

State
of
California
OFFICE OF THE SECRETARY OF STATE

SWANSBORO COUNTRY PROPERTY OWNERS ASSOCIATION

I, *MARCH FONG EU*, Secretary of State of the State of California, hereby certify:

That the annexed transcript was prepared by and in this office from the record on file, of which it purports to be a copy, and that it is full, true and correct.

IN WITNESS WHEREOF, I execute
this certificate and affix the Great
Seal of the State of California this

MAR 18 1991



March Fong Eu

Secretary of State

562741

FILED
In the office of the Secretary of State
of the State of California

FEB 11 1969
FRANK M. JOHNSON, Secretary of State

[Signature]
Deputy

ARTICLES OF INCORPORATION
OF
SWANSBORO COUNTRY PROPERTY OWNERS ASSOCIATION

Restriction of Right
to amend articles

We, the undersigned, do hereby voluntarily associate ourselves for the purpose of organizing a corporation pursuant to the General Nonprofit Corporation Law of the State of California, and we hereby certify:

ARTICLE I

The name of the corporation is "Swansboro Country Property Owners Association".

ARTICLE II

Corporate purposes:

(a) The primary purpose for which this corporation is formed is to own, maintain and improve real property situate in the County of El Dorado, State of California, to be known as the Common Areas (being Lots 70 and 92, as shown on the Official Map of Swansboro Country, Unit No. 1), in their natural states as sanctuaries for the preservation of trees and other plants and the wild life therein consistent with good

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management, and to make the said Common Areas available to members of the Association for the observation, study and enjoyment of nature, and for hiking, picnicking, riding, fishing and other recreation.

(7) Other purposes are as follows:

1. To maintain, repair and improve, and provide for, finance and pay for, subsequent stages of construction of the public roads shown upon and dedicated by the Official Map of Swansboro Country, Unit No. 1.

2. To install, maintain, and replace street name signs and traffic control signs on the public roads shown upon and dedicated by the Official Map of Swansboro Country, Unit No. 1.

3. To maintain, repair, and replace the fences on the roads known as "Mosquito Road" and as "Mosquito Cut-Off".

4. To enter into, make, perform and carry out contracts of every kind for any lawful purpose without limit as to amount, with any person, firm, association, or corporation, municipality, County, State or other municipal governmental subdivision.

5. To promote the health, safety and welfare of the residents within Swansboro Country, Unit No. 1, and such additions thereto as may hereafter be brought within the jurisdiction of this corporation by annexation as provided in Article III herein.

6. To enforce any and all covenants, restrictions and agreements applicable to Swansboro Country, Unit No. 1, and any additions thereto as herein provided.

7. To have and to exercise all the powers conferred by the General Nonprofit Corporation Law of California upon nonprofit corporations as such law is now in effect or may at any time hereafter be amended.

ARTICLE III

Additions to the properties described in Article II may be made only in accordance with the provisions of the recorded covenants and restrictions applicable to said properties. Such additions, when properly made under the applicable covenants, shall extend the jurisdiction, functions, duties and membership of this corporation to such properties.

ARTICLE IV

The property of the corporation is and shall be irrevocably dedicated to charitable and scientific purposes and no part of its net earnings shall inure to the benefit of or be distributable to its members, directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its purposes. No substantial part of the

activities of the corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in, any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501(c) (3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law).

ARTICLE V

Upon dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such corporations, societies, or organizations whose property is dedicated to exempt purposes as provided in the Revenue and Taxation Code, Section 214 and which shall, at the time, qualify as an exempt organization or organizations under

Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law), as the Board of Directors shall determine.

ARTICLE VI

The existence of this corporation is to be perpetual.

ARTICLE VII

The principal office for the transaction of business of this corporation is to be situated in the County of El Dorado, State of California.

ARTICLE VIII

The number and names of directors is as follows:

(a) The number of directors of the corporation is three (3) until changed either by amendment to these articles or by a by-law adopted by the members increasing the number of directors as desired.

(b) The names and addresses of the persons who are appointed to act as first directors are:

1. R. H. Dyer, 535 Main Street, Placerville, California.
2. John W. Holman, 535 Main Street, Placerville, California.

3. Kenneth Wilkinson, 535 Main Street, Placerville,
California.

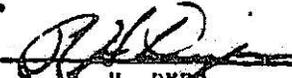
ARTICLE IX

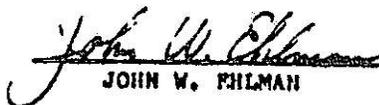
The authorized number and qualifications of members of this corporation, the different classes of membership, if any, the property, voting and other rights and privileges of each class of membership, and the liability of each or all classes for dues and assessments and the methods of collection thereof, shall be determined by the corporate by-laws.

ARTICLE X

The By-Laws of this corporation shall be adopted by the directors named in the Articles of Incorporation and may thereafter be amended or repealed by any means provided in the By-Laws.

IN WITNESS WHEREOF, the undersigned and above named incorporators and first directors of this corporation have executed these Articles of Incorporation the thirty-first day of January, 1969.


W. H. DYER


JOHN W. FILMAN


KENNETH WILKINSON

STATE OF CALIFORNIA }
COUNTY OF EL DORADO } ss. .

On the thirty-first day of January, 1960 before me, the undersigned, a Notary Public in and for said County and State, personally appeared, R. H. Dyer, John W. Ehlman and Kenneth Wilkinson, known to me to be the persons whose names are subscribed to the foregoing Articles of Incorporation and acknowledged to me that they executed the same.

WITNESS my hand and official seal.


GEOFFREY A. HUGHES

Notary Public in and for
said County and State

(NOTARIAL SEAL)



FIRST RESTATED BYLAWS
OF
SWANSBORO COUNTRY
PROPERTY OWNERS ASSOCIATION

April, 2019

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FIRST RESTATED BYLAWS
OF
SWANSBORO COUNTRY PROPERTY OWNERS ASSOCIATION

ARTICLE 1. NAME AND LOCATION

Section 1.01 Name and Location

Swansboro Country Property Owners Association (the "Association"), a California nonprofit mutual benefit corporation, organized and existing under the laws of the State of California, is located in El Dorado County, California.

Section 1.02 Association Seal

The Association may have a seal in circular form having within its circumference the words: Swansboro Country Property Owners Association.

ARTICLE 2. MISSION, VISION AND VALUES STATEMENT

Section 2.01 Mission

Our mission is to enhance and preserve the quality of life and sense of community through effective and efficient management of the Association, enforcement of rules and covenants to preserve property values, and support initiatives and improvements that benefit the greater good of our community.

Section 2.02 Vision

We envision a community of neighbors working together to promote a friendly, healthy and safe lifestyle and provide a desirable place in which to live and enjoy the benefits of family, friends and community.

Section 2.03 Values

In achieving our vision and fulfilling our mission, we value integrity, respect, fairness, consistent firmness, community participation, cooperation and neighborliness in all our actions.

ARTICLE 3. ASSOCIATION PURPOSE

The purpose of the Association shall be as set forth in its Articles of Incorporation.

ARTICLE 4. MEMBERSHIP AND VOTING

Section 4.01 Membership

Membership in the Association shall include, and shall be limited to, all Owners of any Lot located within the Development.

Membership shall be appurtenant to and may not be separated from ownership of a Lot. Upon becoming the Owner of a Lot, each Owner shall automatically be a Member of the Association and shall remain a Member until such time as his or her Lot ownership ceases for any reason.

Membership in the Association shall not be transferred, encumbered, pledged,

alienated, or hypothecated in any way, except upon the transfer or encumbrance of the Lot to which it is appurtenant and then only to the transferee or mortgagee, as the case may be, of such Lot.

Any attempt to make a prohibited transfer is void. Upon any transfer of title to a Lot including a transfer upon the death of an Owner, membership in the Association shall pass automatically to the transferee.

Section 4.02 Voting

- (a) Members in Good Standing shall be entitled to cast one (1) vote for each Lot owned.
- (b) In the event more than one (1) person owns a given Lot, the vote for such Lot shall be exercised as the Owners among themselves shall determine, but in no event shall more than one vote be cast with respect to any Lot.
- (c) In the case of an Owner that is not a natural person (such as a corporate trustee, corporation or other entity), the vote of such Owner may be cast by any authorized representative of the Owner designated by notice in writing to the Association.

Section 4.03 Adoption of Election Rules (California has required new Election Rules. These rules (October 29, 2020 for SCPOA) have been replaced and the replacement change rules are on pages 27 through 35 of this form.)

The Board of Directors shall adopt rules that govern the Association's election procedures which shall include the minimum requirements specified in California Civil Code Sections 5100-5145, or comparable successor statute, as it may be amended from time to time.

Section 4.04 Assignment of Membership Rights

- (a) Each Member shall be entitled to the use and enjoyment of the Common Areas and facilities.
- (b) Any Member may delegate his/her rights of enjoyment in the Common Areas and facilities to the Members of his/her family or guests or to any of his/her tenants who may reside thereon under a rental agreement. The rights and privileges of such persons are subject to suspension to the same extent as those of the Member.

Section 4.05 Record Dates

The Record Dates for notice of Member meetings and voting shall be determined as follows:

- (a) The Board of Directors may fix a time not more than ninety (90) days and not less than ten (10) days preceding the date of any Member meeting as the Record Date for determining the Members entitled to be notified of any such meeting. In the event no such Record Date is fixed by the Board of Directors, the Record Date for the determination of Members entitled to notice of any Member meeting shall be the close of business on the business day preceding the day on which notice is given. Only those persons or entities identified as Members in the records of the Association on the Record Date shall be entitled to notice of such meeting.
- (b) The Board of Directors may fix a date not more than sixty (60) days before the date of any mailing or delivery of ballots as the Record Date for determining Members entitled to vote and only Members in Good Standing as shown in the records of the Association as of the Record Date for voting shall be entitled to

vote in such vote or election. If no Record Date for voting is set by the Board of Directors, Members in Good Standing on the day of the mailing or delivery of ballots shall be entitled to vote in such vote or election.

ARTICLE 5. BOARD OF DIRECTORS

Section 5.01 Number of Directors

The affairs of the Association shall be managed by or under the direction of a Board consisting of seven (7) Directors. No more than one (1) Director may be a non-Member of the Association.

Section 5.02 Objectives, Powers and Duties

(a) Objectives

The objectives of the Board of Directors include, but are not limited to, the following:

- (i) Encourage collaborative and diverse participation that includes an involved membership.
- (ii) Establish and maintain appropriate and effective forums to actively listen to the concerns of the community.
- (iii) Seek continuous improvements in effective and efficient management of the Association.
- (iv) Establish and maintain a strong financial foundation for all operations of the Association.
- (v) Be forever mindful of preserving the Association's Mission, Vision and Values.
- (vi) Serve in the best interests of the Association.

