

RECORDED AT THE REQUEST OF:

WHEN RECORDED MAIL TO:

DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by _____
_____, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the County of Tuolumne, State of California, which is more particularly described as: Lot _____, I.O.O.F. Odd Fellows Sierra Camp Subdivision No. __, recorded in the Office of the County Recorder of Tuolumne County on the ____ day of _____, _____, in Book of Maps, Vol. _____, page _____, et seq.

NOW, THEREFORE, Declarant hereby declares that the Lot described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title, or interest in the described property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I. DEFINITIONS

Section 1.1. Association Defined. "Association" shall mean and refer to ODD FELLOWS SIERRA HOMEOWNERS' ASSOCIATION, its successors and assigns.

Section 1.2. Lot Defined. "Lot" shall mean and refer to the Lot described above and any such additional lots in I.O.O.F. Odd Fellows Sierra Camp Subdivision Nos. 1 and 2 which hereafter are brought within the jurisdiction of the Association.

Section 1.3. Owner Defined. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of the obligations.

Section 1.4. Properties Defined. "Properties" shall mean and refer to all lots in I.O.O.F. Odd Fellows Sierra Camp Subdivisions Nos. 1 and 2, the owners of which elect to be brought within

the jurisdiction of the Association by recording in the County of Tuolumne short form Covenants, Conditions, and Restrictions incorporating this Declaration by reference.

Section 1.5. Recreation Area Defined. "Recreation Area" shall mean all real property (including the improvements thereto), excluding Lots as herein defined, which the Association may acquire permission to use for recreational purposes by license, lease, or otherwise.

ARTICLE II. PROPERTY RIGHTS

Section 2.1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Recreation Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

a. The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Recreation Area.

b. The right of the Association upon the vote or written assent of a majority of the voting power of Members other than Declarant to suspend the voting rights and the right to use the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations after fulfilling the requirements of California Corporations Code section 7341 or its successor.

c. The right of Association to transfer, release, or relinquish all or any right it may have to the Recreation Area. No such transfer, release, or relinquishment shall be effective unless agreed to in writing by three-fourths (3/4) of the Members.

Section 2.2. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Recreation Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III. HOMEOWNERS' ASSOCIATION

Section 3.1. The Association. The Association is a nonprofit membership corporation, organized under the laws of the State of California, charged with the duties and invested with the powers prescribed by law and set forth herein, in the Articles of Incorporation, and in the Association Bylaws.

Section 3.2. Membership. Membership in the Association is automatically granted to the Owner or Owners of each Lot. Upon the transfer of title to any Lot, the membership of the transfer or automatically ceases and the new Owner or Owners become Members.

Section 3.3. Voting Rights. Each Member shall be entitled to one (1) vote for each Lot owned. When a Lot is owned by more than one (1) person, such persons shall decide among themselves how that Lot's vote is to be cast, but in no event shall more than one (1) vote be cast per Lot. The Owners may designate one (1) of the Owners to be the "Voting Member" who shall have the authority to cast any vote as such Owner sees fit: or they may decide by a majority vote among themselves how their Lot's vote is to be cast, but fractional votes shall not be allowed.

Section 3.4. Membership Meetings. Meetings of the Members shall be held and conducted as set forth in the Bylaws of the Association.

Section 3.5. General Powers and Authority. The Association shall have all the powers of a nonprofit mutual benefit corporation under California law, subject only to the limitations in this Declaration or in the other Governing Instruments of the Association. It may perform all acts which may be necessary for or incidental to the performance of the obligations and duties

imposed upon it by this Declaration or the other Governing Instruments. Its powers shall include, but are not limited to, the following:

a. Assessments. The Association shall have the power to establish, fix, and levy assessments against the Lot Owners in accordance with the procedures set out in Article IV of this Declaration and subject to the limitations therein.

b. Operating Rules. The Association shall have the power to adopt reasonable operating rules governing the use of the Recreation Area and any facilities located thereon, and of any other Association property. Such Rules may include, but are not limited to, reasonable restrictions on use by the Lot Owners and their guests, rules of conduct, and the setting of reasonable fees for the use of recreational facilities. A copy of the current Association Rules shall be given to each Lot Owner upon request.

c. Enforcement Power. The Association has the right to institute and maintain actions for damages or to restrain any actual or threatened breach of any of the provisions of this Declaration, the Articles, Bylaws, or Rules of the Association, in its own name and on its own behalf, or on the behalf of any consenting Lot Owner. It may enforce payment of assessments in accordance with the provisions of Article IV of this Declaration.

d. Discipline of Members. In addition to the general power of enforcement above, the Association may discipline its Members for violation of any of the provisions of the Governing Instruments or Association Rules by suspending the violator's voting rights, privileges for use of the Recreation Area, or by imposing monetary penalties for such violations, subject to the following limitations:

(1) The accused Member must be given an opportunity to be heard with respect to the alleged violation in accordance with the procedures of California Corporations Code section 7341 or its successor.

(2) Any suspension of a Member's Association privileges shall not exceed sixty (60) days for each violation.

(3) Any monetary penalty shall not exceed One Hundred Dollars (\$100) for each violation.

