DECLARATION OF RESTRICTIONS FOR DESERT CREST COMMUNITY ASSOCIATION

A Non-Profit Mutual Benefit Corporation

RECITATIONS

- A. A Declaration of Restrictions was executed by Desert Crest, Inc., a California corporation ("Declarant"), on March 27, 1963, and recorded on March 27, 1963, as Instrument No. 30586, Official Records of Riverside County, California, affecting the real property described as Tract 2431, as shown by Map on file in Book 46, Pages 48 through 52, inclusive, of Maps, Records of Riverside County, California.
- B. An Assignment and Agreement was executed by Declarant, First American Title Insurance and Trust Company and Desert Crest Community Association, a California corporation, on December 8, 1968, and recorded on December 16, 1981, as Instrument No. 232495, Official Records of Riverside County, California, assigning, transferring and setting over to the Desert Crest Community Association all of Declarant's rights and obligations under the Declaration of Restrictions affecting Tract 2431.
- C. A Declaration of Restrictions was executed by Declarant on May 17 1965, and recorded as Instrument No. 57431, Official Records of Riverside County, California, affecting the real property legally described as Tract 3068, as shown by Map on file in Book 52, Pages 82 through 85, inclusive, of Maps, Records of Riverside County, California.
- D. An Amendment to the above-referenced Declaration of Restrictions for Tract 3068 was recorded on June 25, 1965, as Instrument No. 73988, Official Records of Riverside County, California.
- E. A Declaration of Restrictions was executed by Declarant on May 21, 1971, and recorded on August 12, 1971, as Instrument No. 91106, Official Records of Riverside County, California, affecting the real property legally described as Tract 4064, as shown by Map on file in Book 69, Pages 35 through 40, inclusive, of Maps, Records of Riverside County, California.
- F. A Declaration amending the foregoing Declarations was executed on April 30, 1992, by Declarant and recorded on May 19, 1992, as Instrument No. 181711, Official Records of Riverside County, California.
- G. Three Declarations amending the foregoing Declarations were executed on June 18, 1999, by Desert Crest Community Association and recorded on July 2, 1999 for Tracts 2431, 3068, and 4064 on Instrument Numbers 1999-297031,1999-297033, and 1999-297032 respectively, Official Records of Riverside County, California.

- H. Three Declarations amending the foregoing Declarations were executed on December 27, 2001, by Desert Crest Community Association and recorded on December 28, 2001 for Tracts 2431, 3068, and 4064 on Instrument Numbers 2001-646229, 2001-646230, and 2001-646231 respectively.
- I. The above-referenced Declarations of Restrictions, and all amendments, shall sometimes collectively be referred to as the "Original Declaration." The Original Declaration affects all of the properties described and commonly known as Desert Crest (the "Project"). The Original Declaration further provides that every owner of a Lot within the Project will be a member of the Desert Crest Community Association, a nonprofit corporation formed for the purpose of carrying out and enforcing the provisions of the Original Declaration and exercising jurisdiction over all of the properties within the Project, and that every person permitted to use or occupy the properties shall be bound by all of the provisions of the Original Declaration and the bylaws and rules and regulations of the Association as such governing documents may be enacted, amended and repealed from time to time by the members of the Association.
- J. Declarant, the original owner of that certain real property located in the County of Riverside, State of California, which is more particularly described above, conveyed the land comprising the Project subject to the limitations, covenants, agreements and restrictions, conditions, restrictions, reservations and charges as set forth in the Original Declaration referred to above, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Project and all of which shall run with the land comprising the Project and be binding on all parties having or acquiring any right, title or interest in the land compromising the Project, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.
- K. It was the further intention of the Declarant to sell and convey residential Lots to the Owners, subject to the protective covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, charges and equitable servitudes between Declarant and such Owners which are set forth in this Declaration and which are intended to be in furtherance of a general plan for the subdivision, development, sale and use of the Project as a residential development.
- L. It is the intention of the Owners, in amending and restating the Original Declaration, to establish the Project as a Senior Citizen Housing Development, as provided in and pursuant to California *Civil Code* section 51.11, and any superseding statutes, and the Fair Housing Amendments Act, and any superseding statutes.
- M. On June 29, 2002, a majority of the owners of Lots within Tract 2431, a majority of the owners of Lots within Tract 3068 and a majority of the owners of Lots within Tract 4064, voted by written ballot to amend and restate their respective Original Declarations, all in accordance with the requirements for amendment set forth in their Original Declarations and to replace said original Declarations, in their entirety, with the recordation of this Declaration. The Owners' action to amend and restate the Original Declarations as set forth herein and the fact that the requisite number of affirmative votes required in the Original Declaration was achieved, is attested by the execution of this Amended and Restated Declaration of Restrictions by duly authorized officers of the Association. As so amended and restated, the easements, covenants, restrictions and conditions set forth herein shall run with the Project and shall be binding upon all parties having or acquiring any right, title or interest in the Project or any portion thereof, and shall inure to the benefit of each Owner thereof.

ARTICLE I

DEFINITIONS

- **1.01** "Architectural and Grounds Committee" means the committee created in accordance with Article IV of this Declaration.
- **1.02** "Assessment" means any Regular or Special Assessment made or assessed by the Association against an Owner and his or her Lot in accordance with the provisions of Article III of this Declaration.
- **1.03** "Association" means Desert Crest Community Association, Inc., a California nonprofit mutual benefit corporation (formed pursuant to the Nonprofit Mutual Benefit Corporation Law of the State of California), its successors and assigns.
- **1.04** "Board of Directors" or "Board" means the Board of Directors of the Association.
- **1.05** "Community Area" means any real property within the Project that is owned by Desert Crest Country Club Inc., incorporated in the country of Riverside, California, its successors and assigns.
- **1.06** "Cooperative Agreement" means a covenant entered into between the Association and the Desert Crest Country Club Inc. (the "Club").
- **1.07** "Club" means Desert Crest Country Club Inc., incorporated in the county of Riverside, California or its successors.
- **1.08** "Club Maintenance Assessments" means the mandatory "Club Dues" assessed by the Club against every Owner and his or her Lot in accordance with the provisions of Article VI of this Declaration
- **1.09** "**Declarant**" means the original developer of the Project.
- **1.10** "Declaration" means this instrument, as it may be amended from time to time. The "Original Declaration" mean and refer to the documents referenced in the Recitals to this Declaration together with all amendments thereto, adopted prior to adoption of this Declaration.
- 1.11 "Expense" means any use of Common Funds authorized by Article III hereof and includes, without limitation: (a) All expenses or charges incurred by or on behalf of the Association for its management, administration, and operation (b) All expenses or charges reasonably incurred to procure insurance for the protection of the Association and its Board of Directors, (c) the use of such funds to defray the costs and expenses incurred by the Association in the performance of its functions or in the proper discharge of the responsibilities of the Board as provided in the Governing Documents.

- 1.12 "Governing Documents" is a collective term that means and refers to this Declaration and to the Articles, the Bylaws and the Association Rules. "Articles" means the Articles of Incorporation of Desert Crest Community Association, Inc., which are filed in the Office of the California Secretary of State. "Bylaws" mean the Bylaws of the Association. "Association Rules" means the rules, regulations and policies adopted by the Board of Directors of the Association, pursuant to Article 2.01 (a) and 7.02 of this Declaration, as the same may be in effect from time to time.
- 1.13 "Improvement" includes, without limitation, the construction, installation, alteration, replacement or exterior remodeling of any coach, mobile home, buildings, walls, decks, fences, patios, swimming pools, landscaping, landscape structures, solar heating equipment, spas, antennas, utility lines, or any structure of any kind. In no event shall the term "Improvement" be interpreted to include projects that are restricted to the interior of any coach, such as painting, remodeling, etc. Exterior maintenance such as painting or re-siding is considered regular maintenance and as such does not need special permits or approvals.
- **1.14** "Lot" means any parcel of real property designated by a number on the tract map for any portion of the Project. When appropriate within the context of this Declaration, the term "Lot" shall also include the coach and other improvements constructed or to be constructed on a Lot.
- **1.15** "Member" means every person or entity who holds a membership in the Association and whose rights as a Member are not suspended pursuant to Article 9.06 of this Declaration. All Owners must hold a membership in the Association. The Club is a Member of the Association.
- **1.16** "Owner" means any person, firm, corporation or other entity that owns a fee simple interest in any Lot. The term "Owner" includes, except where the context otherwise requires, the family, guests, tenants and invitees of an Owner.
- 1.17 "Parcel" means any two contiguous lots owned by the same owners that have been combined with the approval of the Association and Riverside County for the placement of one housing unit. The payment of only one assessment/dues will be required of the owner to the Association and Club.
- **1.18** "Permitted Health Care Resident" shall mean and refer to a person hired to provide live-in, long-term, or terminal health care to a Senior Citizen, or a family member of the Senior Citizen providing that care. The care provided by a Permitted Health Care Resident must be substantial in nature and must provide either assistance with daily activities or medical treatment, or both.
- **1.19** "**Project**" means all of the real property described in Recital A, C and E of this Declaration, together with all buildings, structures, utilities and other improvements located thereon, and all appurtenances thereto.
- 1.20 "Qualified Permanent Resident" means and refers to a person who meets both of the following requirements: (1) was residing with the Senior Citizen prior to the death, hospitalization, or other prolonged absence of, or the dissolution of marriage with, the Senior Citizen; and (2) was 45 years of age or older, or was a spouse, cohabitant, or person providing primary physical or economic support to the Senior Citizen. "Qualified Permanent Resident"

shall also mean and refer to a disabled person or person with a disabling illness or injury who is a child or grandchild of the Senior Citizen or a Qualified Permanent Resident as defined above, who needs to live with the Senior Citizen or Qualified Permanent Resident because of the disabling condition, illness, or injury. For purposes of this section, "disabled" means a person who has a disability as defined in Civil Code Section 54(b). A "disabling injury or illness" means an illness or injury that results in a condition meeting the definition of disability in Civil Code Section 54(b). For any person who is a Qualified Permanent Resident under this subsection, whose disabling condition ends, such person must cease residing in the Project upon receipt of six (6) months' written notice from the Board of Directors. The Board of Directors may allow any such person to remain a resident of the Project for up to one year after the disabling condition ends, and the Association receives notice of the end of such condition. (See Article 1.22, and Article 7.01.)