(b) Powers

In addition to such other powers as may be expressly set forth in the Governing Documents or provided by law (Davis Stirling Act), the Board of Directors shall have the power:

- (i) To adopt and publish rules and regulations governing the use of the Common Areas and facilities and the personal conduct of the Members and their guests thereon.
 - 1) The procedure for the adoption and modification of Rules ("Rule Change") by the Board shall be in accordance with the law.
 - 2) A Rule Change adopted by the Board may be reversed as follows:
 - a) Members owning 5 percent or more of the separate interests may call a special vote of the Members to reverse a rule change.
 - b) A special vote of the Members may be called by delivering a written request (petition) to the association. Not less than 35 days nor more than 90 days after receipt of a proper request, the association shall hold a vote of the Members on whether to reverse the rule change. The written request may not be delivered more than 30 days after the association gives general notice of the rule change.

- c) Collection of signatures to call a special vote under this section is a purpose reasonably related to the interests of the Members of the association. A Member request to copy or inspect the membership list solely for that purpose may not be denied on the grounds that the purpose is not reasonably related to the Member's interests as a Member.
- d) The rule change may be reversed by the affirmative vote of a majority of a quorum of the Members.
- e) A rule change reversed under this section may not be readopted for one year after the date of the vote reversing the rule change. Nothing in this section precludes the Board from adopting a different rule on the same subject as the rule change that has been reversed.
- f) As soon as possible after the close of voting, but not more than 15 days after the close of voting, the Board shall provide general notice of the results of the Member vote.
- g) This section does not apply to an emergency rule change.

(ii) Contracts

- 1) To enter into, make, perform and carry out contracts of every kind for any lawful purpose without limit as to amount, with any person, firm, association or corporation, municipality, county, state or other municipal governmental subdivision.
- 2) The Board will not hire, engage, or otherwise compensate, for monetary or other consideration, any individual, party, company or organization that:
 - Is owned, in whole or in part, by any Board member.
 - Is owned, in whole or in part, by the immediate family of any Board member.
 - Is owned, in whole or in part, by the spouse of any Board member.
 - Any Board member has a material interest in.
- 3) The Board may authorize, by Resolution, any officer or officers to enter into any contract in the name of, or on behalf of, the Association.
- 4) Unless expressly authorized by resolution of the Board, no officer shall have any power or authority to bind the Association or to render the Association liable for any purpose or on any account.
- 5) No contract with any person or entity to supply or furnish the Association with goods or services for the Common Areas shall be for a term in excess of one (1) year, with the following exceptions:
 - A contract with a public utility company.
 - Prepaid casualty and/or liability insurance policies not to exceed three (3) years, provided they permit short-rate cancellation by the insured.

(iii) Determination of Good Standing

- 1) “Member in Good Standing” shall mean a Member of the Association who is current in the payment of all assessments (including any costs, fees, charges, and expenditures including, but not limited to, interest, late charges, attorneys’ fees, recording and filing fees, and all other costs actually incurred by the Association in collecting and/or enforcing payment of assessments imposed in accordance with the Governing Documents) or any other amounts owed to the Association.
- 2) Determine, after notice to the Member and an opportunity for a hearing by the Board, that a Member is not a Member in Good Standing during any period in which the Member is in default in the payment of any assessment (including any costs, fees, charges, and expenditures including, but not limited to, interest, late charges, attorneys’ fees, recording and filing fees, and all other costs actually incurred by the Association in collecting and/or enforcing payment of assessments imposed in accordance with the Governing Documents) or any other amounts owed to the Association.
- 3) A Member found by the Board to not be in Good Standing shall be deemed to continue in that status until the Member brings their account current.

(iv) Sanctions and Hearings

Conduct hearings and impose any or all of the following sanctions, as indicated below:

- 1) All Board meetings regarding complaints by Members shall be held in Executive Session.
- 2) Suspend the voting or other membership rights and privileges of a Member, including the right to use the Common Areas:
 - During any period in which such Member is in default in the payment of any Assessment.
- 3) At least ten (10) days prior to an Executive Session where the imposition of sanction(s) upon a Member is to be considered, the Board shall provide written notice of the meeting to the Member. The notice shall contain:
 - The date, time and place of the meeting.
 - The nature of the alleged violation for which sanctions are being considered.
 - A statement that the Member has a right to attend the meeting and may address the Board at the meeting.
- 4) If the Board sanctions a Member, the Board shall provide the Member with written notification of the sanction within fifteen (15) days following the action.

(v) Manager

Engage the services of a manager or management company as either an employee or an independent contractor, and engage such other employees or independent contractors as the Board may deem necessary, and to prescribe their duties.

(vi) Professional Advisors

Consult with, seek the advice of, and reasonably rely on the advice of attorneys, accountants, or other professionals in carrying out its authority and responsibilities under the Governing Documents and the law and to pay for such professional services.

(vii) Association Property

Acquire, own, hold, convey, transfer, dedicate, or otherwise dispose of Association property consistent with the purposes and powers of the Association.

(viii) Indemnification of Agents

Indemnify and hold harmless, to the maximum extent permitted by California law, each person who is, or at any time was, a Director, officer, employee, or agent of the Association (including members of any committee appointed by the Board) from and against any and all claims, liabilities, expenses, judgments, settlements, and other amounts (as those terms are defined by California law) actually and reasonably incurred by any such person or who is subject to such by reason of his or her being a Director, officer, employee, or agent of the Association.

(ix) Bank Accounts

Open bank accounts and designate signatories upon such bank accounts, subject to any restrictions set forth in the Governing Documents.

(c) Duties

The Board of Directors shall adopt duties which shall include the minimum requirements specified in the California Civil Code.

In addition to the duties required by law, the Board of Directors shall have the following additional duties:

(i) Act in such a way that promotes the health, safety and welfare of the residents within the Association.

(ii) Maintain Common Areas and Roads.

- 1) Maintain, repair, improve and provide for, finance and pay for subsequent stages of construction of the roads shown upon and dedicated by the Official Maps of Swansboro Country.
- 2) Install, maintain and replace street signs and traffic control signs on the roads shown upon and dedicated by the Official Maps of Swansboro Country.
- 3) Maintain, repair and replace the white rail fences on Mosquito Road and Rock Creek Road.

(iii) Records and Minutes

Cause to be kept a complete record of all its acts and corporate affairs, including an accurate and current record of the Members, setting forth their names and addresses, adequate and correct books and records of account and minutes of the proceedings of the Board meetings.

(iv) Pro Forma Budget

Prepare and distribute to the Members annually, not less than thirty (30)

days nor more than ninety (90) days prior to the beginning of each fiscal year, a pro forma operating budget which shall include all of the following and shall be accompanied by the form specified in California Civil Code Section 5300:

- 1) An estimate of the Association's revenue and expenses for such fiscal year on an accrual basis.
- 2) A summary of the Association's reserves based upon the most recent review or study conducted pursuant to law, based only on assets held in cash or cash equivalents, which summary shall be printed in **bold type** and shall include the following:
 - The current estimated replacement cost, estimated remaining life, and estimated useful life of each major component the Association is obligated to maintain, restore, repair or replace.
 - A current estimate, as of the end of the fiscal year for which the study is prepared, of the amount of cash reserves necessary to maintain, restore, repair, or replace such major components.
 - The current amount, as of the end of the fiscal year for which the study is prepared, of accumulated cash reserves actually set aside to maintain, restore, repair, or replace such major components.
 - The percentage of the amount of cash reserves necessary to maintain, restore, repair, or replace such major components that is represented by the amount of cash reserves actually set aside.
 - If applicable, the amount of funds received from either a compensatory damage award or settlement to the Association from any person or entity for injuries to property, real or personal, arising out of any construction or design defects, and the expenditure or disposition of funds, including the amounts expended for the direct and indirect costs of repair of construction or design defects. These amounts shall be reported at the end of the fiscal year for which the study is prepared.
 - The current deficiency, if any, in reserve funding expressed on a per unit basis, calculated in accordance with California Civil Code Section 5565.
 - A statement as to all of the following:
 - a) Whether the Board has determined to defer or declined to undertake repair or replacement of any major component with a remaining life of thirty (30) years or less, including a justification for the deferral or decision to decline to undertake the repair or replacement.
 - b) Whether the Board, consistent with the reserve funding plan adopted pursuant to California Civil Code Sections 5550 and 5560, has determined or anticipates that the levy of one (1) or more Special Assessments will be required to restore, repair, or

replace any major component or to provide adequate reserves therefor. If so, the statement shall also set out the estimated amount, commencement date and duration of the Special Assessment.

- c) The mechanism or mechanisms by which the Board of Directors will fund reserves to repair or replace major components, including Assessments, borrowing, use of other assets, deferral of selected replacement or repairs, or alternative mechanisms.
 - d) Whether the Association has any outstanding loans with an original term of more than one (1) year, including payee, interest rate, amount outstanding, annual payment, and when the loan is scheduled to be retired.
 - e) A general statement setting forth the procedures used for the calculation and establishment of reserves to defray the future cost of repair, replacement, or additions to those major components that the Association is obligated to maintain, restore, repair or replace.
 - The general statement shall include, but need not be limited to, reserve calculations made using the formula described in California Civil Code Section 5570 and may not assume a rate of return on cash reserves in excess of two percent (2%) above the discount rate published by the Federal Reserve Bank of San Francisco at the time the calculation was made.
- 3) In lieu of the distribution of the pro forma operating budget, the Board may distribute a summary of such budget (which must be accompanied by the form specified in California Civil Code Section 5570) to all Members together with a written notice that the budget is available at the office of the Association or at another suitable location and that copies will be provided to a Member upon a Member's request and at the expense of the Association.
 - 4) If any Member so requests, the Association shall provide a copy of the pro forma operating budget to such Member.
 - 5) The written notice that is distributed to each Association Member as set forth herein shall be set forth in at least **ten (10) point bold type** on the front page of the summary of the budget.
- (v) Reserve Study
- 1) Cause to be conducted, at least once every three (3) years, a visual inspection of the accessible areas of the major components which the Association is obligated to repair, replace, restore or maintain as part of a study of the reserve account requirements of the Development.
 - 2) The Board shall review the reserve study (or cause it to be reviewed) annually and shall consider and implement necessary adjustments to the Board's analysis of the reserve account requirements as a result of that review.
 - 3) The reserve study required by this section shall include the minimum requirements specified in California Civil Code Sections 5500-5560 or comparable successor statute.

(vi) Reserve Funds

Reserve Funds shall never be invested where the capital may be at risk. All deposits shall be in a federally insured institution.

- 1) Manage Association Reserve Funds in a prudent manner designed to achieve the primary objective of preserving principal. Such funds shall be deposited in a federally insured bank, credit union or savings association in the State of California.
- 2) Expend funds designated as reserve funds only for maintenance, restoration, repair/replacement of or litigation involving the maintenance, restoration, repair/replacement of major components which the Association is obligated to maintain, restore, repair or replace and for which the reserve fund was established.
 - a) The Board may, however, authorize a temporary transfer of money from a Reserve Fund to the Association's general operating fund to meet short-term cash flow requirements or other expenses, so long as the Board has made a written finding, recorded in the Board's Minutes, explaining the reason(s) the transfer is needed and describing when and how the money will be repaid to the Reserve Fund.

