

By-Laws

OF

"THE SIERRA BROOKS PROPERTY OWNERS ASSOCIATION"

ARTICLE I

Principal Office

The principal office for the transaction of the business of THE SIERRA BROOKS PROPERTY OWNERS ASSOCIATION (herein called the "Association") is hereby fixed and located at 1900 Avenue of the Stars, Los Angeles, California. The Board of Directors is hereby granted full power and authority to change said principal office from one location to another within Los Angeles or Sierra County, California.

ARTICLE II

Purposes

The primary and specific purposes and general purposes of the Association are set forth in the Articles of Incorporation of the Association. In consonance with those purposes, the Association shall maintain recreational facilities within any area owned, leased or licensed by the Association including private lakes and common area, if any, owned by or leased by the Association for the benefit of the members.

ARTICLE III

Members

Section 1: Number of Members. There shall be one membership for each lot in THE SIERRA BROOKS PROPERTY OWNERS ASSOCIATION planned development, which is comprised of the Sierra Brooks Unit 1, Sierra County, California, and lots in an additional 2500 acres approximately adjoining said Tract (all lots in said Unit 1 and such additional lots as are added from time to time are hereinafter referred to as "the development". There shall be no classification of the memberships in the Association, and each membership shall be appurtenant to a lot in the development. Said membership shall number approximately One Thousand Seven Hundred (1,700).

Section 2: Qualifications of Members. Each person who is the contract buyer or the owner of a fee simple interest in a lot in the development shall be entitled to a membership in the Association and shall be a member of the Association. In the event that such interest is owned in joint tenancy or tenancy in common, only one of such joint owners shall be a member of the Association. Such owners shall from time to time designate one of their numbers in writing to vote and to exercise all of the other rights of membership. The non-voting joint owner, however, shall, be entitled to all the benefits of membership of the Association, subject to the By-Laws and the rules and regulations as may be promulgated from time to time by the Board of Directors. Such non-voting owner shall be jointly and severally responsible for the dues, assessments and charges levied against, incurred by, or attributed to the membership from which such member derives the benefits and rights referred to in this Section.

Section 3: Sub divider's Commitment. Assessments charged to unsold lots within the development which are subject to the power and authority of the Association shall be billed and charged to the sub divider of the development which is Occidental Petroleum Land and Development Corporation, a California corporation, or its successors in interest or assigns. Said sub divider shall have the duty and obligation to pay the assessments on unsold lots within the

development until the date of sale of each of the respective lots. The term “successors in interest or assigns” of the sub divider, as used herein, shall not apply to purchasers of interest in individual lots from the sub divider.

Section 4: Transfer of Membership. Membership in the Association shall be transferable only when the entire given lot has been validly conveyed or assigned by written instrument or by operation of law. Any member may delegate the rights of membership to the members of his family, his tenants, or contract purchasers who live on the property. Any transfer made in accordance with this Section shall be effective only upon the filing of a written notice with the Board of Directors by the transferor, to the effect that said transferor gives up and relinquishes all such privileges, rights, and incidents for the period during which said agreement, conveyance or assignment remains effective. In connection with any transfer pursuant to this Section, the Association may charge the transferor-member a Ten Dollar (\$10) transfer fee for each transfer: provided, however, no such charge may be made to the holder of a first deed of trust who acquires title to any lot by foreclosure, trustee’s sale, or a deed in lieu of foreclosure. The provisions of this Section shall not apply to the sub dividers, or to their successors in interest or assigns.

Section 5: Voting and Majority Rule. Each member shall be entitled to one vote for each membership on all questions. Except as expressly provided elsewhere in these By-Laws, a simple majority of the voting power of the members shall prevail on all questions.

Section 6: Privileges of Members and Families of Members. Members and families of members shall be entitled to use common facilities of the Association, if any, without any charge, dues or assessments other than the dues required of any assessments made upon each member pursuant to these By-Laws.

## ARTICLE IV

### Meetings of Members

Section 1: Place of Meeting. All annual meetings of members shall be held at the principal office of the Association or at such other place within the Counties of Los Angeles or Sierra, subject to the limitations herein, as may be fixed from time to time by resolution of the Board of Directors, and all other meetings of members shall be held either at the principal office or at any other place within the Counties of Los Angeles or Sierra, State of California, which may be designated either by the Board of Directors pursuant to authority hereinafter granted to said Board, or by the written consent of all members entitled to vote thereat, given either before or after the meeting and filed with the Secretary of the Association.

Section 2: Annual Meetings. Annual meetings of members shall be held on the anniversary date of the first annual meeting at 8:00 o’clock PM local time of said day: provided that should said day fall upon a legal holiday, then any such annual meeting of members shall be held at the same time and place on the next day thereafter and ensuing which is not a legal holiday. Notwithstanding anything to the contrary contained herein, the first annual meeting shall be held either (i) one (1) year from the date of sale or lease (as the case may be) by the sub dividers of the first residential dwelling lot of the development, or (ii) after fifty-one percent (51%) of the residential dwelling lots of the development have been sold or leased, whichever event first occurs.

Written notice of each annual meeting shall be given to each member entitled to vote, either personally or by sending a copy of the notice through the mail or by telegraph, charges prepaid, to his address appearing on the books of the Association or supplied by him to the Association for the purpose of notice.

If a member supplies no address, notice shall be deemed to have been given him if mailed to the address of the lot affected, or published at least once in some newspaper of general circulation in the Counties of Los Angeles and Sierra.

All such notices shall be sent to each member entitled thereto not less than ten (10) days nor more than sixty (60) days before each annual meeting, and shall specify the place, the day, and the hour of such meeting.

Section 3: Special Meetings. Special meetings of members for any purpose or purposes whatsoever may be called at any time by the President or by the Board of Directors, or by any two or more members thereof, or by one or more members holding not less than twenty percent (20%) of the voting power of the Association. Except in special cases where other express provision is made by statute, notice of such special meeting shall be given in the same manner as for annual meetings of members. Notices of any special meeting shall specify in addition to the place, the day, and hour of such meeting, the general nature of the business to be transacted.

Section 4: Adjourned Meetings. Any members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of members present or represented at such meeting and entitled to cast a majority of votes represented at such meeting to a time not less than forty-eight (48) hours nor more than thirty (30) days from the time the original meeting was called. In the absence of a quorum; no other business may be transacted at any such meeting. It shall not be necessary to give any notice of such adjournment or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken.

Section 5: Entry of Notice. Whenever any member who is entitled to cast in excess of one-half (1/2) of votes represented by all members of the Association shall constitute a quorum for the transaction of business. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum, provided however, that at any meeting which has been adjourned for lack of a quorum, there shall be deemed a quorum if there are present at the meeting when reconvened pursuant to Section 4 of this Article IV at least one-quarter (1/4) of votes represented by all members of the Association.

Section 6: Quorum. The presence in person or by proxy of members entitled to cast in excess of one-half (1/2) of votes represented by all members of the Association shall constitute a quorum for the transaction of business. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum , provided, however, that at any meeting which has been adjourned for lack of a quorum, there shall be deemed a quorum if there are present at the meeting when reconvened pursuant to Section 4 of this Article IV at least one-quarter ( ¼) of votes represented by all members of the Association.

Section 7: Consent of Absentees: The transaction of any meeting of members, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the members entitled to vote, not present in person or by proxy, sign a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the record of the Association or made a part of the minutes of the meeting.

Section 8: Proxies. Every person entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the Secretary of the Association provided that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution, unless the member executing it specified therein the length of time for which such proxy is to continue in force, which in no case shall exceed two (2) years from the date of its execution.

Section 9: Balloting. On all questions where a majority of the members deem it necessary, and in any event in the election or removal of members of the Board of Directors, ballots shall be cast secretly and in writing, folded in such a manner that the way in which the ballot is marked cannot be seen, and be deposited into a receptacle. The ballots shall be counted immediately upon collection thereof by (2) members selected by the Chairman of the meeting. The Chairman shall announce the results of the balloting immediately, and the ballots may be inspected by any member.