- **1.21** "**Residential Use**" means occupation and use of a Lot for residential dwelling purposes in conformity with this Declaration and the requirements imposed by applicable zoning or other applicable laws or governmental regulations limiting the number of persons who may occupy residential dwellings.
- **1.22** "Senior Citizen" means and refers to a person who is fifty-five (55) years of age or older.

ARTICLE II

OWNERS' RIGHTS AND OBLIGATIONS

2.01 Owners' Rights Under Governing Documents.

Every Owner will have and enjoy all incidents of membership in the Association, as set forth in this Declaration, the Articles and Bylaws of the Association, and as they may be amended or changed from time to time. Such rights will be appurtenant to and will pass with the title to every Lot, subject to the following rights and restrictions:

(a) Suspension of Voting Rights.

The right of the Association to adopt Association Rules as provided in Article 7.02 of this Declaration, regulating the use and enjoyment of the Project for the benefit and well-being of the Owners, and, in the event of the breach of such rules or any provision of any Governing Document by any Owner or tenant, to temporarily suspend the voting rights of any Owner, subject to compliance with the due process requirements of Article 9.06 (d) of this Declaration.

(b) Restriction on Borrowing Money.

The right of the Association to borrow money is restricted in accordance with its Articles/Bylaws.

2.02 Persons Subject to Governing Documents.

All present and future Owners, tenants and occupants of Lots within the Project will be subject to, and will comply with, each and every provision of the Governing Documents, as the same or any of them will be amended from time to time. The acceptance of a deed to any Lot, the entering into a lease, sublease or contract of sale with respect to any Lot, or the occupancy of any mobile home will constitute the consent and agreement of such Owner, tenant or occupant that each and all of the provisions of this Declaration, as the same or any of them may be amended from time to time, will be binding upon said person and that said person will observe and comply with the Governing Documents.

2.03 Delegation of Use and Leasing of Residence.

(a) Leasing Provisions.

Any Owner may lease or rent the Owner's Lot. Any rental or lease of a Residence will be subject to the provisions of the Governing Documents, including, without limitation, the age restrictions in Article 7.01 of this Declaration, all of which will be deemed incorporated by reference in the lease or rental agreement. Each Owner-lessor will provide any tenant or lessee with a current copy of all Governing Documents and will be responsible for compliance by the Owner's tenant or lessee with all of the provisions of the Governing Documents during the tenant's/lessee's occupancy and use of the Lot. Leases/rentals will be not less than one month in duration.

(b) Registration of Tenant.

Each tenant or lessee must register with the Association prior to assuming occupancy. If the tenant or lessee desires to use the Club golf course, they must first register with the Club and obtain a renter's golf tag.

2.04 Standards of Maintenance of Owners' Lots.

All lots or parcels including landscaping and improvements thereon will be maintained and kept clean at all times in a manner as to meet the approval of the Association in its sole discretion and no trash, garbage or other waste may be kept on any lot except in appropriate containers not visible to the public. In the event any Lot or parcel, including landscaping or improvements thereon is not maintained and kept clean in such manner, the Association will have the right, but will have no obligation, to enter upon all lots, blocks or parcels of land to care for, remove rubbish, and keep all Lots from creating an unsightly appearance, either itself or through any other person to furnish the labor and/or materials necessary to bring said Lot including improvements and/or landscaping thereon up to a standard which meets the approval of the Association in its sole discretion, and to maintain them according to such a standard.

2.05 Maintenance Easements.

An easement is hereby granted to the Association, its officers, agents, employees, and to any management company or contractor selected by the Association to enter in or to cross over any Lot to perform the duties of maintenance and repair of the Lot, that the owner of Lot has failed to maintain, provided that any entry by the Association or its agents onto any Lot shall only be undertaken in strict compliance with current Rules and Regulations on such matters.

2.06 Maintenance Costs Incurred by the Association.

In the event that the Association must bring any Lot up to minimum acceptable Association standards, the Owner of any such Lot will pay to the Association an amount equal to all direct and indirect costs, and all other expenses incurred by the Association in furnishing such labor and/or materials or having the same furnished. The amount that the owner of any such lot is obligated to pay hereunder will constitute a lien on such Lot or parcel, and will be payable as outlined in Article 3.05 of this Declaration. This paragraph will constitute a request by each Owner under the conditions stated herein for the Association to furnish any labor and/or materials required to bring their Lot into compliance with Association standards.

ARTICLE III

ASSOCIATION ASSESSMENTS

3.01 Assessments Generally.

(a) Covenant to Pay Assessments.

Each Owner of one or more Lots, by acceptance of a deed or other conveyance thereof (whether or not it is expressed in such deed or conveyance), covenants and agrees to pay to the Association

- (i) Regular Assessments, and
- (ii) Special Assessments. Each such Assessment will be established and collected as hereinafter provided.
- (iii) Reimbursement assessments.

(b) Extent of Owner's Personal Obligation for Assessments.

All Assessments, together with late charges, interest, and reasonable costs (including reasonable attorneys' fees) for the collection thereof, will be a debt and a personal obligation of the Person who was the Owner of the Lot at the time the Assessment was levied. Each Owner who acquires title to a Lot will not be personally liable for delinquent Assessments of prior Owners unless the new Owner expressly assumes the personal liability. Any unpaid Assessment of a previous Owner will remain the debt of such previous Owner against whom it was assessed. Each and every Assessment levied hereunder is further declared and agreed to be a reasonable Assessment, and to constitute a separate, distinct and personal obligation (with respect to which a separate lien may be created hereby) of the Owner of the Lot against which the Assessment is imposed.

(c) Creation of Assessment Lien.

All Assessments, together with late charges, interest, and reasonable costs (including reasonable attorneys' fees) for the collection thereof, will be a charge on the Lot and will be a continuing lien upon the Lot against which such Assessment is made. Any lien for unpaid Assessments created pursuant to the provisions of this Article may be subject to foreclosure as provided in Article 3.05 (c) of this Declaration.

(d) No Avoidance of Assessment Obligations.

No Owner may exempt himself or herself from personal liability for Assessments duly levied by the Association, nor release the Lot or other property owned by him or her from the liens and charges by abandonment or non-use of his or her Lot. In the event of joint ownership of any Lot, the obligations and liabilities of the multiple Owners under the Governing Documents, including, without limitation, the payment of all Assessments, will be joint and several.

(e) Allocation of Association Assessments.

Association Assessments will be assessed against, and charged to each Member by dividing the total annual expenses, and/or the total of any special assessment, by the total number of individually owned Lots and Parcels (two contiguous lots that have been combined into one parcel, see Article 1.17), so that each Member is assessed the same amount.

(f) Purpose and Reasonableness of Assessments.

Each Assessment made in accordance with the provisions of this Declaration is hereby declared and agreed to be reasonable and for the exclusive purpose of promoting the best interests of the Association and its Members.

3.02 Regular Assessments.

(a) Assessment Procedure.

Not less than 30 nor more than 60 days prior to the beginning of the Association's fiscal year, the Board will estimate the total amount required to fund the Association's anticipated Expenses for the next succeeding fiscal year by preparing and distributing to all Association Members a budget satisfying the requirements of the current Bylaws. If the Board fails to distribute the budget for any fiscal year within the time period provided for in this Section, the Board will not be permitted to increase Regular Assessments for that fiscal year unless the Board first obtains the approval of Owners, constituting a Quorum, casting a majority of the votes by written ballot conducted in accordance with the Bylaws.

(b) Assessment Limitations.

The Board of Directors may not impose a Regular Assessment that is more than 20 percent greater than the Regular Assessment for the Association's immediately preceding fiscal year without the vote or written assent of Members, constituting a Quorum, casting a majority of the votes at a meeting or election of the Association. This limitation does not apply in the case of an Emergency Assessment (see Article 3.2 (c) below).

(c) Assessments to Address Emergency Situations.

The requirement of a membership vote to approve Regular Assessment increases in excess of 20 percent of the previous year's Regular Assessment will not apply to assessment increases necessary to address emergency situations. An emergency situation can be, but is not limited to an extraordinary expense required by a court order or other unforeseen requirements.

(d) Mailing Notice of Assessment.

The Board of Directors will mail to each Owner at the street address of the Owner's Lot, or at such other address as the Owner may from time to time designate in writing to the Association, a statement of the amount of the Regular Assessment for the next succeeding fiscal year no less than 30 days prior to the beginning of the next fiscal year.

(e) Failure to Make Estimate.

If, for any reason, the Board of Directors fails to make an estimate of the Expenses for any fiscal year, then the Regular Assessment made for the preceding fiscal year, together with any Special Assessment made pursuant to Article 3.03 for that year, will be assessed against each Owner and his or her Lot.

(f) Payment of Assessments.

The Regular Assessment levied against each Owner and his or her Lot will be due and payable to the Association on a date as may be established from time to time by the Association's Board of Directors.

3.03 Special Assessments.

(a) Purposes for Which Special Assessments May Be Levied.