Any transferred funds shall be restored to the Reserve Fund within one (1) year of the date of the initial transfer, except as otherwise expressly provided by law.
 - b) The Board shall exercise prudent fiscal management in maintaining the integrity of the Reserve Account.

(vii) Review of Accounts

Review the Association's operating and reserve accounts at least in accordance with the following minimum requirements:

- 1) Review a current reconciliation of the Association's operating accounts on at least a quarterly basis.
- 2) Review a current reconciliation of the Association's reserve accounts on at least a quarterly basis.
- 3) Review, on at least a quarterly basis, the current year's actual reserve revenues and expenses compared to the current year's budget.
- 4) Review the latest account statements prepared by the financial institutions where the Association keeps its operating and reserve accounts.
- 5) Review an income and expense statement for the Association's operating and reserve accounts on at least a quarterly basis.
- 6) As used in this subsection, the term "reserve accounts" shall mean monies that the Board has identified in its annual budget to defray the future costs of repair, replacement or addition to those major components which the Association is obligated to maintain, restore, repair, or replace.

(viii) Annual Financial Statements

- 1) Cause an annual report to be prepared not later than one hundred twenty (120) days after the close of the Association's fiscal year.

Such annual report shall contain:

- A balance sheet as of the end of the fiscal year.
 - An income statement for such fiscal year.
 - A statement of changes in financial position for such fiscal year.
 - Any information required by California Corporations Code Section 8322.
- 2) The annual report shall be accompanied by any report of independent accountants, or, if there is no such report, by a certificate of an authorized officer of the Association that the statements were prepared without audit from the books and records of the Association.
 - 3) The latest annual report shall be sent to any Member promptly upon his or her written request.
 - 4) Distribute to all Members of the Association within one hundred and twenty (120) days after the close of such fiscal year a review of the financial statements of the Association prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy.
 - 5) Cause an audit to be conducted at least every five (5) years by an independent auditor.
- (ix) Annual Notifications to Members
- 1) Distribute to the Members annually:
 - a) A statement describing the Association's policies and practices in enforcing lien rights and other legal remedies for default in payment of assessments as required by California Civil Code Section 5310(a)(7).

This statement shall be distributed not less than thirty (30) days nor more than ninety (90) days immediately preceding the beginning of the Association's fiscal year.
 - b) A summary of the statutory provisions relating to employing alternative dispute resolution procedures in certain matters with respect to enforcement of the Governing Documents which specifically references California Civil Code Sections 5925 through 5965 and which includes the language required by California Civil Code Section 5965 describing the Association's internal dispute resolution process as required by California Civil Code Section 5920.

The summary shall be provided either at the time the budget required by Section 5.02(c)(iv) of these Bylaws is distributed or in the manner specified in California Corporations Code Section 5016.
 - c) A written notice regarding assessments and foreclosure required by California Civil Code Section 5730 and California Civil Code Section 5310(a)(7).

The notice shall be printed in at least **twelve (12) point bold** type and shall be distributed within the sixty (60) day period immediately preceding the beginning of the Association's fiscal year.

- d) A statement notifying the Members of the name and address of the person designated to receive official communications to the Association, in the manner prescribed by Civil Code section 4035.
- e) A statement notifying the Members of the location, if any, designated for posting general notices.
- f) A statement notifying the Members of their option to receive general notices by individual delivery in accordance with Civil Code section 4045.
- g) A statement describing the Association's collection policies as required by Civil Code section 5730.
- h) A statement notifying the Members of the mailing address for overnight payment of assessment in accordance with Civil Code section 5655(c).
- i) A notice and statement concerning the insurance carried by the Association as required by Section 5.02(c)(xii) of these Bylaws and California Civil Code Section 5300(a)(9).

This statement shall be distributed not less than thirty (30) days nor more than ninety (90) days immediately preceding the beginning of the Association's fiscal year.

- j) A pro forma operating budget as required by Section 5.02(c)(iv) of these Bylaws and California Civil Code Section 5300, including the form specified in California Civil Code Section 5300(e).

The pro forma operating budget shall be distributed not less than thirty (30) days nor more than ninety (90) days prior to the beginning of each fiscal year.

- k) Statement explaining the Members' right to obtain copies of minutes of meetings of the Board as required by Section 6.01(j)(iv) of these Bylaws and by California Civil Code Section 5310.

This statement may be distributed together with the pro forma budget specified in Section 5.02(c)(iv) of these Bylaws or at the time of any general mailing to the entire membership.

- l) A notice of the Members' right to receive the annual report specified in Section 5.02(c)(viii) of these Bylaws. This notice may be distributed in any general mailing to the entire membership.
- m) A notice of the Member's right to mail to the Association written notice of the Member's secondary address.

The Member's written notice of his or her secondary address shall be mailed to the Association in a manner that shall indicate that the Association has received the Member's written notice.

The notice to the Members shall be distributed together with the pro forma operating budget specified in Section 5.02(c)(iv) of these Bylaws.

- n) A summary of the Reserve Funding Plan adopted by the Board, as specified in California Civil Code Section 5560. The summary shall include notice to Members that the full Reserve Study Plan is available upon request and the Association shall provide the full Reserve Study Plan to any Member upon request.

(x) Assessments

To establish, levy and assess, and cause to be collected the assessments or charges.

- 1) Provide notice to each Member, by first class mail, of any increase in the Regular Assessments or Special Assessments not less than thirty (30) days nor more than sixty (60) days prior to such increased Regular Assessment or Special Assessment becoming due.
- 2) Collect assessments levied by the Association by lien against any property for which assessments are not paid as required in the Declaration and/or by bringing an action at law against the Owner personally obligated to pay the same.
- 3) Issue, or cause an appropriate officer to issue, upon demand by any proper person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of such certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

(xi) Insurance

- 1) The Board of Directors shall obtain and maintain in effect at all times, as a common expense, insurance sufficient to protect the Association including Property, General Liability, Umbrella Liability, Directors' and Officers' Liability Insurance and any other insurance required by law.
- 2) The summary of the Association's policies of insurance provides only certain information, as required by subdivision (b) of Section 5300 of the Civil Code and should not be considered a Substitute for the complete policy terms and conditions contained in the actual policies of insurance.
- 3) The Association shall periodically (and not less than once every three (3) years) review all insurance policies maintained by the Association to determine the adequacy of the coverage and to adjust the policies accordingly.
- 4) Any Association Member may request verification of insurance coverage.

(xii) Notification Regarding Insurance Coverage

In accordance with California Civil Code Section 5300, not less than thirty (30) days nor more than ninety (90) days immediately preceding the beginning of the Association's fiscal year, prepare and distribute to all

Members a summary of the Association's property, general liability, earthquake, flood, and fidelity insurance policies, if any.

The summary shall include the name of the insurer, the type of insurance, the policy limits of the insurance, and the amount of deductibles, if any.

The Association's disclosure obligations may be satisfied by distributing to the Members a copy of the insurance policy declaration page, so long as that page presents the information specified in the preceding sentence.

As soon as reasonably practicable, the Association shall notify the Members by first-class mail if any of the policies described above have lapsed, been canceled, and are not immediately renewed, restored, or replaced, or if there is a significant change, such as a reduction in coverage or limits or an increase in the deductible for any of those policies.

If the Association receives any notice of nonrenewal of a policy described above, the Association shall immediately notify the Members if replacement coverage will not be in effect by the date the existing coverage will lapse.

The summary distributed pursuant to this section shall contain the statement required by California Civil Code Section 5300. The statement shall be printed in at least **twelve (12) point bold type**.

(xiii) Supervision

Supervise all officers, agents, and employees of the Association and see that their duties are properly performed.

(xiv) Enforcement of Governing Documents

Enforce the provisions of the Governing Documents, as more particularly set forth in the CC&Rs, and perform all acts required of the Board under the Governing Documents or required by law.

(xv) Water and Other Utilities

Acquire, provide and pay for utility services as necessary for the Common Areas and facilities.

(d) Qualifications and Term of Office

(i) With respect to Member Directors, only Members in Good Standing shall be eligible to be elected to, or serve on, the Board.

(ii) Co-owners of one or more Lots may not serve on the Board at the same time.

(iii) A person shall be deemed disqualified to serve under the following circumstances:

1) The person is found by a court of competent jurisdiction to be of unsound mind.

2) The person is absent, without an excuse approved by the Board, from three (3) consecutive meetings of the Board.

3) The person, if a Member, ceases to be a Member in Good Standing.

(iv) At each Annual Meeting of the Members, the Members shall elect Directors for terms of two (2) years each to replace those Directors whose

terms are then expiring.

- (v) Each Board member shall serve no more than three consecutive two - year terms.

(e) Enumeration of Officers

- (i) The officers of the Association shall be President, Vice-President, Secretary and Treasurer.
- (ii) Officers shall at all times be members of the Board of Directors.

(f) Election of Officers

- (i) The Board of Directors shall elect the officers.
- (ii) The election of officers shall take place at the first open meeting of the Board of Directors following each Annual Meeting of the Members.

(g) Term

- (i) The officers of this Association shall be elected annually by the Board, and each shall hold office for one (1) year, unless he or she shall sooner resign, be removed by the Board, or otherwise be disqualified to serve.

In the event that an officer fails, for any reason, to hold office for one (1) year, his or her successor shall hold office for the remaining term of his or her predecessor.

(h) Special Appointments

- (i) The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

(i) Resignation or Removal

- (i) Any Officer may be removed from office, with or without cause, by the Board.

- (ii) Any Officer may resign at any time by giving written or oral notice to the Board, the President or the Secretary.

- 1) Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

- (iii) In the event that any member of the Board of Directors of this Association shall be absent from three (3) consecutive regular meetings of the Board of Directors, the Board may, at the meeting during which the third absence occurs, declare the office of the absent Director to be vacant.

(j) Vacancies of Officers

- (i) A vacancy in any Office may be filled by appointment by the Board.
- (ii) The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he/she replaces, subject to the Board's right to remove an Officer.

(k) Multiple Offices

- (i) No person shall simultaneously hold more than one of any of the other

offices, except in the case of special appointments.

(l) President

- (i) The President shall be the Chief Executive Officer of the Association and shall, subject to control of the Board, have general supervision, direction, and control of the affairs and the other officers and the employees and agents of the Association.
- (ii) The President shall preside at all meetings of the Members and at all meetings of the Board, shall have the general powers and duties of management usually vested in the office of the President of an Association, and shall have such other powers and duties as may be prescribed by the Board and the Bylaws, subject, however, to any limitations contained in the Declaration.

(m) Vice-President

- (i) In the absence or disability of the President, the Vice-President shall perform all the duties of the President, and when so acting, shall have all of the powers of, and be subject to all of the restrictions upon, the President.
- (ii) The Vice-President shall have such other powers and perform such other duties as, from time to time, may be prescribed by the Board.

