absolute discretion, may assign, without recourse, its Right of First Refusal, as exercised as to any Lot, as well as rights which may be exercised as to an entity as relating to any Lot, to the Club, to any Club Member, or to any affiliate entity owned in whole or in part by the Association and/or by the Club. If the Board or Club assigns its right to any Person, that Person shall be bound by the terms of this Section 15.9 and the Association shall be released therefrom.

15.10 Occupancy of Property. Subject to the provisions for leasing and occupancy of Units and/or Lots as outlined in Section 4.12 of this Declaration, for the reasons described in Section 15.9 above, Units and/or Lots within the Project may only be occupied (whether by lease or otherwise) by Persons other than an Owner or an Owner's family members or cohabitants if one of those Persons is a Club Member or holds a guest pass for use of the facilities at the Club. The Association believes that occupants who are not Club Members or guests of the Club are less inclined to properly maintain the Units and/or Lots and otherwise comply with the requirements of this Declaration. If a Unit and/or Lot is occupied in violation of this restriction, or if an occupant (other than the Owner of the Lot) who is a Club Member or holder of a guest pass fails to comply with the requirements of this Declaration, all Owners hereby agree that the Association will have the right to exercise all legal and equitable remedies that may be available pursuant to applicable law, the Declaration or otherwise, including, without

limitation, bringing a judicial action against such occupant; provided, however, that in the case of an occupant who is a Club Member or a holder of a guest pass, no such action, in unlawful detainer or otherwise, will be commenced by the Association until after the Owner of such Lot has been given written notice by the Association specifying the violation or violations of these restrictions by such occupant and has, for a period of thirty (30) days following the giving of such notice, failed to cure the default by such occupant. Notwithstanding the foregoing, this Section 15.10 does not apply to occupants of a Unit and/or Lot where the Owner of the Lot is not a Club Member.

IN WITNESS WHEREOF, the undersigned has executed this Amended and Restated Declaration of Restrictions this 5th day of April, 2021.

ASSOCIATION:

ELDORADO PROPERTY OWNERS ASSOCIATION
a California nonprofit mutual benefit corporation

By: 
President

KEVIN R. KREE
(Print Name)

By: 
Secretary

John C. Hathaway
(Print Name)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of RIVERSIDEOn this 5th Day of APRIL 20 21

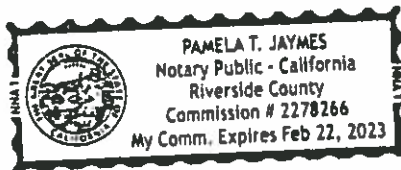
On 4/5/2021 Before me, PAMELA T. JAYMES, NOTARY PUBLIC,
 Date Here Insert Name and Title of Officer ✓
 Personally appeared KEVIN R. KNEE

Name(s) of Signer(s)

Who 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) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY
 under the laws of the State of California that
 the foregoing paragraph is true and correct.
 WITNESS my hand and official seal.

Signature Pamela T. Jaymes Notary Public
 Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document of fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: 2021 AMENDED & RESTATED Document Date: _____

Number of Pages: DECLARATION OF RESTRICTIONS
FOR ELDORADO PROPERTY OWNERS ASSOCIATION
72 Signer(s) Other Than Named Above: JOHN C. HATHAWAY

Capacity(ies) Claimed by Signer(s)

Signer's Name: KEVIN R. KNEE

☒ Corporate Officer-
 Title(s): PRESIDENT
☐ Partner ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or
☐ Conservator

Other: _____

Signer is

Representing: ELDORADO PROPERTY OWNERS ASSOCIATION PRESIDENT

Signer's Name: _____

Corporate Officer-
 Title(s): _____
☐ Partner ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or
☐ Conservator

Other: _____

Signer is

Representing: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of

RIVERSIDE

On this

6th Day

of

APRIL 20 21

On

4/6/2021

Before me,

PAMELA T. JAYMES, NOTARY PUBLIC,

Date

Here Insert Name and Title of Officer ✓

Personally appeared

JOHN C. HATHAWAY

Name(s) of Signer(s)