The Board of Directors will be authorized to levy Special Assessments against the Owners and their Lots if the Regular Assessment for any fiscal year is insufficient to meet the expenses contemplated in the budget prepared for that fiscal year. The Special Assessment power conferred under this Section is not intended to diminish the Board's obligation to plan and budget for normal operation of the Association through Regular Assessments.

(b) Special Assessments Requiring Membership Approval.

No Special Assessments described in this Section, which in the aggregate exceeds 10 percent of the budgeted gross expenses of the Association for the fiscal year in which the Special Assessment(s) is levied will be made without the vote or written assent of Members, constituting a Quorum, casting a majority of the votes at a meeting or election of the Association.

3.04 Notice and Procedure for Member Approval.

In the event that Member approval is required in connection with any increase or imposition of Assessments pursuant to Article 3.02 and 3.03, approval of the requisite percentage of the Members will be solicited by written ballot conducted in accordance with *California Corporations Code* §7513 and the Bylaws. Any action taken by the membership will require a majority of a quorum.

3.05 Collection of Assessments; Enforcement of Liens.

(a) Delinquent Assessments.

If any payment of an Assessment by any Owner is not paid within 15 days after the same becomes due, such payment will be delinquent. If an Assessment is delinquent, the Association may recover all of the following: (i) reasonable costs incurred in collecting the delinquent Assessment, including reasonable attorneys' fees; (ii) a late charge in the sum of ten dollars (\$10.00), at the sole discretion of the Board; (iii) interest on all sums imposed in accordance with this subparagraph, including the delinquent Assessment, reasonable costs of collection, any check return charges and late charges, at an annual percentage rate not to exceed ten (10%) percent interest, commencing thirty (30) days after the Assessment becomes due.

(b) Effect of Nonpayment of Assessments.

(i) Creation and Imposition of a Lien for Delinquent Assessments. The amount of any delinquent Regular or Special, or Reimbursement Assessment, together with any late charges, interest and costs (including reasonable attorneys' fees) attributable thereto or incurred in the collection thereof, shall become a lien upon the Lot of the Owner so assessed only when the Association causes to be recorded in the Office of the Riverside County Recorder a Notice of Delinquent Assessment executed by an authorized representative of the Association, setting forth (A) the amount of the delinquent Assessment(s) and other sums duly imposed pursuant to this Article III, (B) the legal description of the Owner's Lot against which the Assessments and other sums are levied, (C) the name of the Owner of Record of such Lot, (D) the name and address of the Association, and (E) the name and address of the trustee authorized by the Association to enforce the lien by sale. Upon payment in full of the

sums specified in the Notice of Delinquent Assessment, the Association shall cause to be recorded a further notice stating the satisfaction and release of the lien thereof.

(ii) Remedies Available to the Association to Collect Assessments. The Association may initiate a legal action against the Owner personally obligated to pay the delinquent Assessment, foreclose its lien against the Owner's Lot or accept a deed in lieu of foreclosure. Foreclosure by the Association of its lien may be by judicial foreclosure or by nonjudicial foreclosure by the trustee designated in the Notice of Delinquent Assessment or by a trustee substituted pursuant to <u>California Civil Code</u> §2934a. Any sale of a Lot by a trustee acting pursuant to this Section 3.05 shall be conducted in accordance with <u>California Civil Code</u> §2924, 2924b, and 2924c applicable to the exercise of powers of sale in mortgages or deeds of trust.

(iii) Nonjudicial Foreclosure.

Nonjudicial foreclosure shall be commenced by the Association by recording in the Office of the County Recorder a Notice of Default, which notice shall state all amounts which have become delinquent with respect to the Owner's Lot and the costs (including attorneys' fees), penalties and interest that have accrued thereon, the amount of any Assessment which is due and payable although not delinquent, a legal description of the property with respect to which the delinquent Assessment is owed, and the name of the Owner of Record or reputed Owner thereof. The Notice of Default shall state the election of the Association to sell the Lot or other property to which the amounts relate and shall otherwise conform with the requirements for a notice of default under *California Civil Code* §2924c, or comparable superseding statute.

The Association shall have the rights conferred by <u>California Civil Code</u> §2934a to assign its rights and obligations as trustee in any nonjudicial foreclosure proceedings to the same extent as a trustee designated under a deed of trust and for purposes of said Section 2934a, the Association shall be deemed to be the sole beneficiary of the delinquent Assessment obligation. Furthermore, in lieu of an assignment of trusteeship, the Association shall be entitled to employ the services of a title insurance company or other responsible company authorized to serve as a trustee in nonjudicial foreclosure proceedings to act as an agent on behalf of the Association in commencing and prosecuting any nonjudicial foreclosure hereunder.

(iv) Actions for Money Judgment.

In the event of a default in payment of any Assessment, the Association, in its name but acting for and on behalf of all other Owners, may initiate legal action, in addition to any other remedy provided herein or by law, to recover a money judgment or judgments for unpaid Assessments, costs and attorneys' fees without foreclosure or waiver of the lien securing same.

3.06 Reimbursement Assessments.

The Board of Directors may impose Reimbursement Assessments against an Owner subject to the notice and hearing rights set forth in Article 9.06 of this Declaration. If any Lot is maintained so as to become a nuisance, fire or safety hazard for any reason, including, without limitation, the accumulation of trash, junk automobiles or improper weed or vegetation control, the Association shall have the right to enter the Lot, correct the offensive or hazardous condition and recover the cost of such action through a Reimbursement Assessment against the Owner's Lot, subject to foreclosure in the same manner as provided for foreclosure of deeds of trust under the laws of the State of California. (*California Civil Code* §2924)

ARTICLE IV

ARCHITECTURAL & GROUNDS COMMITTEE

4.01 Architectural Committee Approval of Improvements.

(a) Approval Generally.

Before commencing installation and placement of a mobile home on a Lot, or construction or installation of any other Improvement (as defined in Article 1.13) on a Lot, the Owner/Applicant planning such Improvement must submit to the Association's Architectural & Grounds Committee a written request for approval. The Owner/Applicant request will include structural plans, specifications and plot plans satisfying the requirements of Article 4.05. Unless the Committee's approval of the proposal is first obtained, no work on the Improvement will be undertaken. The Committee will base its decision to approve or disapprove the proposed Improvement on the criteria described in Article 4.06. Upon the Committee approving and stamping the Owner/Applicant's proposed installation or Improvement, the Committee will direct the Owner/Applicant to seek all applicable County of Riverside and State of California permits, prior to commencing any work on his or her project. No County or State permit will be sufficient to begin work on an installation or Improvement without first obtaining the approval of the Architectural & Grounds Committee.

(b) Modification Approvals.

Modifications to Approved Plans Must Also Be Approved. Once a work of Improvement has been duly approved by the Architectural Committee, no material modifications will be made in the approved plans and specifications thereof and no subsequent alteration, relocation, removal, addition or modification will be made to the work of Improvement, as approved, without a separate submittal to, and review and approval by, the Committee. If the proposed modification will have, or is likely to have, a material affect on other aspects or components of the work, the Committee, in its discretion, may order the Owner, his or her contractors and agents to cease working not only on the modified component of the Improvement, but also on any other affected component.

In the event that it comes to the knowledge and attention of the Board and/or its Architectural & Grounds Committee, that a work of Improvement, or any modification thereof, is proceeding without proper approval, the Association will be entitled to exercise the enforcement remedies specified in Article 4.11, including, without limitation, ordering an immediate cessation and abatement of all aspects of the work of Improvement until such time as proper Committee review and approval is obtained.

4.02 Committee Membership.

The Architectural & Grounds Committee will be composed of at least three but no more than five Members of the Association appointed by the Board. Committee members will serve for one-year terms subject to the Board's power to remove any Committee member and to appoint his or her successor. Neither the members of the Committee nor its designated representatives will be entitled to any compensation for services performed pursuant hereto. The Committee will be entitled to be reimbursed for expenses incurred in the performance of its duties as set forth in Article IV.

4.03 **Duties of Committee.**

It will be the duty of the Architectural & Grounds Committee to consider and act upon the proposals and plans submitted to it pursuant to this Declaration, to adopt architectural rules pursuant to Article 4.05, to perform other duties delegated to it by the Board of Directors and to carry out all other duties imposed upon it by this Declaration.

4.04 Meetings.

The Architectural & Grounds Committee will meet from time to time as necessary to properly perform its duties under this Article. The vote or written consent of a majority of the Committee members will constitute the action of the Committee, and the Committee will keep and maintain a written record of all actions taken.

The Owner-Applicant, or authorized agent designated in writing, will be entitled to appear at any meeting of the Committee at which the Owner's proposal has been scheduled for review and consideration, and the Owner will be entitled to be heard on the matter. Other Owners whose Lot may be affected by the proposed Improvement will also be entitled to attend the meeting. Reasonable notice of the time, place and proposed agenda for Committee meetings will be communicated before the date of the meeting to any Owner-Applicant whose application is scheduled to be heard.

4.05 Architectural Rules.

The Architectural & Grounds Committee may, from time to time and with approval of the Board of Directors, adopt, amend and repeal rules and regulations to be known as "Architectural and Landscape Guidelines." Such Guidelines will be furnished to the Owner-Applicant upon request, and such Guidelines will interpret and implement the provisions of this Article by setting forth (a) the standards and procedures for Committee review; (b) guidelines for placement of coaches and other Improvements; and (c) procedures and required information and materials to be included with all plans and specifications. Notwithstanding the foregoing, no Architectural and Landscape Guideline will be in derogation of the minimum standards required by this Declaration. In the event of any conflict between the Architectural and Landscape Guidelines and this Declaration, the provisions of the Declaration will prevail.