(n) Secretary

- (i) The Secretary shall keep (or cause to be kept) at the principal office or such other place as the Board may prescribe:
 - 1) A current register showing names of Members and their addresses.
 - 2) A book of Minutes of all meetings of the Directors and the Members, setting forth:
 - The time and place of such meetings.
 - The notice thereof given.
 - Meeting Agendas.
 - The names of those present at Directors meetings.
 - The number of memberships and votes present or represented at Members meetings.
 - All the proceedings thereof.

(o) Treasurer

- (i) The Treasurer is responsible for the oversight of the financial affairs of the Association, including but not limited to:
 - 1) The receipt and deposit in appropriate accounts of all monies of the Association and the disbursement of such funds as directed by the Board.
 - 2) Sign all checks and promissory notes of the Association.
 - 3) Proper books of account.
 - 4) An annual review of the Association's books and financial statements to be made by a public accountant at the completion of any fiscal

year for which such review is required by law or as determined by the Board.

- 5) Assist the Board in preparation of an annual budget and a statement of income and expenditures to be presented to the Members of the Association as provided by law.
- 6) Have such other powers and perform such other duties as may be prescribed by the Board.
- 7) When a management company is retained and said management company's duties include the undertaking financial acts on behalf of the Association, it shall be the responsibility of the Treasurer to oversee the financial acts undertaken by that management company.

(p) Election and Term of Office

- (i) All elections for the Board of Directors shall be made with written ballots which shall:
 - 1) Describe the vacancy to be filled.
 - 2) Set forth the names of those nominated.
- (ii) In all elections of Directors, Members in Good Standing may cast, in respect to each position on the Board to be filled, one vote for each Lot owned. The persons receiving the largest number of votes shall be elected. Cumulative voting (i.e., giving more than one vote to any candidate) shall not be permitted.
- (iii) Each Member shall receive as many ballots as he/she has votes. Notwithstanding that a Member may be entitled to several votes, he/she shall exercise on any one ballot, one vote for any vacancy shown thereon.
- (iv) The Secretary shall cause the ballot to be prepared and mailed to the Members at least thirty (30) days in advance of the date set therein for the return thereof.
- (v) Any tie in the number of votes cast for candidates where more than one (1) Director is to be elected shall be decided by a run-off election.

(q) Filling Vacancies

- (i) Vacancies on the Board created by the removal of a Director by the Members shall be filled by approval of the Members. A Director elected by the Members to fill such a vacancy shall serve the remainder of the term of office of the Director whom he or she replaces.
- (ii) Any vacancy occurring on the Board of Directors, except a vacancy created by the removal of a Director by the Members, may be filled (a) by approval of the Board of Directors; or (b) by a sole remaining Director.
- (iii) A Director chosen by the Board to fill a vacancy shall serve the remainder of the term of office of the Director whom he or she replaces.

(r) Compensation

- (i) No Director or Officer shall receive compensation for any service he or she may render to the Association as a Director or Officer. However, upon approval by the Board, any Director or Officer may be reimbursed for his or her expenses actually incurred in the performance of his or her duties.

(s) Nomination and Election of Directors

- (i) The Board shall adopt reasonable nomination procedures that comply with California State Law for the nomination of eligible candidates.
- (ii) Such procedures shall include, without limitation, a mechanism for any eligible Member to nominate himself or herself for election to the Board.
- (iii) Nominating Committee
 - 1) The Nominating Committee, if any, shall consist of the Chairman, who shall be a member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each Annual Meeting and shall serve until the close of the next Annual Meeting. Such appointments shall be announced at each such Annual Meeting.
- (iv) All nominees shall meet the qualifications set forth in Section 5.02(d) of these Bylaws.
- (v) The Board shall include the name of each eligible nominee on the ballot.
- (vi) Director elections shall be conducted by secret ballot in accordance with the procedures set forth in California Civil Code Sections 5100-5145.
- (vii) The quorum for any such elections shall be as stated in Section 6.02(f) of these Bylaws. The candidates receiving the largest number of votes shall be elected.
- (t) Uncontested Election of Directors
 - (i) If, after the close of nominations, the number of people nominated for the Board of Directors is equal to or less than the number of vacancies, the Board may, without further action, declare those nominated and qualified to be elected to the Board.
 - (ii) Where ballots are not sent due to an uncontested election, no quorum requirement applies.
 - (iii) In such case, the Board of Directors shall notify the Members of its action. If the number of Directors so elected is less than the number of vacancies, the incoming Board of Directors shall fill the vacancy as provided for in Section 5.02(q) of these Bylaws.

ARTICLE 6. MEETINGS

Section 6.01 Meetings of Directors

The first meeting of a newly elected Board of Directors shall be held immediately following the Annual Meeting of the Membership and upon proper notice.

(a) Regular Board Meetings

- (i) Regular meetings of the Board of Directors shall be held monthly at a place within the Development or at the Mosquito Firehouse, on a day and a time set by the Board and upon proper notice.

(b) Special Board Meetings

- (i) Special meetings of the Board shall be held when called by the President of the Association or by any two (2) Directors and upon proper notice.

(c) Emergency Board Meetings

- (i) The President or any two (2) Directors may call an emergency meeting of

the Board.

- (ii) An "emergency meeting" is defined as a meeting held to address circumstances that could not have been reasonably foreseen, which require immediate attention and possible action by the Board and which of necessity make it impracticable to provide the Notice to Members required by Section 6.01(f) of these Bylaws.
 - (iii) In the event of an Emergency Meeting, a reasonable effort to give notice to each Director shall be made, taking into consideration the nature and circumstances of the emergency.
 - (iv) When practicable, a notice of said meeting will be placed on the website and posted where regular meeting notices are posted.
- (d) Executive Session
- (i) The Board of Directors may meet in Executive Session, upon proper notice, to confer with legal counsel or to discuss and vote upon personnel matters, Member sanctions, litigation in which the Association is or may become involved, matters that relate to the formation of contracts between the Association and others, and any other matters which the law permits or requires to be addressed in executive session.
 - (ii) In any matter relating to Member sanctions, the Board shall meet in Executive Session. That Member and any other person whose attendance is, in the judgment of the Board or the Member, necessary or appropriate, may attend such meeting.
- (e) Except as otherwise provided in these Bylaws, notice of each meeting of the Board shall be communicated to the Directors by first class mail not less than four (4) days prior to the meeting or by: (a) personal delivery; (b) telephone, including a voice Messaging system or other system or technology designed to record and communicate messages; (c) telegraph; (d) facsimile; or (e) electronic mail or other electronic means, not less than forty-eight (48) hours prior to the meeting. In the event of an emergency meeting as provided in Section 6.01(c) of these Bylaws, strict adherence to the notice requirements of this section shall not be required provided that a reasonable effort to give notice to each Director shall be made taking into consideration the nature and circumstances of the emergency. Notice of a meeting need not be given to any Director who signed a waiver of notice or a written consent to holding the meeting, or an approval of the minutes thereof, whether before or after the meeting, nor must notice be given to any Director who attends a meeting without protesting, prior thereto or at its commencement, the lack of notice to that Director.
- (f) Notice to Members
- (i) Except for emergency meetings and executive, at least four (4) days' prior notice of the day, time, and place of each meeting of the Board, whether regular or special, shall be given to all Members by posting it in a prominent place or places within the Common Areas and by mail to any Owner who had requested notification of Board meetings by mail at the address requested by the Owner. Notice of Board meetings may also be given by: (a) mailing or delivery to each Residence; (b) by newsletter; or (c) by other means of communication reasonably designed to provide prior actual notice of such meeting. The notice shall contain the agenda for the meeting.

- (ii) If a non-emergency meeting is held solely in executive session, the Association shall give notice of the time and place of the meeting at least two (2) days prior to the meeting by posting it in a prominent place or places within the Common Areas and by mail to any Owner who has requested notification of Board meetings by mail at the address requested by the Owner. Notice of Board meetings may also be given by:
 - (a) mailing or delivery to each Residence;
 - (b) by newsletter;
 - (c) by other means of communication reasonably designed to provide prior actual notice of such meeting; or
 - (d) with the consent of the Member, by electronic means. The notice shall contain the agenda for the meeting.
- (g) Open Meetings
 - (i) Regular, Special and Emergency meetings of the Board of Directors shall be open to all Members of the Association, except when the Board meets in Executive Session pursuant to Section 6.01(d) of these Bylaws.
 - (ii) A reasonable time limit for all Members to speak to the Board shall be established by the Board, which may limit Member commentary to a specific portion of the meeting.
- (h) Telephone Participation
 - (i) Directors may participate in Board meetings through the use of conference telephone, electronic video screen communications, or other communications equipment to the extent permitted by law, including, without limitation, California Corporations Code Section 7211(a)(6).
- (i) Quorum
 - (i) A majority of the number of Directors then in office, but not less than four (4) Directors, shall constitute a quorum for the transaction of business.
 - (ii) Every act or decision done or made by a majority of the Directors present at a duly-held meeting at which a quorum is present shall be regarded as the act of the Board.
- (j) Minutes of Meetings of Directors
 - (i) Within thirty (30) days after the date of any meeting of the Board, the Board shall make available to the Members either:
 - 1) The Minutes of that meeting as adopted by the Board, or
 - 2) Those Minutes as proposed for adoption which shall be marked to indicate draft status, or
 - 3) A summary of the Minutes.
 - (ii) Any matter discussed in an Executive Session shall be generally noted in the Minutes of the next Board meeting which is open to the entire membership.
 - (iii) To protect and preserve the confidential nature of Executive Sessions, Minutes of Executive Sessions shall not be subject to inspection by Members or others, barring court order.
 - (iv) Copies of the Minutes, Proposed Minutes, or Summary of Minutes shall be provided to any Member upon request.

The Board may, but shall not be required to, post the Minutes of its meetings on an internet site.

- (v) Members shall be notified annually, in writing, either at the time that the pro forma budget required under California Civil Code Section 5300 is distributed or at the time of any other general mailing to the entire membership of the Association, of their right to obtain copies of the Minutes of meetings of the Board and how and where those Minutes may be obtained.
- (vi) The Minutes of Board meetings (other than Executive Sessions) shall be made permanently available to the Members of the Association.