## ARTICLE V

### Directors

Section 1: Powers. Subject to limitations of the Articles of Incorporation or the By-Laws, or the California Corporations Code as to action to be authorized or approved by the members, and subject to the duties of directors as prescribed by the By-Laws, all corporate powers shall be exercised by or under authority of, and the business and affairs of the Association shall be controlled by the Board of Directors; without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the directors shall have the following powers, to wit:

- (a) To select and remove all the other officers, agents and employees of the Association, prescribe such powers and duties for them as may not be inconsistent with law, with the Articles of Incorporation or the By-Laws, fix their compensation and require from them security for faithful service;
- (b) To conduct, manage and control the affairs and business of the Association, to maintain the common areas within the development, if any, and the recreational facilities of the Association, and to make such rules and regulations therefor not inconsistent with the law, with the Articles of Incorporation, or the By-Laws, as they may deem best;
- (c) To adopt, make and use a corporate seal, and to prescribe the forms of certificates of membership, and to alter the form of such seal and of such certificates from time to time, as in their judgment they may deem best, provided such seal and such certificates shall at all times comply with the provisions of law.
- (d) To authorize the issue of memberships to such persons as shall be eligible for membership as in Article III of these By-Laws provided:
- (e) To appoint an executive committee, and to delegate to such committee, subject to the control of the Board of Directors, any of the powers and authority of said Board except the power to adopt, amend, or repeal the By-Laws:
- (f) To enforce the provisions of that Declaration of Covenants, Conditions and Restrictions recorded on May 12, 1971, as Instrument No. 49730, Official Records of Sierra County, California ("Declaration") against the development.
- (g) To exercise all powers and authorities set forth in the Declaration including, without limitation, the assessment powers therein.
- (h) To contract and to pay for maintenance, gardening, utilities, materials and supplies, and services relating thereto within the development and to employ personnel reasonably necessary for the operation of the project including lawyers and accountants where appropriate;
- (i) To pay taxes and special assessments which are or would become a lien on the property of the Association, if any;
- (j) To contract and pay premiums for fire, casualty, liability and other insurance, including indemnity and other bonds on said facilities, if any;
- (k) Where appropriately authorized pursuant to Section 7 of Article VII herein, to pay for reconstruction of any common area facilities;
- (l) To delegate its powers.

(m) To levy assessments for the maintenance of any recreation facilities, common area and private roads owned or leased by the Association for the benefit of the members.

Notwithstanding any or all of the foregoing powers, the Board of Directors shall not enter into any contracts which bind it or the Association for a period in excess of one (1) year, unless reasonable cancellation provisions are included therein.

Section 2: Number and qualification of Directors. The Board of Directors shall consist of three (3) directors until changed by appropriate amendment.

Section 3: Election, Term of Office and Removal. The directors shall be elected at the annual meeting of members to serve for a term of two (2) or three (3) years, but if any such annual meeting is not held or the directors are not elected thereat, the directors may be elected at any special meeting of members held for that purpose. Directors will stagger their election terms in 2 or 3 year cycles, as to create stability and continuity on the board. One-third of the board of directors is to be elected each year.

Any director may be removed at any meeting of the members. All directors, unless removed, shall hold office until their respective successors are elected. In any vote for the election of or removal of more than one (1) director, members shall be entitled to cumulate their votes; that is, all or any part of the total number of votes that each member has (based upon one vote per member for each vacancy to be filled or director to be removed) may be cast for the election of or removal of any one director. The first election shall be held either (i) one (1) year from the date of sale or lease (as the case may be) by the sub divider of the first residential dwelling lot in the development or (ii) after fifty-one percent (51%) of the residential dwelling lots in the development have been sold or leased whichever event first occurs. The directors selected by the sub divider to serve until such time shall be employed only until said first annual election.

Section 4: Vacancies. Vacancies in the Board of Directors may be filled by a majority of the remaining directors, though less than a quorum, and each director so elected shall hold office until his successor is elected at an annual meeting of members or at a special meeting called for that purpose.

A vacancy or vacancies shall be deemed to exist in case of the death, resignation, or sale of his recreational estate by any director, or if the members shall increase the authorized number of directors but shall fail at the meeting at which such increase is authorized, or at an adjournment thereof, to elect the additional directors so provided for, or in case the members fail at any time to elect the full number of authorized directors, or if a director is removed by the members.

The members may at any time elect directors to fill any vacancy not filled by the directors, and may elect the additional directors at the meeting at which an amendment of the By-Laws is voted authorizing an increase in the number of directors.

If any director tenders his resignation to the Board of Directors, the Board shall have power to elect a successor to take office at such time as the resignation shall become effective. No reduction of the number of directors shall have the effect of removing any director prior to the expiration of his term of office.

Section 5: Place of Meeting. All meetings of the Board of Directors shall be held at the principal office of the Association, or any other place or places within or without the State of California, designated at any time by resolution of the Board or by written consent of all members of the Board.

Section 6: Organization Meeting. Immediately following each annual meeting of members, the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers and the transaction of other business. Notice of such meetings is hereby dispensed with.

Section 7: Other Regular Meetings. Other regular meetings of the Board of Directors may be held without call at such place and day and hour as may be fixed from time to time.

Section 8: Special Meetings. Special meetings of the Board for any purpose or purposes whatsoever may be called at any time by the Chairman of the Board or by any two (2) directors, and upon notice duly given in the manner provided in Section 2 of Article IV of these By-Laws, and specifying, in addition to the place, the day and the hour of such meeting, the general nature of the business to be transacted thereat.

Section 9: Majority Rule. Except as expressly provided elsewhere in these By-Laws, a simple majority of the voting power of the directors shall prevail on all questions.

Section 10: Election of Officers. All officers shall be chosen by vote of the Board of Directors. Balloting of officers shall be in the manner provided in Section 9 of Article IV regarding the election of directors.

Section 11: Directors acting without a Meeting by Unanimous Written consent. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting and with the same force and effect as if taken by a unanimous vote of Directors, if authorized by a writing signed by all members of the Board. Such consent shall be filed with the regular minutes of the Board.

## ARTICLE VI

### Officers

Section 1: Officers. The President, Vice President, Secretary and Treasurer of this Association, and such other officer of this Association, having the custody of, or access to, the funds of this Association, shall be, and each of them is, hereby required to obtain and furnish to this Association a bond from such bonding or insurance company and in such form as shall meet with the approval of the Board of Directors, for the true and faithful accounting to this Association of all of the funds of this Association in the custody of, and under the control of, each such officer and insuring this Association against loss for reach thereof, the cost of all such bonds to be paid by this Association.

Section 2: Election. The officers of the Association, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article, shall be chosen normally by the Board of Directors, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve, or his successor shall be elected and qualified.

Section 3: Subordinate Officers, Etc. The Board of Directors may appoint such other officers as the business of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the By-Laws or as the Board of Directors, from time to time, may determine.

Section 4: Removal and Resignation. Any officer may be removed, either with or without cause, by a majority of the directors at the time in office, at any regular or special meeting of the Board, or, except in case of an officer chosen by the Board of Directors, by any officer upon whom such power or removal may be conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the Board of Directors or to the President or to the Secretary of the Association. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5: Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in the By-Laws for regular appointments to such office.

Section 6: President. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall be the Chief executive officer of the Association, and shall, subject to the control of the Board of Directors, have general supervisions, direction, and control of the business and officers of the Association. He shall preside at all meetings of the members and in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. He shall be ex-officio a member of all the standing committees including the executive committee, if any, and shall have the general powers and duties of management usually vested in the office of president of an association, and shall have such other powers and duties as may be prescribed by the Board of Directors or by the By-Laws.

Section 7: Vice President. In the absence or disability of the President, the Vice Presidents in order of their rank as fixed by the Board of Directors, or if not ranked, the vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or by the By-Laws.

Section 8: Secretary. The Secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board of Directors may order, of all meetings of directors and members, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at directors' meetings, the number of memberships present or represented at members' meetings and the proceedings thereof.

The Secretary shall keep, or cause to be kept, at the principal office or at the office of the Association's transfer agent, a membership register, or a duplicate membership register, showing the names of the members and their addresses, and the property to which each membership shall relate, the number of membership, the number and date of certificates issued for the same, and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors required by the By-Laws or by law to be given, and he shall keep the seal of the Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by the By-Laws.

