

- (a) A Unit;
- (b) An undivided one eighteenth (1/18th) interest as tenant in common in the Common Area;
- (c) Non-exclusive easements rights as described in this Declaration;
- (d) Certain exclusive easement rights over the Common Area, defined hereinafter as Exclusive Use Common Areas;
- (e) A membership in the Association; and
- (f) A membership in the Master Association.

ARTICLE 3
THE ASSOCIATION

Section 3.1. General Duties and Powers: Subject to the limitations and restrictions enumerated in the Association Management Documents, including without limitation, the Article entitled "Mortgagee Protection" of the Declaration and the Article entitled "Powers, Duties and Limitations" of the Bylaws, the Association, through the Board, shall have the duty and obligation to manage and maintain the Property pursuant to the provisions of the Association Management Documents, and in the performance of such duties and obligations shall have all of the powers of a nonprofit mutual benefit corporation permitted by California statute as set forth in Corporations Code Section 7140, Code of Civil Procedure Section 374 and Civil Code Section 1363.

Such powers, duties and obligations are more particularly described elsewhere in the Association Management Documents but include, without limitation, the duty and obligation to manage and maintain real and personal property in which the Association holds an interest and to act as a managing agent for all of the Property, the power to borrow money and mortgage Association Property, dedicate or transfer all or any portion of the Association Property, establish special tax assessment districts, grant permits, licenses and easements on, over and under the Association Property, sell real or personal property belonging to the Association and enter upon any Residence as necessary in the event of any emergency involving illness, maintenance and repairs, or as may otherwise be necessary in the performance of such powers, duties and obligations.

The foregoing power of the Association shall include the right to join with the Declarant in the execution of any lot line adjustment and to accept title to additional prop-

Section 3.4. Membership: Every Owner of a Unit which is subject to assessment shall be a Member of the Association and a Member of the Master Association, and ownership of such Unit shall be the sole qualification for such Membership. The terms and provisions set forth in this Declaration, which are binding upon all Owners of all Units and all Members in the Association, are not exclusive, and the Member shall, in addition, be subject to the terms and provisions of the Articles of Incorporation and the Bylaws of the Association and of the Master Association as well as the Master Declaration. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment.

Section 3.5. Transfer: The membership held by any Owner shall not be transferred, pledged or alienated in any way, except that such membership shall automatically be transferred to the transferee of the interest of an Owner required for membership. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association. The Association shall have the right to record the transfer upon the books of the Association without any further action or consent by the transferring Owner.

Section 3.6. Delegation of Membership Rights: A Member who has leased or sold his Condominium to a contract purchaser under an agreement to purchase shall be entitled to delegate to such lessee or contract purchaser, as applicable, his membership rights in the Association and the Master Association. Such delegation shall be in writing and must be delivered to the Board before such lessee or contract purchaser may vote. However, the lessor or contract seller shall remain liable for all charges and Assessments attributable to his Condominium as long as such lessor or contract seller continues to be an Owner.

Section 3.7. Classes of Membership: The Association shall have two (2) classes of voting membership.

Class A: Class A Members shall be all Owners with the exception of the Declarant until the Class B membership has been converted to Class A membership, and after such conversion all Owners shall be Class A Members.

Class B: The Class B Member shall be Declarant. The Class B membership shall forever cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) the second anniversary of the original issuance of the most recently issued Final Subdivision Public Report for a Phase of the Development; or

(b) the fourth anniversary of the original issuance of the Final Subdivision Public Report for the First Phase of the Development.

Section 3.8. Voting Power: Class A Members shall be entitled to one (1) vote for each Condominium in which they hold the interest required for membership and the Class B Member shall be entitled to three (3) votes for each Condominium in which it holds the interest required for membership. When more than one person owns a portion of the interest in a Condominium required for membership, each such person shall be a Member and the vote for such Condominium shall be exercised as they among themselves determine, but in no event shall the total number of votes for each Condominium exceed the total number permitted for such Condominium as provided in this Section. The Association may, but shall not be obliged to, refuse to recognize the vote or written assent of any such co-Owner, except the vote or written assent of the co-Owner designated in a writing executed by all of such co-Owners and delivered to the Association.

Section 3.9. Voting Rights: All voting rights shall be subject to the restrictions and limitations provided in the Association Management Documents. A Member's right to vote shall vest immediately upon the date Regular Assessments are levied against the Condominium of such Member. Except as provided in the Article entitled "Enforcement of Bonded Obligations" of the Declaration, wherever a provision of the Association Management Documents requires the approval of Members other than Declarant, it shall be deemed to mean:

(a) as long as there is a Class B membership, the vote of the prescribed percentage of the total voting power of each class of membership; and

(b) after the Class B membership has been converted to Class A membership, the vote of the prescribed percentage of the total voting power of the Association as well as the vote of a prescribed percentage of the total voting power of Members other than Declarant.

Section 3.10. Approval of All Members: Unless elsewhere otherwise specifically provided in the Association Management Documents, any provision of the Association Management Documents which requires the vote or written consent of either the voting power of the Association or of Members other than Declarant shall be deemed satisfied by the following:

(a) the vote in person or by proxy of the specified percentage of all of the votes which are entitled

to be cast. Said vote shall be at a meeting duly called and noticed pursuant to the provisions of the Bylaws dealing with annual or special meetings of the Members; and

(b) written consents signed by the specified percentage of all of the votes which are entitled to be cast. Said vote by written consent shall be solicited pursuant to the procedures provided in the Bylaws.

Nothing in this Section or in any other provision of any of the Association Management Documents shall preclude Members from assenting to the amendment of any of the Association Management Documents by joining in the execution of, or attaching their written consent to, such amendment.

Section 3.11. Certificate Evidencing Approvals: The certificate of any officer or officers authorized by resolution of the Board or of the president and secretary certifying that the required voting power of the Association has approved the execution, delivery and/or recordation of an amendment to any of the Association Management Documents, any Supplementary Declaration or any other document requiring the approval of the voting power of the Association shall be deemed conclusive proof thereof.

Section 3.12. Appointment of Delegate: The Board shall appoint a Delegate to act on behalf of the Members at meetings of the Master Association in accordance with the terms of the Bylaws of the Master Association. The Delegate shall be a Member of the Association and of the Master Association.

ARTICLE 4 ASSESSMENTS

Section 4.1. Agreement to Pay: Subject to limitations contained in the Association Management Documents, the Association, through its Board, shall fix, establish and collect from time to time Assessments sufficient to perform its obligations under the Association Management Documents. Each Owner, including the Declarant to the extent Declarant is an Owner as defined herein, is deemed to covenant and agree to pay such Assessments to the Association.

Section 4.2. Maximum Assessments:

(a) Regular Assessment: The Board may not, without the vote or written consent of Members constituting a quorum, casting a majority of the votes at a meeting or election of the Association, impose a Regular Assessment per Condominium which is more than