Section 6.02 Meetings of Members

- (a) Annual Membership Meeting
 - (i) The annual meeting of the Members shall be held on a date and at a time and place to be designated by the Board of Directors, upon proper written notice to all of the Members.
- (b) Special Membership Meetings
 - (i) Special meetings of the Members may be called at any time by the President or by the Board of Directors or pursuant to the written request by Members entitled to cast at least five percent (5%) of the membership.
- (c) Notice of Meetings.
 - (i) Written notice of each meeting of the Members shall be given by or at the direction of the Secretary or other person authorized to give notice of a meeting.
 - (ii) Written notice shall be mailed by first class mail, postage prepaid, at least ten (10) days but not more than ninety (90) days before such meeting, to each Member who, on the Record Date for notice of the meeting, is entitled to vote at such meeting.
 - (iii) Notice of meetings shall be addressed to the Member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of notice.
 - (iv) Notice of any meeting of Members shall specify the date, hour, place and agenda of the meeting.
 - (v) With respect to Special Meetings, only those matters referred to in such notice may be transacted.
 - (vi) With respect to Regular Meetings, and notwithstanding the foregoing, any proper matter may be presented at the meeting for action by the Members. The Members may act only on matters the general nature of which has been set forth in the notice of such meeting.
- (d) Conduct of Membership Meetings
 - (i) All meetings of Members shall be conducted in accordance with a recognized system of parliamentary procedure, such as Robert's Rules of Order, or such parliamentary procedures as the Association may adopt.
 - (ii) A reasonable time limit for all Members to speak at a meeting of the Members shall be established by the Board of Directors.
- (e) Place of Membership Meetings
 - (i) Annual and special meetings shall be held at a location within the

Development or at the Mosquito Firehouse.

(f) Quorum

The number of ballots that must be cast in order to establish a quorum shall be as follows:

- (i) In any election of one or more Directors, where written ballots are used, the number of valid ballots received shall constitute a quorum. Where ballots are not sent due to an uncontested election, no quorum requirement applies.
- (ii) To the extent required by Civil Code section 5605, notwithstanding any other provision in the Governing Documents, for purposes of voting on a special assessment or an increase in the regular assessment that by law must be approved by the Members, a quorum shall mean more than fifty percent (50%) of the Members, or such other quorum requirement as may be specified by law.
- (iii) For any act governed by the Articles of Incorporation or by the Declaration applicable to the Development, any quorum requirement specified therein shall apply.
- (iv) For any other vote or election by the Members, a quorum shall mean twelve-and-one-half percent (12.50%) of the membership.
- (v) There shall be no quorum requirement for Member attendance at any meeting of the Members held for the purpose of tabulating ballots pursuant to Civil Code section 5120(a) and no voting by the Members other than the tabulation of ballots by the inspector(s) of election shall be conducted at any such meeting.

(g) Vote of the Members

- (i) Except where the Governing Documents otherwise specify, for any action that may be taken by the Members the affirmative vote of a majority of a quorum of the Members shall constitute the action of the Members.

(h) Disclosure of Voting Results

- (i) For a period of one (1) year following the conclusion of a meeting or vote by secret ballot of the Members, the Association shall, upon written request from a Member, inform the Member of the result of any particular vote of the Members taken at such meeting, including the number of Memberships voting for, the number of Memberships voting against, and the number of Memberships abstaining or withheld from voting in a particular vote.
 - (ii) If the matter voted on was the election of Directors, the Association shall report the number of Membership votes cast for each nominee for Director.
- (i) Action without A Meeting
- (i) Any action which may be taken at a regular or special meeting may be taken without a meeting of the Members if the Association distributes a written ballot to every Member entitled to vote. The determination to seek Member approval for Association actions through the use of written ballots shall be made by a majority vote of the Board.

- (ii) Written ballots distributed to the Members shall set forth the proposed action and provide an opportunity to specify approval or disapproval of the proposal.
 - (iii) A reasonable amount of time shall be provided within which to return ballots to the Association.
 - (iv) Approval by written ballot shall be valid only when the number of votes cast equals or exceeds the quorum that would be required if the action were taken at a meeting, and the number of approvals equals or exceeds the number of votes that would be required to approve the action if it were taken at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.
 - (v) The written ballot solicitation shall identify the number of responses needed to meet the quorum requirement and the percentage of approvals necessary to pass the measure submitted and shall specify the time by which the ballot must be received by the Association in order to be counted.
 - (vi) A written ballot, once cast, may not be revoked.
- (j) Voting by Secret Ballot
- Elections regarding the following shall be conducted by secret ballot in accordance with the procedures set forth in California Civil Code Sections 5100-5415 or comparable successor statute.
- Assessments.
 - Selection of Directors.
 - Removal of Directors.
 - Amendments to the Governing Documents.
 - Grants of exclusive use of Common Area property pursuant to California Civil Code Section 4600.
- (k) Voting by Proxy
- (i) Use of proxies in connection with membership votes is expressly prohibited.

ARTICLE 7. COMMITTEES

Section 7.01 Committees of the Board

- (a) Any “Committee of the Board” (that is, a committee consisting only of Directors, as referred to in California Corporations Code Section 7212) shall consist of at least two (2) Directors and shall have such powers and duties as the Board shall determine, subject to the limitations of California Corporations Code Section 7212.
- (b) Such committees, to the extent provided in the resolution of the Board or in the Bylaws, shall have all the authority of the Board, except with respect to:
 - (i) Approving any action on matters which, under the Articles of Incorporation or Declaration, also require Members’ approval or approval of a majority of all the Members;
 - (ii) Filling vacancies on the Board of Directors or in any committee which has

the authority of the Board;

- (iii) Amending or repealing any resolution of the Board of Directors which in its express terms is not so amendable or repealable.
- (iv) Amending or repealing Bylaws or adopting new Bylaws.
- (v) Appointing any other committees of the Board of Directors or the Members of these committees;
- (vi) Expending corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected;
- (vii) Entering into contracts of any kind.
- (viii) Approving any transaction (1) to which the corporation is a party and one or more Directors have a material financial interest or (2) between the corporation and one or more of its Directors or between the corporation or any person in which one or more of its Directors have a material financial interest.

Section 7.02 Non-Director Committees

- (a) The Board of Directors may, by resolution adopted by a majority of the Directors then in office, designate one or more committees, each consisting of one or more Directors and non-directors which shall not have the authority of the Board, but shall act only in an advisory capacity to the Board.
- (b) Non-director Committees shall report on their activities to the Board from time to time as directed by the Board and shall operate under the supervision of and at the direction of the Board.
- (c) No committee shall have the authority to enter into contracts or otherwise act on behalf of the Association.
- (d) The Board of Directors shall have the right at any time, in its complete discretion, to disband any committee or remove and replace any member thereof.

Section 7.03 Compensation of Committee Members

- (a) No committee member shall receive compensation for any service he or she may render to the Association as a committee member.
- (b) Upon approval by the Board, a committee member may be reimbursed for his or her consequential expenses actually incurred in the performance of his or her duties.

ARTICLE 8. BOOKS, RECORDS AND FUNDS

Section 8.01 Access to Association Records

- (a) Association records shall, to the extent required by California law, be available for inspection by any Member. The Governing Documents shall be available for inspection by any Member online or by mail upon request.

Section 8.02 Checks, Drafts, and Evidences of Indebtedness

- (a) All checks, drafts, or other orders for payment of money and all notes or other evidences of indebtedness, issued in the name of the Association, shall be signed in any manner specified by the Board, with the following exceptions:

- (i) Written approval of at least two (2) Directors shall be required for any expenditure in excess of five thousand dollars (\$5000.00).
- (ii) The signatures of at least two (2) Directors, shall be required for the approval to withdraw funds from the Association's reserve account.
- (iii) With respect to Reserve Funds, see Section 5.02(c)(vi).

Section 8.03 Funds and Deposits

- (a) Any funds of the Association shall be deposited in the name of the Association in a federally insured bank, credit union or savings association within the State of California with limits not to exceed the federally insured amount.
- (b) At no time and under no circumstances shall any Association funds be placed in any individual's name and/or bank account.

Section 8.04 Fiscal Year

- (a) The fiscal year of the Association shall run from March through February of each year unless otherwise determined by resolution of the Board of Directors.

ARTICLE 9. AMENDMENTS

Section 9.01 Amendments

- (a) These Bylaws may be amended by approval of the Board and the affirmative vote of a majority of a quorum of the Members. The power of the Board of Directors to amend, repeal or adopt new Bylaws as permitted in the California Corporations Code, Article 5, Section 7150 (a), is hereby eliminated, provided however that, upon advice of legal counsel licensed to practice law in the state of California, including the drafting by legal counsel of appropriate amendatory provisions, the Board shall have the authority without the requirement of Member approval to amend any provision of the Bylaws:
 - (i) To resolve any conflict between the Bylaws and applicable law which may arise due to the enactment or amendment of a statute or due to a development in applicable case law.
 - (ii) To conform the provisions of the Bylaws to changes in applicable statutory law that impose requirements that are non-discretionary.

Section 9.02 Restatements of Bylaws

- (a) The Board of Directors may, by the affirmative vote of the majority of the Directors present at a meeting at which a quorum has been established, restate these Bylaws when it has been properly amended pursuant to this Article.
- (b) Any such restatement shall supersede any prior Bylaws and amendments in their entirety.
- (c) Such restatement may also:
 - (i) Add, delete, or rearrange the text of the Bylaws to maintain consistency with any amendments including, but not limited to, altering the title and numbering of the restatement.
 - (ii) Delete material that is no longer legally effective.
- (d) Text shall be added to indicate that the Board of Directors has authorized the restatement and otherwise describes the background of the Development and the

restatement process.

ARTICLE 10. HIERARCHY OF DOCUMENTS

Section 10.01 Hierarchy of Governing Documents and the Law (Davis-Stirling 4205).

- (a) To the extent of any conflict between the Governing Documents and the law, the law shall prevail.
- (b) To the extent of any conflict between the Articles of Incorporation and the Declaration, the Declaration shall prevail.
- (c) To the extent of any conflict between the Bylaws and the Articles of Incorporation or the Declaration, the Articles of Incorporation or Declaration shall prevail.
- (d) To the extent of any conflict between the Operating Rules and the Bylaws, Articles of Incorporation, or Declaration, the Bylaws, Articles of Incorporation or the Declaration shall prevail.

ARTICLE 11. DEFINITIONS

Section 11.01 Table of Definitions

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| Articles of Incorporation | Articles of Incorporation is the document necessary to register a corporation with a state and acts as a charter to recognize the establishment of a corporation. |
| Board or Board of Directors | The Governing Committee of the Association, comprised of all the elected Directors. |
| Bylaws | The Governing Document establishing the operational requirements of the Swansboro Country Property Owners Association. |
| Common Areas | The properties held in common by the Association. |
| Declaration | The Declaration of Covenants, Conditions, and Restrictions (the "Declaration" or "CC&Rs") recorded against all Lots located within the the Swansboro Country development (the "Development"). |
| Development | Refers to the Swansboro Country development in El Dorado County, CA. |
| Director | An elected member of the Board of Directors, selected and empowered to conduct the day to day business of the Association. |
| Governing Documents | Documents that govern the operation of the Swansboro Country Property Owners Association. The documents consist of the Operating Rules, Bylaws, Articles of Incorporation, and the Declaration. |

| | |
|--------------------------|---|
| Lot | Any separate interest plot of land within the Development. |
| Member or Owner | Any individual or corporate entity who owns one or more Lots in the Development. |
| Members in Good Standing | “Member in Good Standing” shall mean a Member of the Association who is current in the payment of all assessments (including any costs, fees, charges, and expenditures including, but not limited to, interest, late charges, attorneys’ fees, recording and filing fees, and all other costs actually incurred by the Association in collecting and/or enforcing payment of assessments imposed in accordance with the Governing Documents) or any other amounts owed to the Association. |
| Operating Rules | The set of rules and regulations established by the SCPOA Board of Directors in order to establish community norms of behavior with regard to the Common Areas of the Association. |
| Properties | All properties recorded in the county record as part of the Development. |
| Record Date | Official date of a record when it was prepared, authorized, signed, or issued. If more than one date is shown, usually the latest date is considered the record date. |

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SWANSBORO COUNTRY PROPERTY OWNERS ASSOCIATION
NOTICE OF ELECTION RULES AND
NOTICE OF FIRST AMENDMENT TO FIRST RESTATED BYLAWS

October 29, 2020

Dear Member:

Election Rules

At the open meeting of the Board of Directors on October 29, 2020 the Board adopted new Election Rules and the First Amendment to the Restated Bylaws (with Resolution and Certification). Copies are enclosed for your records.