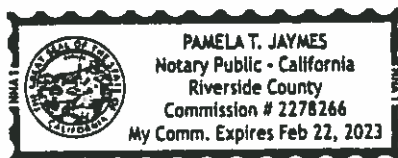
Who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

Signature

Pamela T. Jaymes, Notary Public

Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document of fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of 2021 AMENDED & RESTATED

Document Date:

Document: DECLARATION OF RESTRICTIONSNumber of Pages: FOR ELDORADO PROPERTY OWNERS ASSOCIATION

Signer(s) Other

Than Named

Above:

KEVIN R. KNEE

Capacity(ies) Claimed by Signer(s)

Signer's

Name:

JOHN C. HATHAWAY

Signer's

Name:

<input checked="" type="checkbox"/> Corporate Officer- Title(s): <u>SECRETARY</u>	<input type="checkbox"/> Limited	<input type="checkbox"/> General
<input type="checkbox"/> Partner	<input type="checkbox"/> Attorney in Fact	<input type="checkbox"/> Guardian or
<input type="checkbox"/> Individual	<input type="checkbox"/> Trustee	<input type="checkbox"/> Conservator
Other: _____		

Corporate Officer-

Title(s):

Partner

Individual

Trustee

Other: _____

☐ Limited☐ General☐ Attorney in Fact☐ Guardian or☐ Conservator

Signer is

Representing: ELDORADO PROPERTYOWNERS ASSOCIATION SECRETARY

Signer is

Representing: _____

EXHIBIT "A" - PROJECT LEGAL DESCRIPTION

That certain real property located in the City of Indian Wells, County of Riverside, State of California, more particularly described as follows:

Unit No. 1:

Residential Lots:

Lots 1 to 51, inclusive, of that certain map entitled Eldorado Golf Club Estates, Unit No. 1, recorded January 7, 1958 in Book 34 at pages 28 and 29 of Maps, Records of Riverside County, California; and Common Area easements consisting of:

Common Area:

Lots "A" to "D" inclusive of that certain map entitled Eldorado Golf Club Estates, Unit No. 1, recorded January 7, 1958 in Book 34 at pages 28 and 29 of Maps, Records of Riverside County, California, retained as private non-exclusive roads to be used by lot owners within the bounds of the subdivision, their successors and assigns, in common with Eldorado Golf Club Estates, a corporation, their successors and assigns, and Eldorado Country Club, Inc., a corporation, their successors and assigns, and appurtenant to the lands of said corporations, now owned or hereafter acquired in Sections 23, 26 and 27, T5S, R6E, SBB&M, as noted on said map. (The 10 foot and 15 foot drainage easements and 10 foot pipeline easement were also retained as private easements on said map.)

Unit No. 3:

Residential Lots:

Lots 76 to 108, inclusive, of that certain map entitled Eldorado Golf Club Estates, Unit No. 3, recorded January 7, 1958 in Book 34 at page 30 of Map, Records of Riverside County, California; and Common Area easements consisting of:

Common Area:

Lots "A" to "C" inclusive (streets) and Lot "D" (walkway) of that certain map entitled Eldorado Golf Club Estates, Unit No. 3, recorded January 7, 1958 in Book 34 at page 30 of Maps, Records of Riverside County, California, retained as private non-exclusive roads and walkway to be used by lot owners within the bounds of the subdivision, their successors and assigns, in common with Eldorado Golf Club Estates, a corporation, their successors and assigns, and Eldorado Country Club, Inc., a corporation, their successors and assigns, and appurtenant to the lands of said corporations, now owned or hereafter acquired in Sections 23, 26 and 27, T5S, R6E, SBB&M, as noted on said map. (The 10 foot pipeline easements were also retained as private easements on said map.)