4.06 Basis for Approval of Improvements.

When proposed plans are submitted to the Architectural & Grounds Committee for review, the Committee will grant the requested approval only if the Committee, in its sole discretion, finds that all of the following provisions have been satisfied:

(a) Approval Requirements.

The Owner's plans and specifications: (i) conform to this Declaration and to the Architectural and Landscape Guidelines in effect at the time those plans are submitted to the Committee; (ii) will result in the construction or installation of an Improvement that is in harmony with the external design of other structures and/or landscaping within the Project; and (iii) will not interfere with the reasonable enjoyment of any other Owner of his or her Lot.

(b) Committee's Responsibility.

The proposed Improvement(s), if approved, will otherwise be consistent with the architectural and aesthetic standard prevailing within the Project and with the overall plan and scheme of development of the Project and the purpose of this Declaration. Though it is

recognized that the Committee's determination to approve or disapprove an Improvement will, of necessity, be subjective to some degree, the members of the Committee will act reasonably and in good faith. Factors commonly considered by the Committee in reviewing proposed Improvements include the quality of workmanship and materials proposed for the Improvement project; the harmony of the proposed Improvement's exterior design, finish materials, and color with that of the existing structures; and the proposed location of the Improvement in relation to existing topography, finished grade elevations, roads and surrounding structures. The Committee will be entitled to determine that a proposed Improvement or component thereof is unacceptable in the context of a particular Lot, even if the same or a similar Improvement/component has previously been approved for use at another location or locations within the Project. Factors that may cause the Committee to reject a proposal that was previously approved at another site include: poor drainage; unique topography; visibility from roads, or other Lots; proximity to other residences or roads; or prior adverse experience with the product or design of the proposed Improvement or any component thereof.

(c) Obstruction of View.

The proposed Improvement will not substantially obstruct or diminish the view, as determined by the Architectural Committee, from any other Lot in the Project.

4.07 Time Limits for Approval or Rejection..

Within 30 days after submission of complete plans and specifications, the Architectural Committee will give written notice to the applicant of either approval or disapproval. The Committee may provide written suggestions of changes required for approval. If the Owner-applicant receives no written notice of approval or disapproval within 45 days after the Owner's plans and specifications are submitted to the Committee, the plans will be deemed to have been approved as submitted.

4.08 Proceeding With Work.

Upon receipt of approval of an Improvement from the 'Architectural Committee, the Owner will, as soon as practicable, diligently proceed with the commencement of construction and excavation, if required, pursuant to said approval. In all cases, work on an Improvement project will commence within six months from the date of such approval. If the Owner fails to comply with this paragraph, and approval given pursuant to this Article will be deemed revoked unless the Committee, upon written request of the Owner prior to the expiration of the initial one-year period, extends the time for commencement or completion. No such extension will be granted except upon a finding by the Committee that there has been no change in the circumstances upon

which the original approval was granted and that the Owner has a bona fide intention and ability to complete the Improvement project within the time specified in the extension request.

4.09 Failure to Complete Work.

Unless the Owner has been granted an extension of time to complete the project by the Committee, construction, reconstruction, refinishing or alteration of any such Improvement must be complete within one year after construction has commenced, except and for so long as such completion is rendered impossible or would result in great hardship to the Owner because of strikes, fires, national emergencies, natural calamities or other supervening forces beyond the control of the Owner or his or her agents. If the Owner fails to comply with Article 4.10, the Committee will notify the Board of such failure, and the Board will proceed in accordance with the provisions of Article 4.10 below as though the failure to complete the Improvement was a noncompliance with approved plans.

4.10 Inspection of Work by Architectural Committee.

Inspection of the work relating to any approved Improvement and correction of defects therein will proceed as follows:

(a) Notice of Completion.

Upon the completion of any work of Improvements for which the Committee's approval is required under this Article, the Owner will give the Committee a written notice of completion.

(b) Inspection.

Within 30 days thereafter, the Committee, or its duly authorized representative, may inspect the Improvement to determine whether it was constructed, reconstructed, altered or refinished in substantial compliance with the approved plans. If the Committee finds that the Improvement was not constructed or installed in substantial compliance with the Owner's approved plans, then within the 30-day inspection period the Committee will give the Owner a written notice of noncompliance detailing those aspects of the Improvement project that must be modified, completed or corrected. If the violation or non-conforming work is not corrected, the Association and its Committee will have the enforcement rights and remedies set forth in Article 4.11, below.

(c) Noncompliance by Committee.

If for any reason the Committee fails to notify the Owner of any noncompliance within 30 days after receipt of the Owner's notice of completion, the Improvement will be deemed to have been constructed in accordance with the approved plans for the project, unless it can be demonstrated that the Owner knew of the noncompliance and intentionally mislead the Committee with respect thereto.

4.11 Enforcement.

(a) Board's Enforcement Rights.

In addition to other enforcement remedies set forth in this Declaration, the Board of Directors will have enforcement rights with respect to any matters required to be submitted to and approved by the Committee, and may enforce such architectural control by any proceeding at law or in equity. The Committee will have the authority to order an abatement of any construction, alteration or other matter for which approval is required, to the extent that it has not been approved by the Committee or if it does not conform to the plans and specifications submitted to the Committee. No work for which approval is required will be deemed to be approved simply because it has been completed without a complaint, notice of violation, or commencement of a suit to enjoin such work. If any legal proceeding is initiated to enforce any of the provisions hereof, the prevailing party will be entitled to recover reasonable attorneys' fees in addition to the costs of such proceeding.

(b) Hearing by the Board.

If the Owner fails to remedy any noticed noncompliance within 30 days from the date of such notification, the Committee will notify the Board in writing of such failure. The Board will then set a date on which a hearing before the Board will be held regarding the alleged noncompliance. The Board is authorized to take any legal action necessary to remedy the noncompliance.

(c) Hearing Procedures.

At the hearing, the Owner, a representative(s) of the Committee and, at the Board's discretion, any other interested person, may present information relevant to the question of the alleged noncompliance. After considering all such information, the Board will determine whether there is a noncompliance. If a noncompliance is determined to exist, the Board will require the Owner to remedy or remove the same within such period or within any extension of such period as the Board, at its discretion, may grant. If the Owner fails to take corrective action after having a reasonable opportunity to do so, the Board, at its option, may remove the non-complying Improvement or remedy the non-compliance and the Owner will reimburse the Association for all expenses incurred in connection therewith upon demand. If the Owner does not properly repay such expenses to the Association, the Board will recover such expenses from such Owner.

(d) Waiver of Rights.

The approval by the Committee of any plans, drawings or specifications for any work of Improvement done or proposed, or for any other matter requiring the approval of the Architectural Committee under this Declaration, or any waiver thereof, will not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval by the same or some other Owner. Different locations for Improvements, the size of the structure, proximity to other Lots or Community Area and other factors may be taken into consideration by the Committee in reviewing a particular submittal.

4.12 Limitation on Liability.

Neither the Association, its Architectural & Grounds Committee nor any member thereof will be liable to any Owner for any damage, loss or prejudice suffered or claimed on account of any mistakes in judgment, negligence or nonfeasance arising out of (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective; (b) the construction or performance of any work of or Improvement, whether or not pursuant to approved plans, drawings or specifications; (c) the development of any Lot within the Project.

4.13 Compliance With Governmental Regulations.

Review and approval by the Architectural Committee of any proposals, plans or other submittals pertaining to Improvements will in no way be deemed to constitute satisfaction of, or compliance with, any building permit process or any other governmental requirement, the responsibility for which will lie solely with the Owner who desires to construct, install, or modify the Improvement.

4.14 Appeals.

Appeals from decisions of the Architectural Committee may be made to the Board of Directors, which may elect, in its discretion, to hear the appeal or, in the alternative, to affirm the decision of the Architectural Committee.

ARTICLE V

MINIMUM CONSTRUCTION STANDARDS

5.01 Minimum Setback Requirements.

Each Lot will have a side setback at the right side of said Lot of not less than five (5) feet; at the left side a setback of not less than five (5) feet; at the rear a setback of not less than five (5) feet; and at the front a setback of not less than five (5) feet. No permanent or temporary structures or mobile homes will be placed or maintained on such side, front, or rear yard setbacks, without approval of a variance by the Association and the County of Riverside, provided, however, that the foregoing setback requirements will apply only to mobile homes installed, or Improvements made on any Lot after recordation of this Declaration.

5.02 Minimum Square Footage Requirements.

No mobile home will be less than twelve (12) feet wide, nor have less floor area then 900 square feet, provided, however, that the foregoing requirement of 900 square feet will apply only to mobile homes installed after recordation of this Declaration.

5.03 Condition of Mobile Homes.

No mobile home will be placed on a Lot unless it is in new or near new condition and repair, and approved prior to placement by the Architectural & Grounds Committee. If the Committee incurs costs (e.g. travel costs) for purposes of inspecting said mobile home, such cost will be borne by the Owner/Applicant. The space from ground level to floor of each mobile home will be enclosed with suitable skirting material as approved by the Committee. Such skirting material will be installed within thirty (30) days from the time that the mobile home is placed on the Lot. Pursuant to these Declarations, no mobile home may be removed or replaced and/or moved to an empty Lot without the Owner first submitting plans to the Committee.

5.04 Facilities of Mobile Home.

Each mobile home placed on a Lot will have complete sanitary facilities, including, without limitation, lavatory, toilet, shower or tub, washbasin, kitchen sink, and must be connected to sewage outlets in conformity with state and local health requirements. No one may occupy the home until approved by the Architectural and Grounds Committee.