Section 9: Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained adequate and correct accounts of the properties and business transactions of the Association. The books of account shall at all times be open to inspection by any director. The treasurer shall deposit all monies and other valuables in the (?) and to the credit of the Association with such depositaries as may be designated by the Board of Directors. He shall disburse the funds of the Association as may be ordered by the Board of Directors, shall render to the President and directors, whenever they request it, an account of all of his transactions as Treasurer and of the financial condition of the Association and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the By-Laws.

## ARTICLE VII

### Miscellaneous

Section 1: Record Date and Closing Membership Register. The Board of Directors may fix a time, in the future, not exceeding fifteen (15) days preceding the date of any meeting of members, and not exceeding thirty (30) days preceding the date fixed for the payment of any distribution, as a record date for the determination of the members entitled to notice of and to vote at any such meeting or entitled to receive any such distribution, and in such case only members of record on the date so fixed shall be entitled to notice of and to vote at such meeting, or to receive such distribution, as the case may be, notwithstanding any transfer of any memberships on the books of the Association after any record date fixed as aforesaid. The Board of Directors may close the books of the Association against transfers of memberships during the whole, or any part, of any such period.

Section 2: Inspection of Corporate Records. The membership register or duplicate membership register, the books of account and minutes of proceedings of the members and directors shall be open to inspection upon the written demand of any member, at any reasonable time, and for a purpose reasonably related to his interest as a member, and shall be produced at any time when required by the demand of members entitled to cast at least ten percent (10%) of the votes represented at any members' meeting. Such inspection may be made in person or by an agent or attorney, and shall include the right to make extracts. Demand of inspection other than at a members' meeting shall be made in writing upon the President, Secretary, or Assistant Secretary of the Association. Every such demand, unless granted, shall be referred by such officer to the Board of Directors.

Section 3: Checks, Drafts, etc. All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 4: Contract, Etc., How Executed. The Board of Directors, except as in the By-Laws otherwise provided, may authorize any officer or officers, agent or agents to enter into any contract or execute any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or pledge its credit or to render it liable for any purpose or to any amount.

Section 5: Certificates of Membership. A certificate or certificate for membership in the Association shall be issued to each member. All such certificates shall be signed by the President or a Vice President and the Secretary or an Assistant Secretary.

Section 6: Audit of Accounts. All accounts of the Association shall be audited annually, as soon as practicable after the close of the books for each year of operation, by an independent recognized accounting firm, to be selected by the Board of Directors, and the report of such audit shall be made available to each member within thirty (30) days of completion.

Section 7: Damage to or Destruction of Association Property. In the event that any of the property of the Association is totally or partially damaged or destroyed by fire or other casualty, the Board shall obtain an estimate or estimates of the cost to repair such damage, and a special meeting of the members shall be called forthwith. The members shall vote at such meeting whether or not to repair the damaged facilities, using, insofar as possible, the proceeds of insurance. In the event that a decision is made not to rebuild, any insurance proceeds shall be distributed in accordance with the provisions of Article NINTH of the Articles of Incorporation of the Association.

## ARTICLE VIII



## Amendments

Section 1: Powers of the Members. The By-Laws of this Association may be adopted, amended or repealed either at a meeting by the vote of members entitled to exercise a seventy-five percent (75%) of the voting power or by the written assent of such members.

### CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify;

(1) That I am the duly elected and acting Temporary Secretary of THE SIERRA BROOKS PROPERTY OWNERS ASSOCIATION, a California Corporation; and

(2) That the foregoing By-Laws comprising twelve (12) pages, constitute the original of the By-Laws of said Corporation as duly adopted on the first meeting of the Board of Directors thereof duly held on the 3 day of May, 1971.

Signed: Robert M Buck, Temporary Secretary

AMENDMENT AND RESTATEMENT OF  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

(SIERRA BROOKS)

THIS AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made this 24<sup>th</sup> day of June, 1975, by OCCIDENTAL LAND, INC., a corporation ("Declarant").

A. Declarant executed a Declaration of Covenants, Conditions and Restrictions on March 9, 1971, recorded May 27, 1971, in Book 53, Pages 107 through \_\_\_\_\_, inclusive, of Official Records of Sierra County, California, and supplemented thereafter by the recordation of a Supplement on October 29, 1971 (said Declaration as supplemented is referred to hereinafter as the "Original Declaration"), covering certain real property in the County of Sierra, State of California, which is more particularly described in Exhibit "A" thereto (the "Subject Property").

B. The Original Declaration, in Section 9.02 of Article IX provides for the amendment thereof by the written consent of the owners of fifty-one percent (51%) of the Subject Property. Declarant is the owner of more than fifty-one percent (51%) of the Subject Property and desires to amend the Original Declaration; and

C. The Subject Property covered by the Original Declaration consists of approximately 2700 acres. Such coverage was consistent with Declarant's original plan to develop the Subject Property as an integrated project over a short time span. However, less than 500 acres of the Subject Property have been developed and it is uncertain when and if portions of the remainder of the Subject Property will be developed. In order to reflect the current stage of development and to provide THE SIERRA BROOKS PROPERTY OWNERS ASSOCIATION with greater flexibility in the conduct of its affairs, Declarant desires to make only the developed portions of the Subject Property subject to the covenants, conditions and restrictions herein, and to provide annexation procedures for the addition of other portions of the Subject Property when and if they are to be developed. The Declarant also desires to make certain technical and procedural changes in the Original Declaration, and, accordingly, the Original Declaration is hereby amended, modified and restated in its entirety to read as hereinafter set forth. Upon recordation in the Office of the Sierra County Recorder of this Amendment and Restatement, the provisions contained in the Original Declaration shall be superseded in their entirety.

NOW, THEREFORE, Declarant hereby declares that the Declaration shall be amended and completely restated in its entirety to read as follows:

R E C I T A L S:

A. The Real property subject hereto is that certain real property located in Sierra County, California, and more particularly described in Exhibit "A" attached hereto and made a part hereof by this reference ("Properties").

B. Declarant has deemed it desirable to impose a general plan for the improvement and development of the Properties and the adoption and establishment of covenants, conditions and restrictions upon the Properties and each and every Lot and portion thereof and upon the use, occupancy and enjoyment thereof, all for the purpose of enhancing and protecting the value, desirability and attractiveness of the Properties.

C. Declarant has deemed it desirable for the efficient preservation of the value, desirability and attractiveness of the Properties and any additional property which may be annexed thereto, pursuant to the provisions of this Declaration, to create a corporation to which should be delegated and assigned the powers of maintaining and administering the Common Area and administering and enforcing these covenants, conditions and restrictions and collecting and disbursing fund pursuant to the provisions for assessment and charges hereinafter created and referred to.

D. THE SIERRA BROOKS PROPERTY OWNERS ASSOCIATION, a nonprofit corporation, has been incorporated under the laws of the State of California for the purpose of exercising the powers and functions aforesaid.

E. Declarant will convey title to all of the Lots in the Properties subject to certain protective covenants, conditions, and restrictions hereinafter set forth.

NOW, THEREFORE, Declarant hereby covenants, agrees and declares that all of the Properties shall be held, sold, hypothecated and conveyed subject to the following covenants, conditions, restrictions and easements which are hereby declared to be for the benefit of all of the Properties and the Owners thereof, their heirs, successors and assigns. These covenants, conditions, restrictions and easements shall run with the Properties and shall be binding on all parties having or acquiring any right, title or interest in the Properties or any part thereof and shall inure to the benefit of each Owner thereof and are imposed upon the Properties and every part thereof as a servitude in favor of each and every parcel thereof as a servitude in favor of each and every parcel thereof as the dominant tenement or tenements.

I

#### DEFINITIONS

Section 1. The term "Properties" as used herein shall mean and refer to that certain real property described in Exhibit "A".

Section 2. The term "Lot" as used herein shall mean and refer to any numbered or lettered plot of land shown upon any recorded subdivision map of the Properties (with the exception of the Common Area and public streets within the Properties).