Unit No. 4:

Residential Lots:

Lots 109 to 125, inclusive, of that certain map entitled Eldorado Golf Club Estates, Unit No. 4, recorded October 20, 1959 in Book 38 at pages 56 and 57 of Maps, Records of Riverside County, California; and Common Area easements consisting of:

Common Area:

Lot "A" of that certain map entitled Eldorado Golf Club Estates, Unit No. 4, recorded October 20, 1959 in Book 38 at pages 56 and 57 of Maps, Records of Riverside County, California, retained as a private non-exclusive road to be used by lot owners within the bounds of the subdivision, their successors and assigns, in common with Eldorado Properties Limited, a limited partnership, Eldorado Golf Club estates, a corporation, and Eldorado Country Club, Inc., a corporation, their successors and assigns, and appurtenant to the lands of said corporations and limited partnership, now owned or hereafter acquired in Sections 26 and 27, T5S, R6E, SBB&M, as noted on said map.

Unit No. 5:

Residential Lots:

Lots 126 to 133, inclusive, of that certain map entitled Eldorado Golf Club Estates, Unit No. 5, recorded October 20, 1959 in Book 38 at pages 58 and 59 of Maps, Records of Riverside County, California; and Common Area easements consisting of:

Common Area:

Lot "A" of that certain map entitled Eldorado Golf Club Estates, Unit No. 5, recorded October 20, 1959 in Book 38 at pages 58 and 59 of Maps, Records of Riverside County, California, retained as a private non-exclusive road to be used by the lot owners within the bounds of the subdivision, their successors and assigns, in common with Eldorado Properties Limited, a limited partnership, their successors and assigns, Eldorado Golf Club Estates, a corporation, their successors and assigns, and Eldorado Country Club, Inc., a corporation, their successors and assigns, and appurtenant to the lands of said corporations, now owned or hereafter acquired in Sections 26 and 27, T5S, R6E, SBB&M, as noted on said map.

Unit No. 6:

Residential Lots:

Lots 134 to 238, inclusive, of that certain map entitled Eldorado Golf Club Estates, Unit No. 6, recorded October 20, 1959 in Book 38 at pages 60, 61, 62, 63 and 64 of Maps, Records of Riverside County, California; and Common Area easements consisting of:

Common Area:

Lots "A" to "F" inclusive (roads) and Lot "G" (walkway) of that certain map entitled Eldorado Golf Club Estates, Unit No. 6, recorded October 20, 1959 in Book 38 at pages 60, 61, 62, 63 and 64 of Maps, Records of Riverside County, California, retained as private non-exclusive roads and walkway to be used by the lot owners within the bounds of the subdivision, their successors and assigns, in common with Eldorado Properties Limited, a limited partnership, their successors and assigns, Eldorado Golf Club Estates, a corporation, their successors and assigns, and Eldorado Country Club, Inc., a corporation, their successors and assigns, and appurtenant to the lands of said corporations, now owned or hereafter acquired in Sections 26 and 27, T5S, R6E, SBB&M, as noted on said map.

Tract 2414 (a subdivision of Lots 134 through 148, inclusive, of Eldorado Golf Club Estates Unit No. 6)

Residential Lots:

Lots 1 through 10, inclusive, and Lots 18 through 25, inclusive, of the map for Tract 2414, recorded July 20, 1962, in Book 44, Page 46 and 47 of Maps, Riverside County Records.

Tract 5492 (a subdivision of Lots 26 through 36, inclusive, of Tract 2414 (Tract 2414 being a subdivision of Lots 134 through 148, inclusive, of Eldorado Golf Club Estates Unit No. 6))

Residential Lots:

Lots 1-9, inclusive, of the map for Tract 5492, recorded January 9, 1974, in Book 79, Pages 91 and 92 of Maps, Riverside County Records.

Tract 5493 (a subdivision of Lots 6, 8, and 11 through 17, inclusive, of Tract 2414 (Tract 2414 being a subdivision of Lots 134 through 148, inclusive, of Eldorado Golf Club Estates Unit No. 6))

Residential Lots:

Lots 1-7, inclusive, of the map for Tract 5493, recorded June 7, 1974, in Book 80, Pages 70 and 71 of Maps, Riverside County Records.

Parcel Map 16272 (a subdivision of Lots 149, 150, and 151 of Eldorado Golf Club Estates Unit No. 6)

Residential Lots:

Lots 1-4, inclusive, of Parcel Map 16272, recorded April 17, 1980 in Book 77, Pages 26 and 27 of Parcel Maps, Records of Riverside County, California.