5.05 Approval Needed.

No building, addition, accessory, fence, or other structure or Improvement will be commenced, erected, nor will any addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, location, and approximate cost of such structure or Improvement have been submitted to and approved in writing by the Architectural & Grounds Committee.

5.06 Grading of Lot.

The grade of any Lot or part of any Lot in the Project will not be changed without the prior written consent of the Architectural & Grounds Committee.

5.07 Utility Easements.

Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded map or plat over the rear and side of each Lot and parcel of land. Within these

easement areas, no structure, planting, or other material will be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities. The easement areas of each Lot and parcel of land and all improvements in it will be maintained continuously by the owner of said Lot and parcel of land.

5.08 Mobile Homes.

Not more than one mobile home will be placed on each Lot.

5.09 Landscaping.

The minimum acceptable amount of landscaping as determined by the Architectural & Grounds Committee and set forth by said Committee in the Architectural & Landscape Guidelines will be completed on each Lot within a period of two (2) months from the time the mobile home is moved onto the Lot.

AMENDMENT TO THE DECLARATION OF RESTRICTIONS

ARTICLE VI

COOPERATIVE AGREEMENT BETWEEN THE DESERT CREST COUNTRY CLUB AND THE DESERT CREST COMMUNITY ASSOCIATION

6.01 Community Areas

The Community Areas (also referred to as Amenities) of Desert Crest Country Club, (Club) are as follows: all walkways, easements and all other areas now or hereafter designated by the Club as Community Areas, and all pools, recreational and functional buildings, structures, facilities, landscaping, or other improvements thereon, including but not limited to the golf course, clubhouse, and improvements located upon Lots 1, 283 and 284 of Tract No. 2431, as shown in Book No. 46, pages 48 - 52 of Maps, Records of the Riverside County Recorder. All amendments to this article shall be evidenced by a writing recorded in the County of Riverside, entitled "Amendments to the Declaration of Restrictions".

6.02 Maintenance Requirements

The Club will maintain and care for such Community Areas, including but not limited, to the improvements, furnishings, equipment and landscaping, and will install and maintain such improvements, plantings, and landscaping after counsel with the Desert Crest Community Association Board of Directors (Board), and in compliance with the standards articulated in Section 6.07 below.

6.03 Payment of Dues and Fees

Each owner by acceptance of the deed to the Owner's lot/parcel is deemed to covenant and agree to pay to the Club, or its successor in interest, the Club dues duly levied by the Club pursuant to this Article. Such Club dues, transfer fees, late charges, and reasonable costs of collection and interest, as assessed by the Club in accordance with this section, will also be a personal debt of the Owner at the time that the dues and other charges are levied. The assessment of late charges, costs of collection, and interest will be in accordance with the Collection Policy of the Club that will be separately provided to each Owner by the Club.

Any changes the Club makes to said policy are subject to notice and review as set forth in Section 6.14. The Owner may not waive, opt out of, or otherwise escape liability for these assessments by nonuse of the Community Areas or any of its facilities or improvements, or nonuse or abandonment of the Owner's lot.

6.04 Method of Calculating Monthly Dues

Club dues levied by the Club will be calculated as follows: \$922.67 per year or \$76.89 per month per residential Lot for the year 2001 - 2002. The dues may be paid annually or monthly at the homeowner's option. The Club will change the amount of such Club dues in accordance with the change, if any, in the Consumer Price Index - All Urban Consumers, not seasonally adjusted, for Los Angeles, Riverside and Orange Counties of California, published by the United States Department of Labor Bureau of Labor Statistics, for the year beginning August 1 and ending July

31 of the following year by using the "12 Months Percent Change" as indicated for the month of July. Said change will be effective at the beginning of the next quarter (November 1). In the event the Club finds it necessary to change the then-current date upon which Club dues are to be paid, it will consult with the Board, and obtain its consent, no less than 90 days before any change in such due date.

6.05 Lien and Foreclosure Procedure

Any and all charges made by the Club as set forth in this Article, at the time of the assessment provided herein, constitute a lien on the Lot against which the lien is made, and will be payable within ten (10) days after such a charge is made. The Club will be entitled to enforce its rights hereunder by following the procedure provided for the enforcement of Mechanics and Materialman's Liens in the State of California. Any foreclosure will be by Judicial Proceedings. Any claim against the Club will not constitute a defense or offset any action by the Club for nonpayment of any amounts that may be assessed hereunder. This paragraph will constitute a request by each Lot Owner for the Club to perform the obligations imposed on it hereunder.

6.06 Membership Badges

Upon purchasing their Lot/Parcel, Owners who meet the 55+ compliance regulations will be issued Badges as follows:

- (a) Any Owner in good standing (that is, who is not in violation of any of the Declaration of Restriction provisions or Association-generated Rules and Regulations, shall receive, from the Club, two (2) Orange (Owner) badges bearing such Owner's name, and two (2) Green (guest) badges with the Owner's name;
- (b) If such Owner has a spouse/cohabitant, one of the Orange badges may be imprinted with that person's name;
- (c) If such Owner has no spouse or cohabitant, the second Orange badge shall be marked "Guest" along with Owners name;
- (d) A Orange badge entitles the bearer to free golf, and the use of all other Club facilities. A Green badge entitles the bearer to use all Club facilities excerpt that it shall not entitle the bearer to free use of the golf course.
- (e) For Lots/Parcels owned by a corporation, partnership, trust or other legal entity, such entity shall designate the names of the two (2) natural persons whose names shall be affixed to the Orange badges and the Green (guest) badges.
- (f) Owners of record of more than one Lot/Parcel shall be entitled to two (2) Orange and two (2) Green Badges for each Lot/Parcel owned. The Orange badge shall contain the word "Tenant" with the Owners name. The Green Badges would be labeled "Guest" with the Owners name;
- (g) All badges, including Green "Guest" badges, must bear a name, so Members and Club employees know whom the guests are visiting. The Club is responsible for ensuring that only authorized persons use the Community Areas/club facilities (see Section 6.08 for golf qualifications);
- (h) The Club, with Association approval, shall have the right to vary, by published rule, the color, usage, or type of badges, provided, however, that any change concerning the number of badges issued per Lot and the type of amenities which may be used in

conjunction with a particular type of badge, may be made only by amendment to this Article, as provided in Section 6.18 below.

- (i) Persons entitled to use Green Guest badges must satisfy the following requirements:
 - i. A guest is defined as a person who is not a resident of the community, but visits or stays with a Qualified Owner/Renter who resides on the property.
 - ii. No Guest who does not meet the age restrictions for residents set forth in Article VI may stay no longer than 60 days in any calendar year;
 - iii. A Guest who meets the age restrictions for residents who stays longer than 60 days must qualify for residency by submitting an "Age and Status Verification Form" and must receive written approval for residency from the "Association and for Club use from the Club.
- (j) Guest badges may not be sold, rented, or given for usage of the amenities to persons who are not actually the guests of Desert Crest Owners, and who do not qualify for use of Guest badges as set forth above;
- (k) Badges are the property of Desert Crest Country Club and must be returned to the Club upon sale or transfer of title to a Lot/Parcel in the Association.
- (l) The Club reserves the right to suspend the privilege of any owner to use the Community Areas upon the failure of such owner to pay his or her Club dues as levied by the Club in accordance with this Article. The procedure for suspension of the privilege to use the Community Areas will be in accordance with the *Collection Policy* of the Club after due process of allowing the owner and/or their representative to present his/her case to Club Management. Also, serious or repeated violations of the Rules and Regulations for the Community Areas may result in suspension of Club privileges. Upon report of a violation, the Club will notice the violating Owner to a hearing; Club will also notice the Board of the Association, which may attend the hearing, should it so desire. However, the suspension of privileges to use the Community Areas will not relieve any Owner of his/her obligation to pay dues to the Club.

6.07 Club Responsibilities

Club dues as provided in this Article will be payable, and the lien authorized will attach, only on the following conditions:

(a) That the Community Areas provided by the Club are operated on a year-round basis including golf course and pools. On Thanksgiving and Christmas Days the game room, library, and pools will be open for only eight (8) hours. All Club facilities will be well maintained, clean, and safe, according to generally accepted standards within the Country Club industry in the Coachella Valley, California and shall meet all applicable laws governing the amenities in our Club. The amenities will be subject to reasonable interruptions of service for repair, maintenance and other justifiable purposes. Scheduled maintenance will be performed by licensed, insured and competent workmen in a manner to allow continued use of portions of the Club's facilities not affected and completed as rapidly as economically feasible. The Board must be notified of any planned interruptions of service, no less than ten (10) days in advance of any such planned event. The Club agrees to maintain year-round operation of the Clubhouse and other Community Areas. Minimum continuous hours of operation are 6:30 A.M. to 11 P.M., 7 days a week. The Board and the Club must jointly agree to changes in hours of operation. In the event a

- system is devised whereby the Members can use the Club/pool facilities on a twenty-four (24) hour basis, the Board may negotiate with the Club for a longer schedule of operation.
- (b) Only Association Members/Property Owners can hold Club Memberships. A Club Membership is defined as a membership that gives the Member, Guest or renter the exclusive right to use all the Community Areas and the amenities thereon (including visiting instructors). The Club Owners shall be allowed to use the Community Areas in concert with regular Members as long as there is no reduction in hours of operation for regular Members. The Club Owners shall follow the same published rules and regulations that exist for all Members. Club Owners may also arrange one group function held quarterly after notifying the Board at least thirty (30) days prior to the event. The hall may be rented to non-members, depending on availability (priority going to Members first). If the hall is rented to non-Members, the Club will furnish a licensed Security Guard at the Club's sole expense to ensure the safety of Members using the facilities.