Section 3. The term "Common Area" as used herein shall mean and refer to all real property now owned by the Association or hereafter conveyed to the Association by the Declarant pursuant to Section 4 of Article VIII below, which is held for the common use and enjoyment of the Owners and Members of the Association. The Common Area owned by the Association as of the date of the execution of the Declaration is described in Exhibit "B" attached hereto and made a part by this reference.

Section 4. The term "Declaration" as used herein shall mean and refer to this Amendment and Restatement of Covenants, Conditions and Restrictions, as the same may be amended from time to time, together with any and all Supplementary Declarations which may be recorded from time to time pursuant to the provisions of Article VIII hereof.

Section 5. The term "Owner" as used herein shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties; provided, however, that in the case of a Lot which is being sold under a recorded contract of sale, Owner shall mean the purchaser thereunder.

Section 6. The term "Association" as used herein shall mean and refer to THE SIERRA BROOKS PROPERTY OWNERS ASSOCIATION, a nonprofit corporation, its successors and assigns.

Section 7. The term “Board of Directors” or “Board” as used herein shall mean and refer to the Board of Directors of the Association.

Section 8. The term “Declarant” as used herein shall mean and refer to OCCIDENTAL LAND, INC., a California corporation, its successors and assigns.

Section 9. The term “Member” shall mean and refer to each person entitled to membership in the Association as provided in this Declaration and in the Association’s Articles of Incorporation and By-Laws.

Section 10. The term “Committee” as used herein shall mean and refer to the Architectural Control Committee established pursuant to the terms of Article XI of this Declaration.

## II

### NATURE AND PURPOSE OF COVENANTS

The covenants, conditions and restrictions set forth in this Declaration constitute a general scheme for the development, protection and maintenance of the Properties to enhance the value, desirability and attractiveness of the Lots and Common Area for the benefit of all Owners of Lots therein. These covenants, restrictions and conditions of this Declaration are imposed upon Declarant and upon the Owners of all Lots. Said covenants, conditions and restrictions are for the benefit of all Lots, and shall bind the Owners of all such Lots. Such covenants, conditions and restrictions shall be a burden upon a benefit to not only the original Owner of each Lot but also his successors and assigns. All such covenants, conditions and restrictions are intended as and are hereby declared to be covenants running with the land or equitable servitudes upon the Properties, as the case may be.

## III

### USE OF LOTS AND COMMON AREA

#### Section 1. Minimum Setback Requirements.

(a) General. Except as provided to the contrary herein, all parts of any type of structure placed on a Lot shall be located in such a manner as to comply with the setback requirements set forth below. In its review of plans and specifications under the provisions of Article XI hereof, the Committee shall determine, among other matters, whether the setback requirements set forth below have been met. Any questions of interpretation of these provisions shall be determined within the discretion of the Committee. The following structures and improvements are specifically accepted from the setback requirements set forth in this Declaration: utility pole lines; underground pipe lines; conduits; ditches; waterworks facilities for the production and distribution of water primarily for irrigation purposes; fences; streets and alleys. The term “property line” as used hereinafter shall mean and refer to the lines which delineate Lot boundaries on any recorded subdivision map.

(b) Front Yard Setback. The setback line shall be at least thirty-five (35) feet from the front property line of each Lot except that no structure or improvement, including fences, shall be erected nearer than forty (40) feet to the point of intersection of any two (2) streets or highway lines within the Properties; provided, however, that if the Committee shall determine that extenuating circumstances with respect to any Lot are such that conformance to these setback

minimums would result in undue hardship on the Owner of such Lot, the Committee may approve such other setback as may be reasonable under the circumstances.

(c) Side Yard Setback. The setback line is established at a minimum of ten (10) feet from the side property line of each Lot.

(d) Rear Yard Setback. The setback line is established at a minimum of twenty (20) feet from the rear property line of each Lot.

(e) Change in Setback. Notwithstanding anything contained in this Article to the contrary, in the event the zoning of the Properties allows setbacks which differ from the setbacks established by this Declaration, the more restrictive setbacks shall apply.

### Section 2. Completion of Construction.

After commencement of construction of any structure or improvements, the work thereon shall be diligently prosecuted, to the end that the structure or improvements shall not remain in a partly finished condition any longer than reasonably necessary for completion thereof, and in no event longer than one (1) year from the date of commencement of construction. If construction is not completed within one (1) year from the date of commencement, or if the same is not completed in accordance with plans approved by the Committee under the terms of Article XI hereof, the Association shall give notice of such to the Member responsible, and if corrective action has not been completed within sixty (60) days thereafter, the Association shall at its option either (i) remove the construction, or (ii) complete or correct the same to comply with approved plans, and in either case the responsible Member shall reimburse the Association for all expenses incurred. Such expenses shall be added to and become a part of the assessments to which the responsible Member's Lot is subject. No structure shall be occupied prior to the completion of such structure in accordance with plans and specifications approved by the Committee, nor prior to issuance of a certificate of occupancy by the appropriate governmental agency.

### Section 3. Excavation.

Exposed openings resulting from any excavation shall be backfilled and the disturbed ground shall be returned as nearly as possible to its original condition. All excavations shall be done in strict compliance with the Sierra County Grading Ordinance and upon completion of such work it shall be certified by a California registered civil engineer as complying with all applicable Sierra County Grading Ordinances.

### Section 4. Signs

No sign shall be permitted on any Lot, other than a sign of reasonable size and location offering the Lot for sale or lease. All for sale signs shall comply with local laws and regulations. All signs other than those offering Lots for sale or lease, shall only be of such size, design, color and location as are specifically approved in writing by the Committee. In the event the Committee adopts standards for signs or standard form signs, all signs other than those offering Lots for sale or lease must conform to such standards or standard forms. In the event such standards are adopted, all existing signs which do not conform to such standards or standard forms shall no longer be permitted and shall be promptly removed from the Lots or Common Area. Notwithstanding the foregoing, Declarant, and its successors or assigns, may use and place on the Properties directional signs and signs for the purposes of advertising the Properties so long as Declarant owns the Lot upon which such signs are placed. In addition, the Declarant may also construct, operate and maintain a

sales office on the Common Area for ingress, egress and parking for itself, its agents, employees and prospective buyers of the Lots, such rights, uses and easements to continue for a period of five (5) years from and after the date of recordation of this Declaration. No such use of the Common Area by Declarant shall unreasonably restrict the Owners in their use of the Common Areas.

#### Section 5. Trailers.

Except during the period of completion of construction of a residential structure, no trailer shall be permitted on any Lot for residential purposes, except a lot designated as a "Trailer Lot" in a Supplementary Declaration of Covenants, Conditions and Restrictions in accordance with Article VIII of this Declaration. In accordance with this section any trailer to be placed on any Lot must have the prior written approval of the Committee before it can be placed on such Lot.

#### Section 6. Building Regulations, Type, Size, Location.

Any building or structure of whatever type (including modular housing and mobile homes) shall be properly maintained. Not more than one (1) single family residence and one (1) guest cottage, and accessory building and a garage may be constructed or located on any one (1) Lot. The main residence shall be the first improvement to be constructed or placed on each Lot except as otherwise approved by the Committee pursuant to the terms of Article XI hereof. The single family residence located on any Lot shall contain in the case of a multiple story residential structure, a minimum of six hundred (600) square feet of living area on the main floor, and a minimum of (800) square feet of living area on the main floor in a one-story residence. Any guest cottage, accessory building, or similar building, or garage constructed on any Lot shall conform in architectural design and exterior material finish to the residential structure located on that particular Lot, but such appurtenant structure may not contain a square foot area which exceeds twice the total square foot area contained within the main residential structure. No building or structure of any type shall be located between the primary residential structure and the front setback line of the particular Lot.

#### Section 7. Building Regulations, Roofs, Siding, Projections.

No metallic roofing or siding will be permitted on any structure unless such roofing or siding is to be painted or coated with a non-glare material which has been approved by the Committee. Except as expressly provided to the contrary herein, no projection of any type shall be placed or permitted above the roof line of any structure with the exception of one (1) or more chimneys and (1) or more vent stacks. No overhang or overhang supports shall be constructed or erected on any Lot which will be constructed or erected on any Lot which will interfere with the view of any Owner of any Lot. No air conditioning units, ducts, conduits, or pipes may be placed on the roof of any building structure. With the exception of one (1) television antenna of a shape, size and location as may be approved by the Committee, no outside television or radio aerials, antenna or other facilities shall be constructed, erected or maintained on any Lot unless they are installed in such manner that they are not visible from other portions of the Properties and are approved by the Committee pursuant to Article XI hereof.