Tract 19229 (a subdivision of Lots 156, 155 and a portion of Lot 154 of Eldorado Golf Club Estates Unit No. 6)

Residential Lots:

Lots 1-5, inclusive, of the map for Tract 19229, recorded August 31, 1983 in Book 133, Pages 77 and 78 of Maps, Riverside County Records.

Tract 7297

Residential Lots:

Lots 1-9, inclusive, of the map for Tract 7297, recorded February 28, 1977 in Book 88, Pages 80 and 81 of Maps, Riverside County Records.

Common Area:

Lot A of Tract 7297

Tract 7298

Residential Lots:

Lots 1-8, inclusive, of the map for Tract 7298, recorded February 28, 1977 in Book 88, Pages 82 and 83 of Maps, Riverside County Records.

Common Area:

Lot A of said Tract 7298.

Assessor's Parcel Numbers for Residential Lots:

623-071-001; 623-071-002; 623-102-001 through 623-102-009; 623-103-001 through 623-103-004; 623-111-001 through 623-111-007; 623-111-010; 623-111-012; 623-111-013; 623-112-001 through 623-112-009; 623-112-011; 623-112-012; 623-112-013; 623-121-001; 623-121-002; 623-123-003; 623-131-001 through 623-131-011; 623-132-002; 623-132-003; 623-132-004; 623-132-007; 623-141-001 through 623-141-003; 623-142-001 through

623-142-009; 623-143-014 through 623-143-019; 623-143-027 through 623-143-035; 623-143-037 through 623-143-040; 623-143-042; 623-143-043; 623-143-045; 623-143-047; 623-151-004 through 623-151-011; 623-152-001; 623-152-009; 623-152-011; 623-152-016; 623-152-017; 623-152-022 through 623-152-026; 623-153-001 through 623-153-004; 623-153-008; 623-153-009; 623-201-001 through 623-201-009; 623-201-011 through 623-201-014; 623-202-003 through 623-202-009; 623-221-001; 623-221-002; 623-222-001 through 623-222-004; 623-222-008 through 623-222-023; 623-222-017 through 623-222-021; 623-222-023; 623-222-025 through 623-222-027; 623-231-001 through 623-231-006; 623-231-009 through 623-231-023; 623-231-018; 623-231-019; 623-232-001 through 623-232-008; 623-241-004 through 623-241-007; 623-241-010; 623-241-011; 623-241-013; 623-242-001 through 623-242-004; 623-243-002; 623-243-003; 623-243-006; 623-244-001 through 623-244-003; 623-245-001; 623-245-003; 623-245-004; 623-260-014 through 623-260-19; 623-260-023; 623-330-001 through 623-330-009

[NOTE: While Eldorado Property Owners Association has attempted to set forth the above legal description accurately, it is possible that some parcels were inadvertently included or excluded from the legal description above due to the large number of parcels of property currently encompassed by the development, the number of Phases annexed, the number of annexations, lot line adjustments and other recorded documents affecting the development, and the general complexity of the development. Thus, in the event an error in the above legal description is discovered, the Board reserves the right, at any time in the future, to record an amendment, without an owner vote, to correct any such error. Should any references to any lots be inadvertently omitted and/or later included as a part of Eldorado Property Owners Association as a result of re-subdivision of those lots, those lots are considered referenced herein in full as though set forth herein.]

EXHIBIT "B" – DESCRIPTION AND DEPICTION OF THE PRIVATE STREETS

Included in the Covered Property are the Private Streets over which the Owners have easement rights as described in the Declaration and the above tract maps. The Private Streets are situated in the County of Riverside, State of California, and are more particularly described as follows:

APN 623-010-001

Lots Q, R and S as shown on the map for Eldorado Cottage Estates, recorded in Book 34, Page 12, of Maps, Riverside County Records.

APN 623-010-002

Lots C and D as shown on the map for Eldorado Golf Club Estates Unit 1, recorded in Book 34, Page 28, of Maps, Riverside County Records.

APN 623-010-003

Lots A and B as shown on the map for Eldorado Golf Club Estates Unit 1, recorded in Book 34, Page 28, of Maps, Riverside County Records.