The Election Rules and Amendments were adopted to comply with changes in California law affecting the way membership votes in homeowner associations are to be conducted. These changes, which went into effect January 1, 2020, include new requirements include new deadlines; address verification tasks and mailings; candidate qualifications; member voting qualifications; inspector of elections qualifications; and recordkeeping obligations. These changes are not discretionary. The law requires our Association to adopt Election Rules consistent with these new requirements and this task was accomplished with assistance from the Association's legal counsel.

Bylaw Amendments

Also enclosed here is a First Amendment to the Bylaws which the Board has adopted by Resolution (also enclosed). No Membership vote on this amendment was necessary because it is merely to conform our current Bylaws (the First Restated Bylaws certified on July 20, 2019) to those changes in the law which took effect on January 1, 2020. (First Restated Bylaws, Art. 9, Section 9.01(a).) The First Amendment was prepared with assistance from the Association's legal counsel.

If you have any questions regarding the Election Rules and/or the First Amendment to the First Restated Bylaws, please contact R. LaFrance, Manager Rick.lafrance@managementtrust.com.

Sincerely,

Board of Directors

Swansboro Country Property Owners Association Election Rules

These Election Rules apply to all Member votes undertaken by SWANSBORO COUNTRY PROPERTY OWNERS ASSOCIATION ("Association"). These Election Rules shall be effective on the date of adoption, shall supersede any other rules of the Association affecting voting or elections, and shall remain in effect until modified by the Board of Directors (the "Board").

ARTICLE 1 MEMBER VOTING RIGHTS

1.1 Member Voting Rights. Notwithstanding anything to the contrary in the Association's governing documents, all Members shall be entitled to vote, and no Member shall be denied a ballot for any reason other than not being a Member. "Member" means a person who holds legal title to the separate interest (i.e., is named in the recorded deed for the separate interest property). The "separate interest" property means the lot owned by a Member.

1.1.1 Entity Owners. In the case of a Member that is not a natural person (such as a trust, corporation or other entity), the vote of such Member may be cast by any authorized representative of the Member designated by written notice to the Association.

1.1.2 General Power of Attorney. A person with general power of attorney for a Member, who has provided satisfactory evidence thereof, shall not be denied a ballot and said ballot shall be counted if returned by the deadline for voting.

1.2 Voter List. The Association shall maintain a "Voter List" which shall include for each separate interest: the Member's name; voting power; and, unless the Member has "opted out" of the public distribution of their address, the physical address of the Member's separate interest, or the parcel number, or both, and the mailing address of the Member if it is different than the physical address of the separate interest (or if the parcel number is used). Upon request, the Association shall permit Members to verify the accuracy of their individual information on the Voter List at least 30 days before the ballots are mailed. The Member shall report any errors to the Inspector of Elections who shall make the correction within two business days. The Association may, at its discretion, report any known errors to the Inspector of Elections. The Voter List shall be retained as "association election materials" as required by law.

1.3 Voting Power of Each Membership. On each matter before the Members, only one (1) vote shall be cast for each separate interest. Once a ballot is received by the Inspector of Elections, it may not be rescinded. Votes on behalf of a separate interest owned by more than one person or entity shall be treated as a single member for voting purposes. The vote for such separate interest shall be exercised as the owners among themselves shall determine, but in no event shall more than one (1) vote be cast with respect to any separate interest. If the joint owners of a separate interest are unable to agree among themselves as to how their vote is to be cast, they shall lose their right to vote on the matter in question. If any joint owner of a separate interest casts a vote representing the separate interest, it will thereafter be conclusively presumed for all purposes that such owner was acting with the authority and consent of the other owners of that separate interest.

1.4 Cumulative Voting. Cumulative voting is not permitted in the election of directors.

1.5 Proxies. Use of proxies in connection with membership votes or membership meetings is expressly prohibited. "Proxy" shall mean a written authorization signed by a Member or a

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Member's attorney-in-fact giving another person or persons power to vote for such Member, as defined in Civil Code section 5130.

1.6 General Power of Attorney. A Member may delegate their voting rights to a third party by use of a general power of attorney that conforms to the laws of the state in which the power is conveyed. The power of attorney must be returned to the Association at or before the casting of the ballot for which voting rights have been delegated.

ARTICLE 2 VOTING PROCEDURE

2.1 Notice of Election Information. At least thirty (30) days before the ballots are distributed, the Association shall provide general notice of all of the following: (i) the date and time by which, and the physical address where, ballots are to be returned by mail or handed to the Inspector of Elections; (ii) the date, time, and location of the meeting at which ballots will be counted; and (iii) the "Candidate Registration List," as defined in Section 3.3 below.

2.2 Distribution of Ballots. For a vote on any of the matters specified in *Civil Code* section 5100(a), voting by the Members shall be conducted by secret ballot using a "double envelope system" as described in *Civil Code* section 5115(a). Ballots and two envelopes with instructions on how to return ballots shall be mailed by first-class mail or delivered to all Members in such vote or election. Ballots shall be distributed a minimum of thirty (30) days prior to the deadline for voting. These matters are: (i) elections regarding assessments legally requiring a Member vote, (ii) election and removal of directors, (iii) amendments to the governing documents, and (iv) grants of exclusive use of common area property pursuant to *Civil Code* section 4600. For votes on any other matter, votes may be by secret ballot, written ballot or any other manner not prohibited by law (including electronic voting), and the polling period for such voting may be a reasonable time as determined by the Board unless otherwise prescribed by law.

2.3 Frequency of Director Elections. The Association shall hold an election for a seat on the Board at the expiration of the corresponding director's term or sooner if required by the Bylaws.

2.4 Extension of Voting. The Board shall be entitled to extend the deadline for the return of ballots one or more times due to the lack of a quorum or for such other reason(s) as the Board deems reasonable and prudent.

2.5 Tabulation and Observation. The Inspector of Elections shall open all ballots and tabulate the votes at a properly noticed open meeting of the Board or Members in a manner that allows the Members to view the opening and tabulation. The Inspector of Elections may appoint additional persons to assist in the opening of ballots and tabulation of votes. Observers must remain at least five (5) feet from the area of opening and tabulation and not communicate, harass, or otherwise interfere with the Inspector of Elections and/or those assisting the Inspector of Elections in any manner whatsoever. The Inspector of Elections or the Board shall have the power and authority to cause the removal of any person who interferes with or disrupts the voting, opening or tabulating process. The Inspector of Elections may suspend the opening and tabulation process if anyone causes interference with or disrupts the process.

2.6 Reporting Election Results. The tabulated results of the election shall be promptly reported to the Board and shall be recorded in the minutes if reported at a meeting of the Board or recorded in the minutes of the next meeting of the Board if reported at a Member meeting. Within fifteen (15) days of the election, the Board shall give the Members general notice of the tabulated results of the election.

2.7 Retention of Association Election Materials. "Association election materials" shall mean the returned ballots, signed voter envelopes, the Voter List, proxies, and the Candidate Registration List. The association election materials shall at all times be in the custody of the

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Inspector of Elections or at a location designated by the Inspector of Elections for a period of one (1) year after the Inspector of Elections notifies the Board and the Members are notified of the election results, at which time custody shall be transferred to the Association. The Association shall retain the association election materials for the current fiscal year and prior two (2) fiscal years. At the expiration of the retention period all association election materials may be destroyed.

ARTICLE 3 CANDIDATES FOR THE BOARD AND NOMINATION PROCEDURES

3.1 Qualification of Candidates. Candidates for the Board must be Members at the time of their nomination and must meet all other qualifications or restrictions set forth in these Election Rules. In the case of a Member that is not a natural person (such as a corporation or other entity), the entity Member shall have the power to appoint a natural person as the "Member" for purposes of director elections. The Association shall disqualify a nominee for the Board if the nominee is not a Member.

3.2 Nominations/Solicitation of Candidates. At least thirty (30) days before the deadline for submitting a nomination, the Association shall provide general notice of the procedure and deadline for submitting a nomination for the Board. Any Member who satisfies the qualifications and is not otherwise prohibited from running for the Board may place their name in nomination for the Board by submitting the nomination before the published deadline for receiving nominations. In addition, the Board may recruit qualified candidates and/or may appoint a nominating committee to nominate qualified candidates. No "write-in" candidates shall be permitted on the ballots in the election of directors.

3.3 Candidate Registration List. The "Candidate Registration List" shall mean the list of candidates who will appear on the ballot. Upon request, the Association shall permit Members to verify the accuracy of their individual information on the Candidate Registration List at least thirty (30) days before the ballots are mailed. The Member shall report any errors to the Inspector of Elections who shall make the correction within two business days. The Association may, at its discretion, report any known errors to the Inspector of Elections. The Candidate Registration List shall be retained as "association election materials" as required by law.

3.4 Notice of Known Candidates. The names of all persons on the Candidate Registration List shall be set forth on the ballot.

3.5 Candidacy Statements. Any candidate who wishes to submit a candidacy statement may only do so using the Association's authorized form. The content of any candidate statement shall be limited to a statement of the candidate's qualifications to serve as a director.

ARTICLE 4 USE OF ASSOCIATION MEDIA AND CAMPAIGNING

4.1 Access to Association Media – Candidates for the Board. The Board may, but is not required to, make Association media (e.g., newsletter, notice board, website, or other notices provided to the Members) available to qualified candidates running for election to the Board for purposes that are reasonably related to the election in which that candidate is running. If the Board allows any candidate access to Association media, then all qualified candidates shall be allowed equal access to the same media.

4.2 Access to Association Media – Other Matters. If the Board utilizes Association media to advocate a point of view on any matter (other than election of directors) that requires Member approval or allows any Member access to Association media for that purpose, then all Members advocating a different point of view shall be allowed equal access to the same media. The Board shall not be required to allow access to more than one Member advocating the same point of view.