6.08 Inclusion of Golf in the Club Dues

Effective November 1, 2002, golf will be included without additional charge for all Lots in good standing (all Club dues current). Each Lot/Parcel will be entitled to two (2) Memberships (golf privileges are allocated strictly by Lot/Parcel); one round (18 holes) per day per Membership will be allowed. Additional play is permitted depending on course availability; however, on this additional play Members will not have priority over any other players.

- (a) All Orange Badges and Pink Renter's Badges (see Section 6.18 below for discussion of Pink Renter's badges) are valid for playing golf without an additional fee, except they may not be used by a suspended Member or by renters who are renting a Lot/Parcel as to which Club/Association dues, fines or assessments are not paid in full.
- (b) So long as the mandatory Club dues provisions set forth in this Article remain in place, the Club agrees to provide golf to its Members as part of the regular Club dues, under the terms set forth herein.
 - (1) The Association and the Club are prohibited from deleting, amending, or altering the Club Dues Assessment provisions in any fashion without first obtaining the written approval of both parties, in accordance with Section 6.18.

6.09 Golf Priority Scheduling for Members

The Club will maintain a policy of priority scheduling on its golf course in favor of the residents within the Project for the following groups: Association Members, Guests, and registered lessees (renters). The aforementioned groups will have priority over the public as to tee times on their first 18 holes. Additionally, the golf course will allocate one-half day each for the Men's, Ladies, and Mixed Doubles, sanctioned golf organizations (clubs), (and) including the monthly play of "Jack & Jill." At those times, other players are to clear the course. It will be the responsibility of the Club to enforce Member priority.

6.10 Golf Sign-In

All golfers must sign-in at the starter kiosk and tee off at number one tee unless there is a shotgun start.

6.11 Interview of Lot Purchasers

All new Lot purchasers must be interviewed by Club and Association at the Clubhouse (or in another location if mutually agreed upon by both Club and Association) within fifteen (15) days after the closing of escrow, or transfer of title and that no right to use the Community Areas will accrue until the interview is completed and appropriate Badges are issued. The interview shall be conducted by one Member of the Association's Interview Committee, and one member of the Club. Purchasers must fill out and sign the appropriate documents, including their acknowledgment of mandatory Association Assessments and uniform transfer fees, and mandatory Club dues and uniform transfer fees. Failure of the Lot Owner to meet and prepare necessary forms and obtain approval of the Club and Association within fifteen (15) days of close of escrow or transfer of title, may subject the Lot Owner to disciplinary action as outlined in Article IX of this document. Each new Member will be given a copy of the Club's Rules and Regulations, and its Collection Policy and the Association will provide the CC&R's, the Association Bylaws, its Rules and Regulations, and the Membership Directory at the conclusion of a successful interview.

6.12 Transfer Documents

Before a Member purchases a Lot/Parcel in addition to his/her principal residence (Lot/Parcel), the purchaser must sign transfer documents prior to closing, including their acknowledgment of mandatory Association Assessments and uniform Transfer Fees, and mandatory Club dues and uniform Transfer Fees attaching to that Lot. The Club will provide its Rules and Regulations and its Collection Policy. The Association will provide the CC&R's, the Association Bylaws, its Rules and Regulations, and the Membership Directory.

6.13 Association's Tenant Agreement

All Owners of a Lot/Parcel which is rented must have their lessees/renters sign an "Association Tenant's Agreement" form and have each Member of the renting party who will be residing at the address, fill out the Association's "Age and Status Report Form for Renters" and submit to the Membership Committee for approval prior to allowing persons to take possession of the property. Said forms will provide proof of compliance with the age restrictions of a Senior Housing Development and agree to abide by all Association and Club Rules and Regulations. The Association will make said agreements available to landlords upon request. The landlord must provide a copy of completed Tenant's Agreements form to the Association and the Club.

- (a) Lessees/renters must register with the Club, and obtain Pink Badges from the Club, or use of Owner's Orange Tenant's badges (see Article 6.06 (c)) before having access to, or using any and all of the Community Areas.
- (b) If a resident-owner decides to rent his/her Lot, the following procedure will be used: The resident-owner will return to the Club his/her two (2) Orange Owner's Badges, as a pledge for the future return of Club-issued Pink Renter Badges. The Owner will provide the previously issued two (2) Green Guest Badges to the renters, which Green Badges will allow for use of all Community Areas other than free use of the golf course. The Club will issue two (2) Pink Renter Badges that will allow the use of all Community Areas, including the free use of the golf course. The Club will not require payment of any fees or require any deposits since the Owner(s) has pledged their Orange Badges as security for the return of the Pink Badges. The Lot Owner will be responsible for returning the Pink

- Badges when redeeming the Orange badges and if the Pink Badges are not returned, will be liable for any costs incurred by the Club.
- (c) Renters are not allowed to use Green Badges in lieu of obtaining Pink Renters Badges. However, authorized renters are allowed two Green Guest Badges to be utilized by their Guests as described in Article 6.06 (f) above.
- (d) All past dues, fees, and assessments must be current for the Association and Club prior to issuing Badges to renters for the subject property.
- (e) Owners of any Lot/Parcel that rents/leases or allows anyone to live in that Owner's home who does not comply with the 55+ regulations shall be subject to a fine as outlined in the Rules and Regulations of the Association. In addition, all costs incurred by the Association to bring the residence into compliance with the 55+ regulations (including attorney's fees and court costs) shall be paid by the Owner of the property.

6.14 Rules and Regulations

All Rules and Regulations imposed on Members by the Club must be substantially similar to those common to Country Clubs within the Coachella Valley, California area. The Club will solicit concurrence of the Board of any proposed changes in the Club's Rules and Regulations and/or Collections Policies at least ten (10) days' prior to same being implemented.

6.15 Target Standards for Club Maintenance of Pools.

Depending on local health and safety regulations and reasonable interruptions for repair and maintenance, the Club will use its best efforts to maintain the three (3) spas at the following target temperatures: "indoor" spa, 104 degrees, "shower" spa 102 degrees, the "East" spa 100 degrees. The swimming pool will be maintained at 90 degrees. These temperatures may vary from time to time, depending on high winds, rain, availability of hot water from the aquifer, and other events beyond the Club's control. However, if these target standards cannot be maintained on a consistent basis, Club owner must take action to supply hot mineral water for these facilities from an alternate reliable source. Failure by Club Owner on a routine basis to provide water which complies with these target standards is a breach of this Article.

6.16 Combining Contiguous Lots

By writing to the Board and Club, and receiving the written approval of the Board, an Owner may combine two side-by-side contiguous lots into one *Parcel* per requirements of Riverside County. All Lots, previously combined prior to County requirements being established, will be considered Grandfathered. Only one home may be placed on such combined Lot/Parcel, and such home must comply with all applicable County and State laws and regulations. Thereafter, said property will be treated as one Lot/ Parcel for the purposes of assessing the Club Dues and Association Assessments. At a later date, by compliance with the provisions of these Declarations, said Lots/Parcels may be returned to their original state in writing by the Owner filed with the Board, and approved by Riverside County, which will become effective when the physical condition of the Lots/Parcels fully complies with this Declaration. The Board will immediately notify the Club of any such change of Lot/Parcel status. In no case is it permitted to combine more than two contiguous Lots/Parcels as set forth in this paragraph.

LEFT BLANK FOR INSERTING SECTIONS 6.17-6.19 ALSO CONTAINS SIGNATURES

Certification page

Notarized with signatures of President and Sec/Treas

Notarized California All Purpose acknowledgment

ARTICLE VII

USE OF LOTS, ETC.

7.01 The Project is a Senior Housing Development.

Each Lot must be occupied by at least one (1) Senior Citizen. Each other resident of a Lot will be a Qualified Permanent Resident, or a Permitted Health Care Resident, during the period that such Permitted Health Care Resident is actually providing live-in, long-term, or hospice health care to a Senior Citizen for compensation. Upon the death or dissolution of marriage, or upon hospitalization, or other prolonged absence of the Senior Citizen, a Qualified Permanent Resident may continue his or her occupancy, residency, or use of the Lot as a permitted resident. Temporary residency by any person who is not a Senior Citizen, Qualified Permanent Resident or Permitted Health Care Resident will be allowed for periods of time not to exceed sixty (60) days in any year. In the event of a conflict between this Section and the provisions of the <u>Federal Housing Amendments Act of 1988</u>, and/or <u>California Civil Code</u> §51.11 et seq., or any subsequent modification or revision of these or other pertinent laws and regulations, the provisions of the prevailing statute will control. (See Articles 1.20 and 1.22)

7.02 Rules and Regulations.

The Board of Directors will have the right to formulate rules and regulations that it deems in its sole discretion to be in the best interests of its Members. Prior to adopting such rules and regulations, the Board is encouraged but not required to seek input on the same from Members. Any change in the rules that affects the general Membership will be disclosed at a regular or special meeting of the Board. Examples of rules and regulations include, but are not limited to, Architectural & Landscape Guidelines, minimum standards for Lots, prohibitions and limitation of posted signs, regulation of noxious activities, rules concerning pets, fines and penalties, and acceptable home business activities permissible in the Project. These rules and regulations will be in writing and provided to all Members.

7.03 Antennas and Similar Devices.

Subject to any applicable federal, state or local statute, rule or ordinance, no Owner, resident or lessee shall, at his expense or otherwise, place or maintain any objects, such as masts, towers, poles, wiring, television and radio antennas, or television satellite reception dishes in excess of thirty-six inches (36") on or about any Lot or the exterior of any coach or mobile home within the Project, without the prior written approval of the Architectural Committee.