APN 623-010-004

Lot A as shown on the map for Tract 7297, recorded in Book 88, Page 80, of Maps, Riverside County Records.

APN 623-010-005

Lots A, B and C as shown on the map for Eldorado Golf Club Estates No. 3, recorded in Book 34, Page 30, of Maps, Riverside County Records.

APN 623-010-006

Lot A as shown on the map for Eldorado Golf Club Estates No. 4, recorded in Book 38, Page 56, of Maps, Riverside County Records.

APN 623-010-007

Lot A as shown on the map for Eldorado Golf Club Estates Unit No. 5, recorded in Book 38, Page 58, of Maps, Riverside County Records.

APN 623-010-008

Lot A as shown on the map for Tract 7298, recorded in Book 88, Page 82, of Maps, Riverside County Records.

APN 623-010-009

Lots A and F as shown on the map for Eldorado Golf Club Estates Unit No. 6, recorded in Book 38, Page 60, of Maps, Riverside County Records.

APN 623-010-010

Lots A, B, C, D, and E as shown on the map for Eldorado Golf Club Estates Unit No. 6, recorded in Book 38, Page 60, of Maps, Riverside County Records.

The Private Streets are also known as East Eldorado Drive, West Eldorado Drive, Jade Court, Beryl Lane, Carnelian Lane, Topaz Lane, Crystal Loop, Agate Court, Aquamarine Drive (now known as a portion of Agate Court, being the short entrance street to Agate Court), Onyx Court, Garnet Court and Amethyst Drive, as depicted on the following page.

EXHIBIT "C" – PRIOR DECLARATIONS

This 2021 Amended and Restated Declaration amends and restates those declarations of covenants, conditions and restrictions and amendments thereto governing the Eldorado Property Owners Association, which have been recorded on the Covered Property in the Official Records of the County of Riverside, State of California (excepting any and all easements reserved or granted therein which remain continuously in effect), including, without limitation, the following:

Eldorado Golf Club Estates Unit No. 1

Declaration recorded April 25, 1958, in Book 2260, pages 571 through 574, as Instrument No. 30237, and any and all amendments of record, in the Official Records of Riverside County, California.

Eldorado Golf Club Estates Unit No. 3

Declaration recorded April 25, 1958, in Book 2260, pages 575 through 578, as Instrument No. 30238, and any and all amendments of record, in the Official Records of Riverside County, California.

Eldorado Golf Club Estates Unit No. 4

Declaration recorded October 27, 1959, as Instrument No. 91672, and any and all amendments of record in the Official Records of Riverside County, California.

Eldorado Golf Club Estates Unit No. 5

Declaration recorded October 27, 1959, as Instrument No. 91673, and any and all amendments of record in the Official Records of Riverside County, California.

Eldorado Golf Club Estates Unit No. 6

Declaration of Covenants, Conditions and Restrictions of Eldorado Golf Club Estates, Unit No. 6, recorded October 27, 1959, as Instrument No. 91674, in the Official Records of Riverside County, California, and any and all amendments of record, including without limitation, the following:

Change, Modification and Amendment of Sections 9 and 24 of Declaration of Conditions and Restrictions, Eldorado Golf Club Estates Unit No. 6, recorded May 16, 1966, as Instrument No. 50979, in the Official Records of Riverside County, California.

Eldorado Property Owners Association

Amended and Restated Declaration of Covenants, Conditions and Restrictions for Eldorado Property Owners Association, recorded April 17, 2000, as Instrument No. 2000-140435, in the Official Records of Riverside County, California.

First Amendment to Amended and Restated Declaration of Covenants, Conditions & Restrictions for Eldorado Property Owners Association, recorded April 11, 2005, as Instrument No. 2005-0281835, in the Official Records of Riverside County, California.

Amended and Restated Declaration of Covenants, Conditions and Restrictions for Eldorado Property Owners Association, recorded May 13, 2010, as Instrument No. 2010-0221103, in the Official Records of Riverside County, California.

2019 Amended and Restated Declaration of Restrictions for Eldorado Property Owners Association, recorded February 13, 2020, as Instrument No. 2020-0065380, in the Official Records of Riverside County, California.