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4.3 "Equal Access." "Equal access" shall mean publication of written statements not to exceed a predetermined length as determined by the Board. The Board shall not edit or redact any statement but shall not be required to publish any statement that exceeds the predetermined length restrictions. Modifications to formatting may be made so as to allow for space and/or media restrictions. If any formatting modifications should become necessary, they shall be applied equally to all submissions and at no time shall any formatting be applied that may signify a preference or partiality.

4.4 Responsibility for Content. All statements published in Association media pursuant to the "equal access" rules must identify the author or proponent. No anonymous statements will be permitted. The author and/or proponent of any statement or point of view shall be solely responsible and liable for the content of their statements. The Association shall not be responsible or liable for the content of any statement published pursuant to the "equal access" rules.

4.5 Campaigning. No Association funds shall be expended for the purposes of campaigning in connection with any vote or election other than those funds specifically required to distribute required correspondence, notices, or forms that may contain the names of candidates or necessary information on the issues being voted upon, or as is otherwise deemed by the Board to be necessary or appropriate for the fair and reasonable conduct of a vote or election, or to the extent necessary to comply with duties of the Association imposed by law. Specifically excluded is the expenditure of Association funds for the purposes of expressly advocating approval, election, or defeat of any candidate.

ARTICLE 5 USE OF COMMON AREA MEETING SPACE

5.1 Access to Common Area Meeting Space – Campaigning by Candidates for the Board. The Board shall ensure that during a campaign all qualified candidates for election to the Board are given access to common area meeting space (if any) upon request, at no cost, for purposes reasonably related to their campaigns.

5.2 Access to Common Area Meeting Space – Other Matters. Whenever the Board places a matter before the Members which requires Member approval, the Board shall ensure that Members advocating a point of view on the matter are given access to common area meeting space (if any) upon request, at no cost, for purposes reasonably related to advocating their point of view, whether or not they agree with the point of view advocated by the Board on the matter at issue.

5.3 All Access. Any use of the common area facilities for the purposes described above shall be regulated by any existing rules and regulations for such use. The Board, in its sole discretion, may reasonably limit a candidate's or Member's access to common area facilities in order to facilitate equal access for other candidates and Members, and so as not to unreasonably interfere with other Members' rights to use such facilities.

ARTICLE 6 INSPECTOR OF ELECTIONS

6.1 Appointment of Inspector of Elections. Whenever there is a membership vote or election, the Board shall appoint one (1) or three (3) Inspectors of Elections, hereinafter individually or collectively referred to as the "Inspector of Elections," whose powers and duties shall be as set forth in Civil Code section 5100 *et seq.* The Board shall have the power to remove an Inspector of Elections who ceases to meet the required qualifications, is unable or unwilling to perform their duties, or for other good reason, and to appoint a new Inspector of Elections in their place.

6.2 Qualification of Inspector of Elections. The Inspector of Elections may be any persons the Board reasonably believes to be independent with respect to the matter or matters being

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voted on and may include Members of the Association, but may not be (i) a member of the Board or a candidate for election to the Board or be related to a current member of the Board or a candidate for election to the Board or (ii) the Association's manager, accountant, legal counsel, or any other person, business entity, or subdivision of a business entity that is employed by or under contract with the Association to provide compensable services to it at and/or after commencement of the election process other than serving as Inspector of Elections.

6.3 Payment to Inspector of Elections. The Board may authorize payment of Association funds to any third party appointed to serve as Inspector of Elections; however, no payment may be authorized for any Member appointed to serve as the Inspector of Elections.

6.4 Duties of the Inspector of Elections. The Inspector of Elections shall be responsible to perform their duties as follows:

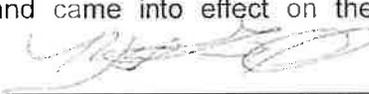
- 6.4.1 Perform those tasks enumerated in Civil Code section 5110(c); and
- 6.4.2 Perform all duties impartially, in good faith, to the best of the Inspector of Election's ability, as expeditiously as is practical, and in a manner that protects the interest of all Members of the Association; and
- 6.4.3 Make any necessary corrections to the Candidate Registration List or the Voter List within two business days of being informed of an error by a Member or by the Association; and
- 6.4.4 Deliver (or cause to be delivered) the following documents to the members at least thirty (30) days before an election: (a) the ballot(s) by first-class mail and (b) a copy of these Election Rules by (i) individual delivery or (ii) by posting the internet website address where these Election Rules may be accessed on the ballot together with the phrase in at least 12-point font, "The rules governing this election may be found here: SCPOA.INFO ; and
- 6.4.5 Retain the association election materials as provided herein.

6.5 Indemnification of Inspector of Elections; Liability Insurance. The Association may, at the Board's sole discretion, indemnify the Inspector of Elections to the fullest extent provided by law. The Association shall have the power to purchase and maintain insurance to protect it and/or the Inspector of Elections against any liability asserted against the Association and/or against the Inspector of Elections arising out of the Inspector of Elections' acts and/or omissions relating to any Association vote or election.

ARTICLE 7 AMENDMENTS

The Board may amend these Election Rules from time to time except that these Election Rules may not be amended less than ninety (90) days prior to an election unless that amendment is merely to conform to non-discretionary changes in the law.

I, Megan Lattin, am the Secretary of the SWANSBORO COUNTRY PROPERTY OWNERS ASSOCIATION, and certify that these Election Rules were duly adopted by the Board of Directors of the Association and came into effect on the 29 day of October, 2020.



Secretary
10/29/20

Date 2020

**FIRST AMENDMENT TO THE FIRST RESTATED BYLAWS
OF
SWANSBORO COUNTRY PROPERTY OWNERS ASSOCIATION**

The Association does hereby declare that the Bylaws are amended as follows (words with a strike through are deleted, and words in underlined italics are added):

1. Section 4.02 ("Voting"), subsection (a) is hereby amended to read as follows:
 - (a) Members ~~in Good Standing~~ shall be entitled to cast one (1) vote for each Lot owned.

2. Section 4.05 ("Record Dates"), subsection (b) is hereby amended to read as follows:
 - (b) The Board of Directors may fix a date not more than sixty (60) days before the date of any mailing or delivery of ballots as the Record Date for determining Members entitled to vote and only Members in Good Standing as shown in the records of the Association as of the Record Date for voting shall be entitled to vote in such vote or election. If no Record Date for voting is set by the Board of Directors, Members in Good Standing on the day of the mailing or delivery of ballots shall be entitled to vote in such vote or election.

3. Section 5.01 ("Number of Directors") is hereby amended to read as follows:

The affairs of the Association shall be managed by or under the direction of a Board consisting of seven (7) Directors, ***all of whom shall be Members of the Association.*** ~~No more than one (1) Director may be a non-Member of the Association.~~

4. Section 5.02 ("Objectives, Powers and Duties"), subsection (b) ("Election and Term of Office"), subparagraph (iii) 1) is hereby amended to read as follows:
 - 1) "Member in Good Standing" shall ~~mean a Member of the Association who is current in the payment of all assessments (including any costs, fees, charges, and expenditures including, but not limited to, interest, late charges, attorneys' fees, recording and filing fees, and all other costs actually incurred by the Association in collecting and/or enforcing payment of assessments imposed in accordance with the Governing Documents) or any other amounts owed to the Association~~ ***have that meaning set forth in Article 11, Section 11.01.***

5. Section 5.02 ("Objectives, Powers and Duties"), subsection (p) ("Election and Term of Office"), subparagraph (ii) is hereby amended to read as follows:
 - (ii) In all elections of Directors, Members ~~in Good Standing~~ may cast, in respect to each position on the Board to be filled, one vote for each Lot owned. The persons receiving the largest number of votes shall be elected. Cumulative voting (i.e., giving more than one vote to any candidate) shall not be permitted.

6. The definition of "Member in Good Standing" at Article 11 ("Definitions"), Section 11.01 ("Table of Definitions") is hereby amended to read as follows:

Except as provided herein, "Member in Good Standing" shall mean a Member of the Association who is current in the payment of all assessments (including any costs, fees, charges, and expenditures including, but not limited to, interest, late charges, attorneys' fees, recording and filing fees, and all other costs actually incurred by the Association in collecting and/or enforcing payment of assessments imposed in accordance with the Governing Documents) or any other amounts owed to the Association. Notwithstanding the previous sentence, for purposes of qualifying to run for and serve on the Board of Directors, a Member shall be in Good Standing unless, at the time of nomination, the Member is delinquent in the payment of regular and/or special assessments. For purposes of qualifying to run for or serve on the Board, a nominee shall not be considered "delinquent" if the delinquency relates to the payment of fines, fines renamed as assessments, collection charges, late charges, or costs levied by a third party and/or if the nominee: (a) has paid the regular or special assessment under protest; (b) has entered into a payment plan for repayment of the delinquent assessments and is not delinquent in payments due under the plan; or (c) has requested and has not been provided an opportunity to engage in internal dispute resolution.

All other provisions of the First Restated Bylaws shall remain unchanged.

End Amendments.

**CERTIFICATE OF FIRST AMENDMENT TO THE FIRST RESTATED BYLAWS
OF
SWANSBORO COUNTRY PROPERTY OWNERS ASSOCIATION**

I, Megan Lattanner, hereby certify that:
(Print Name)

I am the Secretary of Swansboro Country Property Owners Association.

The attached First Amendment to the Bylaws of Swansboro Country Property Owners Association was duly approved by the Board of Directors of the Association on 10/29, 2020 in accordance with Article 9, Section 9.01(a) of the Bylaws and in reliance on the advice of legal counsel.

Executed this 29 day of October, 2020.

Signed: 
Secretary
Swansboro Country Property Owners Association

**RESOLUTION OF THE BOARD OF DIRECTORS
SWANSBORO COUNTRY PROPERTY OWNERS ASSOCIATION**

WHEREAS, the Board of Directors requested legal counsel for the Association to prepare a First Amendment to the First Restated Bylaws so that the Association's Bylaws conform to changes to the Davis-Stirling Common Interest Development Act which took effect January 1, 2020 and affect Association voting and elections;

WHEREAS, pursuant to Article 9, Section 9.01(a) of the Bylaws and in reliance on the advice of counsel, the Board authorized counsel for the Association to prepare an Amendment to the Bylaws to conform with changes in the law, which changes are non-discretionary, and counsel has prepared the First Amendment to the First Restated Bylaws which is attached hereto as Exhibit A;

NOW, THEREFORE, BE IT RESOLVED, that the First Amendment to the First Restated Bylaws attached hereto as Exhibit A is hereby adopted by the affirmative vote of a majority of a quorum of the Board of Directors;

RESOLVED, FURTHER, that the Secretary of the Association is authorized and directed to execute the Certificate of First Amendment to the First Restated Bylaws in the form included as part of Exhibit A;

RESOLVED, FURTHER, that the proper officers and agents of the Association are authorized and directed to do such other acts and things as may be necessary or appropriate to perfect the adoption of the First Amendment to the Bylaws; and

RESOLVED, FURTHER, that a copy of this resolution and its attachment shall be attached to the minutes of the meeting at which they were adopted and placed in the official minutes of the proceedings of the Board of Directors.