(a) EXCEPTION TO AND IN COMPLIANCE WITH THE GENERAL RULE

The designated Emergency Communications Coordinator ("E.C.C.") who works in conjunction with local and regional offices of the Radio Amateur Emergency Service is granted authority to install and maintain such devices necessary to efficiently perform those duties, only Federally licensed Radio Amateur Operators are qualified to hold the position of E.C.C.

7.04 Use of Lots.

No Lot shall be owned by anyone who is not duly qualified member of the Association, or its successor or successors, the Association being a nonprofit association of owners of property subject to this Declaration, incorporated under the laws of the State of California, and organized for the purpose of carrying out and enforcing provisions of this Declaration. Persons other than members of the Association may be permitted in accordance with duly adopted Bylaws, rules and regulations of the Association to use or occupy residential property in the Project; providing that any person permitted to use or occupy said property shall be bound by all the provisions of this Declaration and all Governing Documents of the Association, as the latter may be enacted, amended and repealed from time to time by the members of the Association, it being further provided that prior to any such use, the name of said person or persons then not members of the Association shall first be approved by the Association and meet at least one of the requirements for a Senior Development as defined in Article1.18, 1.20, 1.22 and 7.01.

7.05 Residential Use.

All Lots within the Project shall be used solely for Residential Use as defined in Article 1.21 hereof, except Lots 1, 283, and 284 of Tract 2431 of which will be used for Community Recreation Area. In no event shall more individuals than permitted by applicable law, zoning or other local governmental regulation occupy a Lot. An exception will be made to the forgoing in the case of a "Home Business" as outlined in Article 7.06.

7.06 Business Activities.

No business or commercial activities of any kind whatsoever shall be conducted in any Residence or on any portion of any Lot, provided that the foregoing restriction shall not apply to the activities, signs or activities of the Association in the discharge of its responsibilities under the Governing Documents. An exception to this is a "Home Business" that has minimal or no foot traffic, and such business to have absolutely no signage, or signs of business of business activity, visible from outside identifying it in any way as a business. No restrictions contained in this Section shall be construed in such a manner so as to prohibit any Owner from (a) maintaining his or her personal library in their residence, (b) keeping his or her personal business records or accounts therein, (c) handling his or her personal or professional telephone calls or correspondence there from, (d) leasing or renting his or her Residence in accordance with Article 2.03 of the Declarations of Restrictions, or (e) conducting any other activities on the Owner's Lot otherwise compatible

7.07 Vehicle Restrictions.

Boats, trailers, trucks, motor homes, RVs may be parked or stored within the Project as long as all such vehicles, etc. comply with all Association's Rules and Regulations and applicable governmental laws, until such time as the Club provides an area for such parking and storage. If and when such an area is provided, all aforementioned vehicles, trailers, etc. must be parked or stored in said area. This restriction does not apply to pickup trucks. A special exception is made to the foregoing for vehicle storage on an Owner's Lot that is completely enclosed. Such enclosed storage areas will be permitted now and after the Club provides a parking and storage area. No more than two automobiles will be stored on a Lot without the prior written consent of the Association.

7.08 Parking Requirements.

Each lot will maintain a minimum of two (2) off street paved parking spaces. Spaces may be tandem. There remain several lots that were developed prior to the county ordinance that required pavement. These may be maintained until transfer of ownership, provided at which time paving must take place. All vehicles must be parked in areas specifically designed for parking that meet requirements of Article 7.10. No parking of any vehicles in rocked, grass, or landscaped areas will be allowed.

7.09 Driveway Maintenance.

All driveways shall be maintained. Asphalt drives shall have all potholes filled and re-surfaced when required.

7.10 Driveway Specification.

All new driveways will be concrete, asphaltic concrete, brick or equivalent as required by Riverside County Ordinance 348, Section 18.12.

7.11 Jurisdiction of Streets.

All streets in Desert Crest are in the jurisdiction of Riverside County. All State and County laws apply to parking and travel within the subdivision.

7.12 Inoperable Vehicles.

No inoperable vehicles may park on any street for more than seventy-two (72) hours. An unlicensed vehicle may not be parked on any lot, which is visible from the street, or any other lot.

7.13 Vehicle Disturbance.

Any motor vehicle, including but not limited to automobiles, trucks, motorcycles, motor scooters, motor- bikes, and/or mini-bikes, which disturbs the quiet enjoyment of the residents shall be prohibited from use within Desert Crest.

7.14 Golf Carts.

All golf carts and bicycles must obey traffic laws. No inoperable or unused golf cart may be stored on any lot that is visible from the street.

7.15 Signs.

No advertising signs shall be displayed on any Lot or posted within or upon any of the Project except that an Owner may post on his or her Lot a single "For Rent" or "For Sale" sign of reasonable dimensions and appearance as stated in the Association Rules. Election signs supporting candidates and measures may be posted twenty (20) days prior to an election and taken down immediately following the election. Seasonal signs celebrating (Christmas, Hanukah, New Years, etc.) are excepted and shall be removed following the holiday.

7.16 Drilling and Other Operations.

No drilling, refining, quarrying or mining operations of any kind shall be permitted on any Lot.

7.17 Prohibition of Noxious Activities.

No illegal, noxious or offensive activities shall be carried out or conducted upon any Lot or in the Project, nor shall anything be done within the Project that is or could become an unreasonable annoyance or nuisance to neighboring property Owners. Without limiting the foregoing, no Owner shall permit noise, including but not limited to barking dogs, the operation of excessively noisy air conditioners, stereo amplifier systems, television systems, motor vehicles or power tools, to emanate from an Owner's Lot or from activities within the Project, which would unreasonably disturb any other Owner's or tenant's enjoyment of his or her Lot or the Project.

7.18 Temporary Structures.

No structure of a temporary character, trailer, camper, tent, shack, garage or other outbuilding shall be used on any Lot at any time as a Residence, either temporarily or permanently.

7.19 Animals.

No animals, livestock or poultry of any kind, shall be raised, bred or kept on the Project for commercial purposes. Only two (2) small, indoor household pets may be kept or maintained on a Lot, and shall be kept on a leash whenever outside the Owner's coach or off the Owner's Lot. Notwithstanding the foregoing, no animals or fowl may be kept in the Project which result in an annoyance, a danger to, or are obnoxious to residents in the vicinity, or which are left unattended. The Board shall have discretion to determine whether a pet constitutes a nuisance and, if such a determination is made, then the Board shall be authorized to order removal of the pet on three (3) days' written notice to the pet owner and/or the Owner of the Lot where the pet is kept.

7.20 Garbage.

No rubbish, trash or garbage shall be allowed to accumulate on any Lot, and any rubbish, trash or garbage stored temporarily shall be stored in covered sanitary containers. Any extraordinary accumulation of rubbish, trash, garbage or debris (such as debris generated upon vacating of premises or during the construction of modifications and Improvements) shall be removed from the Project to a public dump or trash collection area by the Owner or tenant at his or her expense. The Association shall be entitled to impose reasonable fines and penalties for the collection of garbage and refuse disposed in a manner inconsistent with this Article.

7.21 Storage.

Storage of personal property on any Lot shall be entirely within enclosed storage areas. There shall be no woodpiles, construction material, and storage of other property that is unsightly that is visible from the street, Community areas, or adjoining property.

7.22 Clotheslines.

No exterior clothesline shall be erected or maintained and there shall be no drying or laundering of clothes on any Lot in a manner that is visible from any neighboring Lot.

7.23 Burning.

There shall be no exterior fires whatsoever on any residential lot except barbecues, fireplaces, and other receptacles designed for such purpose. No Owner or resident shall permit any condition to exist on his or her Lot, including, without limitation, trash piles or weeds, which create a fire hazard or is in violation of local fire regulations.

7.24 Diseases and Pests.

No Owner shall permit any thing or condition to exist on his or her Lot, which shall induce, breeds, or harbor infectious plant diseases, rodents or noxious insects.

7.25 Restriction on Further Subdivision and Severability.

No Lot shall be further subdivided, nor shall less than all of any such Lot be conveyed by an Owner thereof and no Owner of a Lot within the Project shall be entitled to sever his or her Lot from the Project or from the conditions, limitations, easements, covenants, restrictions and charges of this Declaration. Provided, however, that by election in writing, a Lot Owner may buy more than one Lot and combine the Lots into one parcel. Thereafter, such Lots shall be treated, as one Lot for the purposes of these restrictions. At a later date, such Lots may be returned to their original state by election in writing by the Owner, filed with the Association, which shall become effective when the

physical condition of the Lots complies with the requirements of the Association and Riverside County. (See Article 1.17)

ARTICLE VIII

INSURANCE

8.01 Insurance Requirement.

The Association will purchase, obtain and maintain, with the premiums being paid out of Common Funds, directors and officers liability insurance, if, and to the extent that, such insurance is available at a reasonable premium cost.

8.02 Board Requirement for Notification.

In the event any insurance policy, or any endorsement thereof, is for any reason not available, then the Association will obtain such other, or substitute, policy or endorsement as may be available, which provides, as nearly as possible, the coverage described above. The Board will notify the Owners of any material adverse changes in the Association's insurance coverage.

8.03 Policy Inspection Rights.

Copies of all insurance policies (or certificates thereof showing the premiums thereon have been paid) will be retained by the Association and will be available for inspection by Owners at any reasonable time.

ARTICLE IX

BREACH & DEFAULT

9.01 Remedy at Law Inadequate.

Except for the nonpayment of any Assessment, it is hereby expressly declared and agreed that the remedy of damages for the breach or violation of any of the covenants, conditions or restrictions in the Declaration is an inadequate remedy and that any violation of the Declaration by any Owner, tenant, occupant or user of any Lot may be enjoined by appropriate legal proceedings instituted by any Owner or the Association or by their respective successors in interest.