#### Section 8. Animals.

Livestock, horses, chickens, and other similar farm animals may be kept on any Lot, provided that they are not kept, bred or maintained for any commercial purpose, or in unreasonable numbers, and in particular, there shall be no more than two (2) cats and/or three (3) dogs per Lot, nor more than one (1) cow and two (2) horses per full acre of any Lot. The keeping of all such animals shall be in strict conformity with all applicable Sierra County Zoning Ordinances, and such rules and regulations as may be established and adopted from time to time by the Association. All Lots on which farm animals are kept shall be adequately fenced so as to keep such animals on that Lot.

Section 9. Maintenance of Lots and storage of Equipment on Lots.

No noxious or offensive activity shall be carried on upon any Lot or any part of the Properties, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. All rubbish, trash and garbage shall be regularly removed from the Properties and shall not be allowed to accumulate thereon. No materials, supplies or equipment including inoperable motor vehicles shall be stored on any part of a Lot except inside an enclosed structure or garage. Trash and debris containers within the Properties must be kept and maintained within a screened area not to exceed a maximum of fifty (50) square feet and surrounded by a fence at least six (6) feet high. Outdoor clotheslines shall be surrounded by a wooden fence with a minimum height of at least six (6) feet and of a size and location approved by the Committee.

Section 10. Firearms.

No firearms may be discharged on any Lot. No hunting of any kind, including by bow and arrow, is permitted on the Properties. Fireworks of any description are prohibited on the Properties.

Section 11. Preservation of Trees.

No trees which are now located or which may be located on any portion of the Properties shall be removed, cut down or in any way damaged or destroyed without the prior written approval of the Committee.

Section 12. Plants.

No plants or seeds infected with noxious insects or plant diseases shall be brought upon, grown, or maintained upon any Lot. Declarant, the Association, or the Committee or its agents shall have the right to enter upon any Lot and, at the expense of the Owner of the Lot, remove infected or diseased plants and/or spray the same and/or take measures as either may reasonably deem necessary to protect the Properties from the spread of such infection and/or disease

Section 13. Sewage Disposal.

Individual septic tank leaching systems are authorized for purposes of sewage waste treatment and disposal on all Lots within the Properties, subject to the Owner obtaining all necessary permits as may from time to time be required by the appropriate Sierra County agencies.

IV

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment.

Every Owner shall have a right and an easement of enjoyment in and to the Common Area and nonexclusive easements for ingress and egress over and through the private streets or drives, if any, within the Properties, as shown on recorded maps, and such easements shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area; provided, however, that Owners and members of their family and guests of Owners shall be excluded from all such admission charges;

- (b) The right of the Association to limit the number of guests, and to adopt Association rules regarding the use and enjoyment of the Common Area;
- (c) The right of the Association to suspend the voting rights and right to use of the recreational privileges within the Common Area by an Owner for any period during which an assessment against such Owner's Lot remains unpaid; and for a period not to exceed sixty (60) days after notice and hearing for any infraction of its published rules and regulations;
- (d) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument has been signed by the Secretary of the Association certifying that such dedication, sale or transfer has been approved by two-thirds (2/3) of the voting power of both classes of Members, except that such certification and approval shall not be required for the grant and transfer of easements reserved by the Declarant under Article X below for the installation and maintenance of electric, telephone, cable television, water, gas, and sanitary sewer lines and drainage facilities.
- (e) The right of Declarant (and its sales agents and representatives) to the nonexclusive use of the Common Area and the facilities thereof for the time period set forth in Article III, Section 4, for display, exhibit, and general administration purposes in connection with the sale of Lots within the Properties which right Declarant hereby reserves; provided, that no such use by Declarant or its sales agents or representatives shall unreasonably restrict the Members in their use and enjoyment of the Common Areas or facilities thereof.

#### Section 2. Delegation of Use.

Any Owner may delegate his right of use and enjoyment to the Common Area to the members of his family or his tenants who reside on his Lot.

#### Section 3. Common Egress and Drainage Easements.

Every Owner shall have a right and an easement of enjoyment of use of those areas designated as public Common Access and Drainage Easements, as shown on recorded subdivision maps covering the Properties, for the purpose of pedestrian, equestrian and bicycle travel (but excluding any and all motor-propelled vehicles of any type whatsoever), and each Lot abutting such an area is hereby declared to have an easement for drainage purposes over and through such area.

V

### THE ASSOCIATION: MEMBERSHIP AND VOTING RIGHTS

#### Section 1. Membership.

Every person or entity who is an Owner, including Declarant, shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from the ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sold qualification for membership.

#### Section 2. Member's Rights and Duties.



Each member shall have the rights, duties and obligations set forth in this Declaration, the Association's Articles and By-Laws, and the Association Rules as the same may from time to time be amended.

Section 3. Transfer of Membership.

The Association membership of each Owner (including Declarant) shall be appurtenant to the Lot giving rise to such membership, and shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except upon the transfer of such Lot, and then only to the transferee of title to said Lot. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Lot shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner thereof.

Section 4. Voting—Number of Votes.

The Association shall have one (1) class of voting membership:

Class A. All Owners (including Declarant as to all unsold lots) shall be entitled to one (1) vote for each Lot owned. When more than one person holds an ownership interest in any Lot, all such persons shall be entitled to all rights and privileges of membership. The vote for such Lot shall be exercised as its Owners collectively determine, but in no event shall more than one vote be cast with respect to any Lot.

VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Covenant to Pay Assessment.

Declarant, on behalf of itself, and for each Lot owned, hereby covenants, and each Owner of any Lot by acceptance of a deed or contract of sale therefor, whether or not it shall be so expressed in such deed or contract of sale, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, (2) special assessments for capital improvements, and (3) reimbursement assessments, all such assessments to be established and collected as hereinafter provided. Each of such assessments, together with interest, costs and reasonable attorneys' fees, shall also be personal obligation of the person who was the Owner of such Lot at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to such person's successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments.

The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Lots and for the improvement, operation and maintenance of the Common Area and the performance of the duties of the Association as set forth in this Declaration.

Section 3. Amount of Annual Assessments.

The amount and time of payment of annual assessments shall be determined by the Board of Directors of the Association giving due consideration to the current maintenance costs and future needs of the Association;

provided, that the maximum annual assessments may not be increased to exceed the amount of One Hundred Eighty Dollars (\$180.00) (computed at the rate of \$15.00 per month) per year without the approval of two-thirds (2/3) of the voting power of the Association. Provided further, however, that the maximum dollar amount of annual assessment requiring approval above shall be increased (but not decreased) in any year by the percentage by which the Cost of Living Index (meaning the Consumer Price Index, all items, United States Department of Labor) last issued prior to the date proposed for increasing such assessments has increased over the Cost of Living Index issued for March 1971.

#### Section 4. Special Assessments for Capital Improvements.

In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment for all Lots in the aggregate in excess of Two Thousand Dollars (\$2000.00) shall be approved by the vote or written assent of a majority of the voting power of the Association (but excluding the voting power of the Declarant) at a meeting duly called for this purpose. Provided, however, that the minimum dollar amount of special assessment requiring approval above shall be increased (but not decreased) in any year by the percentage by which the Cost of Living Index (meaning the Consumer Price Index, all items, United States, published by the Bureau of Labor Statistics of the United States Department of Labor) last issued prior to the date proposed for levy of assessment has increased over the Cost of Living Index issued for December 1974.

#### Section 5. Reimbursement Assessments.

The Association shall levy a reimbursement assessment against any Owner who fails to comply with the provisions of this Declaration, the determinations of the Committee, the Association's Articles or By-Laws, or any rule or regulation adopted by the Association, if such failure results in the expenditure of monies by the Association in carrying out its functions hereunder. Such assessment shall be for the purpose of reimbursing the Association, shall be limited to the amount so expended, and shall be due and payable to the Association when levied.