(4) Except under the provisions of Article IV of this Declaration, relating to foreclosure for failure to pay assessments, or as a result of the judgment of a court or a decision arising out of arbitration, the Association shall in no way abridge the right of any Owner to the full use and enjoyment of his Lot.

e. Right of Entry. The Association's agents or employees shall have the right to enter any Lot as necessary in connection with any maintenance, landscaping, or construction for which the Association is responsible. Such entry shall be made with as little inconvenience to the Lot Owner as is practicable, and any damage caused thereby shall be repaired by the Association at its own expense.

Section 3.6. Duties of the Association. In addition to the duties delegated to the Association or its agents and employees elsewhere in these Governing Instruments, the Association shall be responsible for the following:

a. Maintenance. The Association shall operate and maintain the Recreation Area and the facilities located thereon to the extent required by any license, lease, or other agreement by which it obtains an interest in the Recreation Area.

b. Acquisition of Vital Services and Insurance. The Association shall acquire and pay for the following:

- (1) Water, sewer, garbage, electrical, telephone, gas, road maintenance, and other necessary utility service to the extent not separately metered and charged, for the Lots;
- (2) A policy or policies of fire insurance with extended coverage endorsement for the full insurable replacement value of any Lot, building, or other property for which the Association is charged with maintenance and control.
- (3) A policy or policies insuring the Board of Directors and the Owners and/or Owners' Association against any liability to the public or to the Owners, their tenants and invitees, incident to the ownership and/or use of the Project, and including the personal liability exposure of the Owners. Limits of liability under such insurance shall not be less than One Hundred Thousand Dollars (\$100,000) for anyone person injured, Three Hundred Thousand Dollars (\$300,000) for anyone accident, and Fifty Thousand Dollars (\$50,000) for property damage. Such limits and coverage shall be reviewed at least annually by the Board of Directors and increased in its discretion. Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross-liability endorsement where the rights of named insureds under the policy or policies shall not be prejudiced as respects his, her, or their action against another named insured;
- (4) Workers' compensation insurance to the extent necessary to comply with any applicable laws;
- (5) The services of such personnel, including legal and accounting services, as necessary or proper for the operation of the duties of the Association.

Section 3.7. Board of Directors. The affairs of the Association shall be managed and its duties and obligations performed by an elected Board of Directors, as more particularly described in the Articles of Incorporation and Bylaws of the Association.

Section 3.8. Limitations. Notwithstanding the powers set out above or any provision of the Bylaws of the Association, the Board shall be prohibited from taking any of the following actions, except with the vote or written assent of a majority of the Members:

- a. Expenditures. Incurring aggregate expenditures for capital improvements in any fiscal year in excess of twenty-five percent (25%) of the budgeted gross expense of the Association for that fiscal year.
- b. Selling Property. Selling during any fiscal year property of the Association having an aggregate fair market value in excess of twenty-five percent (25%) of the budgeted gross expenses for the Association for that fiscal year.
- c. Compensation. Paying compensation to Directors or Officers of the Association for services rendered in the conduct of the Association's business, provided, however, that the Board may cause a Director or Officer to be reimbursed for expenses incurred in carrying out the business of the Association.

ARTICLE IV. COVENANT FOR MAINTENANCE ASSESSMENTS

Section 4.1. Creation of Lien and Personal Obligations of Assessments. The Declarant, for his Lot, hereby covenants, and each owner of any Lot for which an election is made to be brought within the jurisdiction of the Association is deemed to covenant, whether or not it shall be so expressed in any deed by which he acquires title to his Lot, to pay to the Association annual assessments or charges and special assessments for capital improvements, such assessments

to be established and collected as hereinafter provided. The annual and special assessments, together with interest costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 4.2. Purpose of Assessment. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners of the Properties, their families, and tenants.

Section 4.3. Maximum Annual Assessment. Until two (2) years from the date hereof, the maximum annual assessment shall be _____ Dollars (\$_____) per Lot. From and after that date, the maximum annual assessment may not be increased without a vote of the membership. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4.4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above. The Association may levy upon a vote of the membership, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of Association property or property with which it is charged with the responsibility of maintenance and control.

Section 4.5. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a yearly basis.

Section 4.6. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against his Lot. The Owner shall also be liable for, all costs incurred by the Association collecting any delinquent assessment, including reasonable attorneys' fees, whether or not legal action is initiated. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

Section 4.7. Subordination of Lien to First Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any purchase money mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V. GENERAL PROVISIONS

Section 5.1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 5.2. Severability. Invalidation of anyone of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 5.3. Amendment. This Declaration may be amended by the vote or written consent of seventy-five percent (75%) of the Members.

Section 5.4. Term. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, until the membership of the Association decides to terminate it.

Section 5.5. Early Termination. Notwithstanding the provisions of Section 5.4 hereof, the covenants and restrictions of this Declaration may be terminated by Declarant if less than fifty percent (50% of the owners or lots in I.O.O.F. Odd Fellows Sierra camp Subdivisions Nos. 1 and 2 do not elect to be brought within the jurisdiction of the Association within three (3) years of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this instrument this _____ day of _____, _____.