9.02 Nuisance.

Without limiting the generality of the foregoing Article 9.01, the result of every act or omission whereby any covenant contained in this Declaration is violated in whole or in part is hereby declared to be a nuisance, and every remedy against nuisance, either public or private, will be applicable against every such act or omission.

9.03 Costs and Attorneys' Fees.

In any action brought because of any alleged breach or default of any Owner or other party hereto under this Declaration, the court may award to any party in any such action such attorneys' fees and other costs, as the court deems just and reasonable.

9.04 Cumulative Remedies.

The respective rights and remedies provided by this Declaration or by law will be cumulative, and the exercise of any one or more of such rights or remedies will not preclude or affect the exercise, at the same or at different times, of any other such rights or remedies for the same or any different default or breach or for the same or any different failure of any Owner or others to perform or observe any provision of this Declaration.

9.05 Failure Not a Waiver.

The failure of any Owner, the Board of Directors, the Association or its officers or agents to enforce any of the covenants, conditions, restrictions, limitations, reservations, rights, rights-of-way, liens, charges or equitable servitudes contained in this Declaration will not constitute a waiver of the right to enforce the same thereafter, nor will such failure result in or impose any liability upon the Association or the Board, or any of its officers or agents.

9.06 Rights and Remedies of the Association.

(a) Rights Generally.

In the event of a breach or violation of any Association Rule or of any of the restrictions contained in any Governing Document by an Owner, his or her family, or the Owner's guests, employees, invitees, licensees, or tenants, the Board, for and on behalf of all other Owners, may enforce the obligations of each Owner to obey such Rules, covenants, or restrictions through the use of such remedies as are deemed appropriate by the Board and available in law or in equity, including but not limited to the hiring of legal counsel, the imposition of fines and monetary penalties, the pursuit of legal action or suspension of the Owner's voting rights as a Member of the Association; provided that the Association's right to undertake

disciplinary action against its Members will be subject to the conditions set forth in this Article 9.06.

The decision of whether it is appropriate or necessary for the Association to initiate enforcement or disciplinary action in any particular instance will be within the sole discretion of the Association's Board or its duly authorized enforcement committee.

(b) Schedule of Fines.

The Board may implement a schedule of reasonable fines and penalties for particular offenses that are common or recurring in nature and for which a uniform fine schedule is appropriate.

(c) Definition of "Violation".

A violation of the Governing Documents is defined as a single act or omission occurring on a single day. If the detrimental effect of a violation continues for additional days, discipline imposed by the Board may include one component for the violation and, according to the Board's discretion, a per diem component for so long as the detrimental effect continues. Similar violations on different days will justify cumulative imposition of disciplinary measures. The Association will take reasonable and prompt action to repair or avoid the continuing damaging effects of a violation or nuisance occurring within the Project at the cost of the responsible Owner.

(d) Hearings.

No penalty or temporary suspension of rights will be imposed pursuant to this Article unless the Owner alleged to be in violation is given at least 15 days prior written notice of the proposed penalty or temporary suspension and is given an opportunity to be heard before an appropriate committee established by the Board with respect to the alleged violation(s) at a hearing conducted at least 5 days before the effective date of the proposed disciplinary action. The Owner alleged to be in violation may request either an open (any interested Member can attend) or closed meeting of the Board. If no such request is made to the Board, the meeting will be deemed to be closed.

(e) Notices.

Any notice required by this Article will, at a minimum, set forth the date and time for the hearing, a brief description of the action or inaction constituting the alleged violation of the Governing Documents, a reference to the specific Governing Document provision alleged to have been violated, and a statement that the Member will be entitled to attend and address the Board at the hearing. The notice will be in writing and may be given by any method reasonably calculated to give actual notice, provided that if notice is given by mail it will be sent by first-class or certified mail sent to the last address of the Member shown on the records of the Association. If the Board imposes discipline on the Member, the Board will provide the Member with a written notification of the disciplinary action, by either personal delivery or first-class mail, within 15 days following the action.

(f) Rules Regarding Disciplinary Proceedings.

The Board will be entitled to adopt rules that further elaborate and refine the procedures for conducting disciplinary proceedings. Such rules, when approved and adopted by the Board, will become a part of the Association Rules.

ARTICLE X

NOTICES

10.1 Mailing Addresses.

Any communication or notice of any kind permitted or required herein will be in writing and may be served, as an alternative to personal service, by mailing the same as follows: (i) If to any Owner: To the street address of his or her Lot or to such other address as he or she may from time to time designate in writing to the Association. (ii) If to the Association: Desert Crest Community Association, Inc. at the principal office of the Association (or to such other address as the Association may from time to time designate in writing to the Owners).

10.2 Personal Service Upon Co Owners and Others.

Personal service of a notice or demand to one of the co Owners of any Lot, to any general partner of a partnership which is the Owner of Record of the Lot, or to any officer or agent for service of process of a corporation which is the Owner of Record of the Lot, will be deemed delivered to all such co owners, to such partnership, or to such corporation, as the case may be.

10.3 Deposit in United States Mails.

All notices and demands served by mail will be by first-class or certified mail, with postage prepaid, and will be deemed delivered four days after deposit in the United States mail in Riverside County, California.

ARTICLE XI

AMENDMENT OF THE DECLARATIONS

11.01 Amendment in General.

This Declaration may be amended in whole or in part by the vote or assent by written ballot of the majority of Members entitled to vote (as set forth in Article 1.15 and 9.06 a) and constituting at least 50% plus 1 votes of the Members. In the special case of Articles VI, this Article is a cooperative agreement between the Association and the Club, and as such, the Club, prior to any such amendment taking effect, must also approve any amendment to Articles VI.

11.02 Effective Date of Amendment...

The amendment will be effective upon the recording in the Office of the Recorder of Riverside County a Certificate of Amendment, duly executed and certified by the president and secretary of the Association setting forth in full the amendment so approved and that the approval requirements of Article 11.01, above, have been duly met. Notwithstanding anything to the contrary herein contained, no such amendment will affect the rights of the holder of any first deed of trust or mortgage recorded prior to the recording of such amendment.

11.03 Reliance on Amendments.

Any amendments made in accordance with the terms of this Declaration will be presumed valid by anyone relying on them in good faith.

11.04 Term.

The covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of- way, liens, charges and equitable servitudes contained in this Declaration shall run with, and shall benefit and burden the real property described in this Declaration, including the Lots and the common area, if any, as herein provided, and shall inure to the benefit of and be binding upon the Owners, the Association, its Board of Directors, and it officers and agents, and their respective successors in interest, for the term of 60 years from the date of the recording of this Declaration, after which time the same shall be automatically extended for successive periods of 10 years each unless, within 6 months prior to the expiration of the initial 60 year term or any such 10 year extension period, a recordable written instrument, approved by sixty-six and two-thirds percent (66 2/3%) of all Members terminating this Declaration shall be recorded with the County Recorder of Riverside County.

ARTICLE XII

GENERAL PROVISIONS

12.01 Construction of Declaration.

(a) Restrictions Construed Together.

All of the covenants, conditions, and restrictions of this Declaration will be liberally construed together to promote and effectuate the fundamental concepts of the development of the Project as set forth in the Recitals of this Declaration. Failure to enforce any provision hereof will not constitute a waiver of the right to enforce that provision in a subsequent application or any other provision hereof.

(b) Restrictions Severable.

Notwithstanding the provisions of subparagraph (a) above, the covenants, conditions and restrictions of this Declaration will be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof will not affect the validity or enforceability of any other provision.

(c) Singular Includes Plural.

The singular will include the plural and the plural the singular unless the context requires the contrary, and the masculine, feminine or neuter will each include the masculine, feminine and neuter, as the context requires.

(d) Captions.

All captions or titles used in this Declaration are intended solely for convenience of reference and will not affect the interpretation or application of that which is set forth in any of the terms or provisions of the Declaration.

(e) Exhibits.

All exhibits to which reference is made herein are deemed to be incorporated herein by reference, whether or not actually attached.

(f) Transfer Rights.

The Association will have the right to transfer to any other corporation, person or partnership, all of its rights and obligations hereunder, upon such transfer and the assumption of such obligations by the transferee, the Association will have no further obligations hereunder.

OFFICERS' CERTIFICATE

Each of the undersigned, President and Secretary of the Desert Crest Community Association, Inc., hereby certifies under penalty of perjury that the above Amended and Restated Declaration of Restrictions was approved by at least a majority of the Owners of Lots within Tract 2431, a majority of the Owners of Lots within Tract 3068 and a majority of the Owners of Lots within Tract 4064, evidence of which is on file in the office of the Association.

Dated:	, 2002		t Community Asso Nonprofit Mutual B		ation	
BY:	ALEC LE BRUN	, President				
	TRUDY NICKER	SON, Secretary	BY:			
	CALIFORNIA} F RIVERSIDE}	{SS.				
On	before	e me,		, po	ersonally	appeared.
person(s) wh he/she/they e	known to me - OR lose name(s) is/are sexecuted the same is on the instrument the instrument.	subscribed to th n his/her/their	e within instrumer authorized capacit	nt and acknowly (ies), and	owledged that by hi	to me that is/her/their
Witness my h	nand and official seal	l.				
(Signature of	`Notary)		(Seal)			

STATE OF CALIFORNI	,		
COUNTY OF RIVERSIE	(SS. DE)		
On	_ before me,		_, personally appeared
Personally known to me person(s) whose name(s) he/she/they executed the signature(s) on the instrument.	is/are subscribed to the same in his/her/their	ne within instrument and authorized capacity(ies),	acknowledged to me that and that by his/her/their
Witness my hand and offi	icial seal.		
(Signature of Notary)		(Seal)	