#### Section 6. Notice and Quorum for Meetings Called Under Sections 3 and 4.

Written notice of any meeting called to approve an increase in assessment greater than 20% under Section 3 or a special assessment under Section 4 shall be sent to all Members not less than thirty (30) days or more than sixty (60) days in advance of the meeting. At any such meeting called, the presence of Members or of proxies entitled to cast more than fifty percent (50%) of all of the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the same quorum requirement.

#### Section 7. Uniform Rate of Assessment.

Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis, unless some other basis for collection is adopted by the Board.

#### Section 8. Date of Commencement of Annual Assessments:

Due Dates. The annual assessments provided for herein shall commence as to all Lots (including those Lots owned by Declarant) on the first day of the month following the recording of this Declaration with the Office of the County

Recorder of Sierra County, California. The first annual assessment shall be adjusted according to the number of months remaining in the fiscal year of the Association. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each fiscal year of the Association. Written notice of the annual assessments shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. Said signed certificate shall be conclusive evidence as to all third parties relying thereon to show that all assessments acknowledged therein have been paid but shall not relieve any Owner of the responsibility for assessments not in fact paid.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association.

Each Owner of any Lot on becoming an Owner of any Lot, is and shall be deemed to covenant and agree to pay to the Association each and every of the assessments provided for in this Declaration; and agrees to the enforcement of all such assessments in the manner herein specified. In the event an attorney or attorneys are employed for collection of any assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of the terms and conditions of this Declaration, each Owner agrees to pay reasonable attorneys' fees and costs thereby incurred in addition to any other amounts due or any other relief or remedy obtained against said Owner. Any assessment not paid within fifteen (15) days after the date on which it becomes due shall thereafter bear interest from the date of delinquency at the rate of ten percent (10%) per annum. In addition to any other remedies herein or by law provided, the Board, or its authorized representative, may enforce the obligations of the Owners to pay the assessments provided for in this Declaration, and each of them, in any manner provided by law or in equity, or without any limitation of the foregoing, by either or both of the following procedures:

- (a) Enforcement by Suit. By commencement and maintenance of a suit at law against any Owner or Owners personally obligated to pay assessments for such delinquent assessments as to which they are personally obligated, such suit to be maintained in the name of the Association. Any judgment rendered in any such action shall include the amount of the delinquency, together with interest thereon as provided for herein, costs of collection, court costs and reasonable attorneys' fees in such amount as the Court may adjudge against the delinquent Owner. Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving the lien hereinafter provided for.
- (b) Enforcement by Lien. There is hereby created a claim of lien, with power of sale, on each and every Lot to secure payment to the Association of any and all assessments levied against any and all Owners of such Lots pursuant to this Declaration, together with interest thereon as provided for in this Declaration, and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorneys' fees. At any time after the occurrence of any delinquency in the payment of any such assessment, the Board or any authorized representative thereof may make a written demand for payment to the delinquent Owner. Said demand shall state the date and amount of the delinquency. Each delinquency shall constitute a separate basis for a demand or claim of lien or a lien, but any number of defaults may be included within a single demand or claim of lien and any demand or claim of lien or lien on account of prior delinquencies shall be deemed to include subsequent delinquencies and amounts due on account thereof. If such delinquency is not paid within then (10) days after delivery of such demand, the Board or its duly authorized representative may thereafter elect to file and record a claim of lien on behalf of the Association against the Lot of the defaulting Owner in the office of the County Recorder of Sierra County. Such claim of lien shall be executed and acknowledged by any officer of the Association and shall contain substantially the following information:

- (1) The name of the delinquent Owner;
- (2) The legal description of the Lot against which claim of lien is made;
- (3) The total amount claimed to be due and owing for the amount of the delinquency, interest thereon, collection costs, and estimated attorneys' fees (with any proper offset allowed):
- (4) That the claim of lien is made by the Association pursuant to this Declaration; and
- (5) That a lien is claimed against said Lot in an amount equal to the amount stated, together with all other amounts becoming due from time to time in accordance with this Declaration.

Upon such recordation of a duly executed original or copy of such a claim of lien, the lien claimed therein shall immediately attach and become effective in favor of the Association as a lien upon the Lot against which such assessment was levied. Such a lien shall have priority over all liens or claims created subsequent to the recordation of this Declaration, except for tax liens for real property taxes on any Lot and assessments on any Lot in favor of any municipal or other governmental assessing unit and except for certain Trust Deeds as provided in Section 10 below. Any such lien may be foreclosed by appropriate action in Court or in the manner provided by Section 2924, 2924(b) and 2924(c) of the California Civil Code for the foreclosure of a deed of trust with power of sale, or in any other manner permitted by law. The Board is hereby authorized to appoint its attorney, any officer or director of the Association, and shall be for the benefit of all other Lot Owners and shall secure payment of all sums set forth in the claim of lien, together with all sums becoming due and payable in accordance with this Declaration after the date of recordation of said claim of lien. The Association shall have the power to bid in at any foreclosure sale and to purchase, acquire, hold, lease, mortgage and convey any Lot. In the event such foreclosure is by action in Court, reasonable attorneys' fees, Court costs, title search fees, interest and all other costs and expenses shall be allowed to the extent permitted by law. Each Owner, by becoming an Owner of a Lot, hereby expressly waives the defense of the Statute of Limitations applicable to the bringing of any suit or action thereon.

Upon the timely curing of any default for which a notice of claim or lien was filed by the Board and the payment of all sums secured by the lien created by the recordation of such claim of lien, the Board shall cause an officer of the Association to file and record an appropriate release of such claim of lien in the office of the County Recorder of Sierra County, California.

No Owner may waive or otherwise escape liability for the assessments provided for in this Declaration by non-use of the Common Area, or any part thereof, or any other part of the Properties, or abandonment of his Lot. Notwithstanding anything contained in this Declaration to the contrary, no action may be brought to foreclose the lien created by recordation of a claim of lien, whether judicially, by power of sale, or otherwise, until the expiration of ten (10) days after a copy of said claim of lien, showing the date of recordation thereof has been mailed to the Owner of the Lot which is described in such claim of lien.

#### Section 10. Subordination to Certain Trust Deeds.

The lien for the assessments provided for herein in connection with a given Lot shall not be subordinate to the lien of any deed of trust or mortgage, except the lien of a deed of trust or mortgage, or contract of sale given and made in good faith and for value that is of record as an encumbrance against such given Lot prior to the recordation of a claim of lien for the assessments provided for in this Declaration against such given Lot (such deed of trust or mortgage or contract of sale being hereinafter referred to as a "prior deed of trust"). The sale or transfer of any Lot shall not affect any assessment lien created pursuant to the terms of this Declaration to secure assessments becoming due whether prior

to, on, or after the date of such sale or transfer, nor shall such sale or transfer diminish or defeat the personal obligation of any Owner for delinquent assessments as provided for by Section 1 of this Article; provided, however, that the sale or transfer of any Lot pursuant to a judicial foreclosure by power of sale of a prior deed of trust, or proceeding in lieu of foreclosure of a prior deed of trust, shall extinguish any assessment lien which has attached and become effective with regard to the Lot being so transferred prior to the time of such sale or transfer, and shall prohibit the recordation of any assessment lien against such Lot on account of assessments which became due prior to the date of such sale or transfer; provided, however, that there shall be a lien on the interests of the purchases at such sale which shall attach, be created and become effective and be foreclosed in accordance with this Declaration and which shall secure all assessments becoming due after the date of any such sale or transfer. For the purpose of this Section 10 a sale or transfer of a Lot shall occur on the date of recordation of a deed or other instrument of title evidencing the conveyance of record title to the Lot.

#### Section 11. Exempt Property.

The following property subject to this Declaration shall be exempt from the assessments created in:

- (a) All properties dedicated to and accepted by any local public authority; and
- (b) The Common Area.

### VII

#### MANAGEMENT OF THE ASSOCIATION AND COMMON AREA

Section 1. All powers relating to the management, operation and maintenance of the Common Area, as well as certain rights, duties and powers relating to the Lots, as hereinafter set forth, shall be vested in the Association.

Section 2. The specific and primary purposes and powers of the Association are to own, manage and maintain the Common Area, provide recreational activities for the Members, foster and support community activities of the Members, and enforce the provisions of this Declaration and the Association's Articles and By-Laws.

Section 3. The Association shall have the right and power to employ or engage a manager and other employees or agents and contract for such services, labor and materials as it may deem reasonably necessary to operate and maintain the Common Area and the improvements thereon and to discharge its other duties as herein provided. All contracts of the Association shall be limited in duration for a period of not more than one (1) year unless they contain reasonable cancellation provisions or have been approved by a vote of a majority of each class of Members of the Association.

Section 4. In addition to the duties and powers enumerated in its Articles of Incorporation and By-Laws, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall have the obligation to perform each of the following duties:

- (a) Maintain the Common Area and any improvements thereon (including landscaping, furnishings and equipment related thereto). In the event that the need for maintenance or repair of the Common Area or the improvements thereon is caused through the willful or negligent acts of the family, guests or invitees of an Owner, the cost of such repair or maintenance shall be added to and become part of the assessment to which such Owner's Lot is subject;

(b) Maintain such policy or policies of insurance as the Board deems necessary or desirable in furthering the purposes of and protecting the interests of the Association and its Members;

(c) Have the authority to obtain, for the benefit of the Common Area, water, gas, and electric service and refuse collection and, if necessary, for the benefit of the Lots;

(d) Pay the taxes and assessments which are or could become a lien on the Common Area or some portion thereof;

(e) Have a duty to maintain all drainage facilities and easements owned by the Association, if any.

Section 5. The Association shall adopt reasonable rules relating to the use of the Common Area and any improvements thereon. A copy of such rules and of all amendments thereto shall be mailed to each Owner of a Lot, and a copy shall be posted in one or more places in the Common Area where the same may be conveniently inspected.

Section 6 The Association may do any and all other acts and things that a nonprofit corporation is empowered to do, which may be necessary, convenient or desirable in the administration of its affairs for the specific and primary purposes of the Association and to meet its duties as herein set forth.

Section 7. The Association, through its Board of Directors, shall have the authority to delegate its powers to committees, officers of the Association or its employees.

Section 8. The Association and its representatives shall have the right to enter upon any Lot within the Properties to the extent such entry is necessary with the performance by the Association of its duties and responsibilities under this Article.

## VIII

### ANNEXATION

Section 1. Additional Lots and Common Area may be annexed to the Properties with the consent of at least two-thirds (2/3) majority of the voting power of the Association, excluding the voting power of the Declarant; or

Section 2. If, within three (3) years of the date of recording of this Declaration, the Declarant should develop additional property or portions within the area described in Exhibit "C" which is attached hereto and by this reference made a part hereof, such additional property may be annexed to the Properties without the assent of the Class A members and be made subject to the Declaration and thereby become subject to the jurisdiction of the Association; provided, however, that the development of the additional property described in this Section shall be in accordance with a general plan of development of the Properties. Detailed plans for the development of additional lands must be submitted to the California Department of Real Estate prior to such development of additional lands. If the California Department of Real Estate determines that such detailed plans of the property to be annexed are not in accordance with the existing general plan of development of the Properties and such agency so advises the Association and the Declarant, the annexation of the additional lands must be in accordance with Section 1 immediately above. A Supplementary Declaration of Covenants, Conditions and Restrictions as described hereinafter in Section 3 of this Article, covering the real property or

portions thereof described in Exhibit "C " hereto, shall be executed and recorded by the owner of such property to be annexed.

Section 3. The additions authorized under the foregoing sections shall be made by filing of record a Supplementary Declaration of Covenants, Conditions and Restrictions, or similar instrument, with respect to the additional property which shall extend the plan of this Declaration to such property. Such Supplementary Declarations contemplated above may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added property as are not inconsistent with the plan of this Declaration. In no event, however, shall any such supplementary Declaration, merger or consolidation, revoke modify or add to the covenants established by this Declaration within the existing property, except as hereinafter otherwise provided. The recordation of said Supplementary Declaration shall constitute and effectuate the annexation of the said real property described therein, making said real property subject to this Declaration and subject to the functions, powers and jurisdiction of THE SIERRA BROOKS PROPERTY OWNERS ASSOCIATION, and thereafter all of the Owners of Lots in said real property shall be Members of THE SIERRA BROOKS PROPERTY OWNERS ASSOCIATION in accordance with the terms and provisions of this Declaration and such Supplementary Declaration.

Section 4. Prior to conveyance to individual purchasers by Declarant of title to any Lot within an annexed portion of real property, those areas of the annexed property designated as Common Area by the Declarant shall be conveyed to the Association, subject to current taxes and assessments not then delinquent, and subject to easements, covenants, conditions and restrictions then of record, including those set forth in this Declaration, and the Association shall thereupon be bound to accept such conveyance of the annexed common Area and to preserve, maintain and otherwise administer said property thereafter as a part of the Common Area established under this Declaration. Assessments shall commence as to all Lots within an annexed area (including Lots owned by Declarant) on the first day of the month following the recording of a deed or other instrument of title evidencing the first conveyance of record title to a Lot within such area.

## IX

### DAMAGE AND DESTRUCTION AFFECTING COMMON AREA

Section 1. If all or any portion of the improvement on the Common Area is damaged or destroyed by fire, or other casualty, then neither the Board, the Association, or any agent or employee thereof shall be required or permitted to take any action to repair or rebuild the damaged portions, or to cause the damaged portions to be repaired or rebuilt without the written consent of at least fifty-one percent (51%) of the Members of each class as to the manner of repair or reconstruction and the payment therefor.

Section 2. Notwithstanding anything contained in this Declaration to the contrary, if the cost of repairing or rebuilding the improved portion of the Common Area so damaged or destroyed does not exceed the amount of insurance proceeds available to the Association, the Board shall be authorized and required without the consent or approval of the Members, to contract to repair or rebuild the damaged portions of the Common Area substantially in accordance with the original plans and specifications therefor.

## EASEMENTS

Section 1. Easements over the Lots and Common Areas for the installation and maintenance of electric, telephone, cable television, water, gas and sanitary sewer lines and drainage facilities are hereby reserved by Declarant, together with the right to grant and transfer the same.

Section 2. The Association shall have a right of entry upon all Lots as required for the Association to carry out its duties and powers as set forth in this Declaration.

## XI

### ARCHITECTURAL CONTROL

Section 1. Architectural Approval. No building, fence, wall or other structure or improvement, including mobile homes, shall be commenced, erected or maintained upon any Lot within the Properties, nor shall any exterior addition to or change or alteration in any existing structure or improvement on any Lot, including patio covers and antennas, be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Committee provided for in Section 2 hereof. In the event said Committee, or its designated representatives, fail to approve or disapprove such design and location within sixty (60) days after said plans and specifications have been submitted to it, approval will not be required, and this Article will be deemed to have been fully complied with.

Section 2. Appointment of the Committee. The Architectural committee shall be appointed by the Board of Directors of the Association and shall be composed of three (3) or more representatives who need not be Members.

Section 3. General Provisions. The members of the Committee shall not be entitled to any compensation for services performed pursuant to this covenant. Notwithstanding the approval by the Committee, in accordance with the foregoing provisions, of any plans or specifications for any structure or improvement, each person submitting such plans or specifications shall be solely responsible for the adequacy thereof. Accordingly, by acceptance of the conveyance from Declarant, its successors or assigns, the grantee hereby releases the Committee, Declarant, its successors or assigns, and its employees and independent contractors from all loss or damage or claim thereof arising from any defect or alleged defect in such plans and specifications; and the grantee hereby waives the benefit of Section 1542 of the California Civil Code. In addition, the grantee agrees to indemnify and hold harmless the Committee, Declarant, its successors or assigns, its employees and independent contractors from any claim asserted by third parties arising out of or attributable to any such defects.

## XII

### Notices

In each instance in which notice is to be given to the Owner of a Lot, the same shall be in writing and may be delivered personally, in which case personal delivery of such notice to one of two or more co-Owners of a Lot, or to any general partner of a partnership owning such a Lot, shall be deemed delivery to all of the co-Owners or to the partnership, as the case may be, and personal delivery of the notice of any officer or agent for the service of process of a corporation



owning such Lot shall be deemed delivery to the corporation or such notice may be delivered by United States mail, certified or registered, postage prepaid, return receipt requested, addressed to the Owner of such Lot at the most recent address furnished by such Owner in writing for the purpose of giving notice, or if no such address shall have been furnished, then to the street address of such Lot. Any notice to be given to the Association may be delivered personally to any member of the Board, or delivered by the United States mail, certified or registered, postage prepaid, return receipt requested.

### XIII

#### GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner or the successor in interest of an Owner, shall have the right to enforce by proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declarations or any amendment thereto, including the right to prevent the violation of any such restrictions, conditions, covenants, or reservations and the right to recover damages or other dues for such violation; provided, however, that with respect to assessment liens, the Association shall have the exclusive right to the enforcement thereof. Failure by the Association or by any Owner to enforce any covenant, condition or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Should any of the provisions contained in this Declaration be void or be or become unenforceable in law or in equity, the remaining portions of this Declaration shall, nevertheless, be and remain in full force and effect.

Section 3. Term. This Declaration and the covenants herein contained shall be in effect until June 24, 2025 and shall be automatically extended for successive periods of ten (10) years unless within six (6) months prior to the expiration of the initial term or any ten (10) year renewal period a written agreement executed by the then Owners of at least three-fourths (3/4) of the Lots shall be placed on record in the office of the County Recorder of the County of Sierra by the terms of which agreement the effectiveness of this Declaration is terminated or modified or the provisions herein contained are extinguished in whole or in part as to all or any part of the Properties then subject thereto.

Section 4. Amendments. This Declaration of Covenants, Conditions and Restrictions may be amended only by the affirmative assent or vote of not less than fifty-one percent (51%) of the voting power of the Owners. Notwithstanding the foregoing, any such amendment shall require the written consent of the holders of seventy-five percent (75%) of all prior deeds of trust encumbering Lots within the Properties, and which are of record prior to the effective date of such amendment. Any amendment or modification must be properly recorded.

Section 5. Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a recreational planned development and for the maintenance of common recreational facilities and Common Areas. 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.

Section 6. Singular Includes Plural. Whenever the context of this Declaration requires same, the singular shall include the plural and the masculine shall include the feminine.

Section 7. Nuisance. The result of every act or omission, whereby any provision, condition, restriction, covenant, easement or reservation contained in this Declaration is violated in whole or in part, is hereby declared to be and

constitutes a nuisance, either public or private, shall be applicable against every such result, and may be exercised by the Committee, the Association, or any other Owner in the Properties. Such remedy shall be deemed cumulative and not exclusive.

Section 8. Mortgage Protection Clause. No breach of the covenants, conditions or restrictions herein contained, nor any lien created hereby, shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise.

Section 9. Conflicts. In case of any conflict between this Declaration and the Articles of Incorporation or By-Laws of the Association, this Declaration shall control.

Section 10. The Declaration. By acceptance of a deed or by acquiring any ownership interest in any of the real property included within this Declaration, each person or entity, for himself or itself, his heirs, personal representatives, successors, transferees and assigns, binds himself, his heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, easements, rules and regulations now or hereafter imposed by this Declaration and any amendments thereof. In addition, each such person by so doing thereby acknowledges that this Declaration sets forth a general scheme for the improvement and development of the real property covered hereby, and hereby evidences his intent that all the restrictions, conditions, covenants, rules and regulations contained herein shall run with the land and be binding on all subsequent and future Owners, grantees, purchasers, assignees, and transferees thereof. Furthermore, each such person fully understands and acknowledges that this Declaration shall be mutually beneficial, prohibitive and enforceable by the various subsequent and future Owners.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereto set its hand and seals this 24<sup>th</sup> day of June, 1975

OCCIDENTAL LAND, INC.

ARTICLES OF INCORPORATION

OF

THE SIERRA BROOKS PROPERTY OWNERS ASSOCIATION

FIRST: The name of this corporation shall be THE SIERRA BROOKS PROPERTY OWNERS ASSOCIATION

SECOND: The purpose for which this corporation is formed is:

- 1) The specific and primary purposes are to maintain recreational facilities and bridle paths for the benefit of the members within any area owned or leased by this corporation and to manage and maintain the Common Area acquired by this corporation.

- 2) The general purposes and powers are to promote, establish, conduct and maintain activities on its own behalf or it may contribute to or otherwise assist other corporations, organizations and institutions carrying on such activities. For such purposes, it may solicit and receive funds and other property, real, personal and mixed, and interest therein by gift, transfer, devise and bequest, and invest, reinvest, hold, manage, administer, expend and apply such funds and property, subject to such conditions and limitations, if any, as may be expressed in any instrument evidencing such gift, transfer, devise or bequest.
- 3) The corporation may do any and all other acts and things that a non-profit corporation is empowered to do, which may be necessary, convenient or desirable in the administration of the affairs and for the full attainment of the general purposes of this corporation.
- 4) The corporation may fix, establish or levy and collect from its members, dues, fees, charges and assessments and enforce any lien which may be provided to secure the payment thereof.
- 5) The corporation shall not:
  - i) Advocate the selection or defeat of any candidate for public office
  - ii) Participate or intervene directly or indirectly in any political campaign.
  - iii) Advocate the adoption or rejection of any legislation save incidentally, if such may affect its overall purposes.
  - iv) Discriminate in its activities among individuals, organizations, institutions, firms, associations or corporations on the basis of race, religion, region or country of national origin.
  - v) Encourage, support nor aid in any way individuals, corporations, organizations or institutions that discriminate in their activities on the basis of race, religion, region or country of national origin.

**THIRD:** This Corporation is organized pursuant to the General Non-Profit Corporation Law of the State of California.

**FOURTH:** The commencement of this corporation shall be the day these Articles are filed and recorded, and this corporation shall have perpetual existence under the laws of the State of California.

**FIFTH:** The County in the State where the principal office for the transaction of business of this corporation is located is the County of Los Angeles, State of California.

**SIXTH:** The Corporation formed hereby shall have no capital stock and shall be composed of members rather than shareholders. All property owners of property located in The Sierra Brooks Subdivision, Sierra County, California, and such other territory as may be added pursuant to the By-Laws shall be voting members of this Association, as long as they are in good standing as set forth in the By-Laws.

**SEVENTH:** The affairs of the Corporation shall be conducted by a Board of Directors and such officers as the Directors and voting members may, from time to time, elect to appoint. The number of Directors shall not be less than three (3), nor more than nine (9). The Directors shall be elected by the members entitled to vote at the annual meeting of the corporation to be held as set forth in the Declaration. Directors must be voting members and shall hold office for such terms and shall be elected in such manner as shall be designated in the By-Laws. Until the first meeting of the members and until their successors have been elected and have qualified, the following persons shall constitute the Board of Directors.

John T Smith

Roger L Vos

Robert M. Burk

EIGHTH: The By-Laws of this Corporation may be adopted by the Directors named in the Articles of Incorporation , and may thereafter be amended or repealed by any means provided in the By-Laws.

NINTH: In the event of the dissolution of the Corporation for any reason, the assets of the corporation shall be distributed to an organization qualifying for tax exemption under the Internal Revenue Laws of the United states and the State of California, whose purposes are in accord with the purposes of this corporation, which shall be determined at a special meeting called by the Board of Directors. Should a majority of the voting members fail to agree upon such distribution, then application shall be made to any Judge of the Superior court of Los Angeles County, California, whose name shall be chosen by lot who shall then decide how the assets should be distributed in accordance with these Articles, and such decision shall be binding upon the Directors, members and the Corporation.

TENTH: The Articles of Incorporation of this Corporation shall not be amended, supplemented or modified except by the written consent of the vote at a meeting or seventy-five percent (75%) of all eligible voting members. In the event any term or provision of the By-Laws may conflict with these Articles of Incorporation, then these Articles of Incorporation shall govern.

IN WITNESS WHEREOF, we hereto affix our signatures this 15th day of March, 1971.

Signed: John T Smith, Roger L. Vos, Robert K. Burk

October 1, 2015