Adopted by the Board of Directors at a duly noticed open meeting of the Board on Oct 29, 2020.

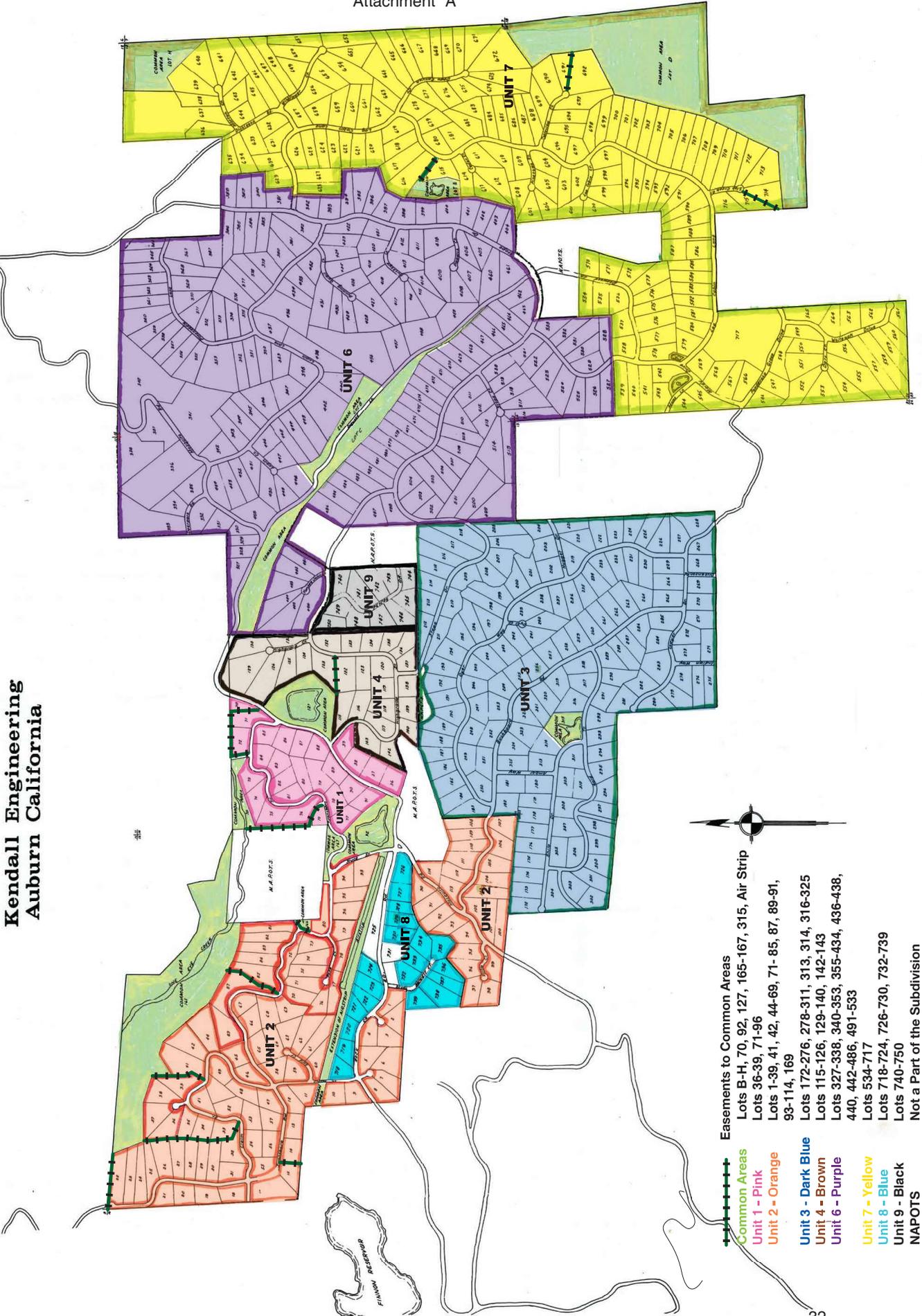
By: Megan Lattanner
[Signature], Secretary

Dated: 10/29/20, 2020

SWANSBORO COUNTRY

El Dorado County, California

Kendall Engineering
Auburn California



- Easements to Common Areas
 - Common Areas
 - Unit 1 - Pink
 - Unit 2 - Orange
 - Unit 3 - Dark Blue
 - Unit 4 - Brown
 - Unit 5 - Purple
 - Unit 7 - Yellow
 - Unit 8 - Blue
 - Unit 9 - Blue
 - NAPOTS
- Lots B-H, 70, 92, 127, 165-167, 315, Air Strip
 Lots 36-39, 71-96
 Lots 1-39, 41, 42, 44-69, 71-85, 87, 89-91, 93-114, 169
 Lots 172-276, 278-311, 313, 314, 316-325
 Lots 115-126, 129-140, 142-143
 Lots 327-338, 340-353, 355-434, 436-438, 440, 442-486, 491-533
 Lots 534-717
 Lots 718-724, 726-730, 732-739
 Lots 740-750
 Not a Part of the Subdivision

SCPOA

CCR'S Unit 1 - 4

Master Unit 1 dated May 20, 1969

Unit 2 Supplementary dated Oct. 6, 1969

Unit 3 Supplementary dated Nov. 24, 1971

Unit 4 Supplementary dated June 9, 1971

NOTICE:

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

"Covenants and restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin are deleted unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3.07 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons"

OFFICIAL RECORDS
EL DORADO COUNTY-CALIF
RECORD REQUESTED BY

INTER-COUNTY TITLE CO.
MAY 20 1 40 PM 1969

JAMES W. SWEENEY
COUNTY RECORDER

Recorded at the request of
Inter-County Title Co.

When recorded mail to

Geoffrey A. Hughes
Attorney at Law
347 Main Street
Placerville, California 95667

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DECLARATION OF COVENANTS AND RESTRICTIONS

This Declaration made this 19th day of May,
1969 by W & D Investment Company, Inc. a corporation,
hereinafter referred to as "Developer", Witnesseth:

WHEREAS, Developer is the owner of the following
described real property situate in the County of
El Dorado, State of California, described as follows:

Lots 36 through 39, both inclusive, and
lots 70 through 96, both inclusive, as
shown on the Official "Plat of Swansboro
Country, Unit No. 1", filed for record
in the office of the County Recorder of
the County of El Dorado, State of Calif-
ornia, on the

13th day of May, 1969
in Book E of Maps, at Page 30

and

WHEREAS, Developer desires to create thereon a
residential community with permanent common areas,
and other common facilities for the benefit of

L 8949

said community; and

WHEREAS, Developer desires to provide for the preservation of the values in said community and for the maintenance of said common areas, and other common facilities, and to this end, desires to subject the real property hereinbefore described, together with such additions thereto as may hereafter be made, to the covenants, conditions, restrictions, easements, and agreements hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Developer has deemed it desirable for the efficient preservation of the values of said community, to create an agency or entity to which should be delegated and assigned the power of maintaining and administering the common properties and facilities and the maintaining, repairing and improving, and the providing for, and financing of, subsequent stages of construction of the public roads shown upon and dedicated by the Official Map hereinbefore mentioned and the installing, maintaining and replacing of street name signs and traffic control signs on the said public roads shown upon and dedicated by the Official Map of said subdivision hereinbefore mentioned and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Developer has incorporated under the laws of the State of California, as a nonprofit corporation, the Swansboro Country Property Owners Association, for the purpose of exercising the functions hereinbefore set forth;

NOW, THEREFORE, the Developer declares that the real property hereinbefore described and such additions thereto as may hereafter be made pursuant to these Declarations, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I

DEFINITIONS

Section 1. The following words when used in this Declaration or any Supplemental Declaration shall have the following meanings:

(a) "Association" shall mean and refer to the Swansboro Country Property Owners Association.

(b) "The Properties" shall mean and refer to all such existing properties, and additions thereto, as are subject to this Declaration or any Supplemental Declaration under the provisions of Article II hereof.

(c) "Common Areas" shall mean and refer to those areas of land shown on any recorded subdivision map of the properties and intended to be devoted to the common

use and enjoyment of the owners of the properties.

(d) "Lot" shall mean any numbered lot designated and shown on any recorded subdivision map of the properties with the exception of the common areas as hereinbefore defined.

(e) "Plot" shall mean any parcel of land surrounding one residential building and appurtenant buildings where composed of one or more lots or a lot and a fraction of another lot or lots thereby creating one homesite, which such parcel shall be monumented to identify the exterior boundaries of said homesite.

(f) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot or plot situate upon the property, but shall not mean or refer to any lienholder unless or until such lienholder has acquired title due to foreclosure or any proceeding in lieu of foreclosure.

(g) "Members" shall mean and refer to all those owners who are members of the Association as provided in Article III, Section 1 hereof.

ARTICLE II

PROPERTIES SUBJECT TO THIS DECLARATION ADDITIONS THERETO

Section 1. The real property which is and shall be held, transferred, sold, conveyed and occupied subject

to this Declaration is located in the County of El Dorado, State of California and is more particularly described as follows:

Lots 36 through 39, both inclusive, and Lots 70 through 96, both inclusive, as shown on the Official "Plat of Swanton Country, Unit No. 1", filed for record in the office of the County Recorder of the County of El Dorado, State of California on the

13th day of May, 1969
in Book E of Maps, at page 30;

All of which real property shall hereinafter be referred to as existing property.

Section 2. Additional land may become subject to this Declaration in the following manner:

(a) The Developer, its successors and assigns, shall have the right to bring within the scheme of this Declaration additional properties in future stages of the development, provided that such additions are in accord with the General Plan of Development prepared prior to sale of any lot and made known to every purchaser, which knowledge may be communicated by brochure delivered to each purchaser or by referring to a posted map prior to such sale.

Such General Plan of Development shall show the proposed additions to the existing property and shall contain:

1. A general indication of size and location of additional development stages and proposed land uses in

each proposed addition;

2. The approximate size and location of common properties proposed for each stage;

3. A limitation that the number of additional lots shall not exceed 1,000 (one thousand).

4. Provisions that said additional lots will not substantially increase assessments or burdens upon the common property;

5. The general nature of proposed common facilities and improvements;

6. A statement that the proposed additions, if made, will become subject to assessment for their just share of Association expenses;

7. A statement that the proposed additions or annexations shall be accomplished within three years from and following the date of the last Final Subdivision Public Report affecting the property subject to this Declaration.

Unless otherwise stated therein, such general plan shall not bind the Developer, his heirs, successors or assigns, to make the proposed additions or to adhere to the plan in any subsequent development of the land shown thereon and the general plan shall contain a conspicuous statement to this effect.

The additions authorized under this subsection shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the scheme of the covenants and restrictions of this Declaration to such property.

Such Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added property and as are not inconsistent with the scheme of this Declaration. In no event, however, shall such Supplementary Declaration revoke, modify or add to this Declaration within the existing properties.

(b) Upon approval in writing of the Association pursuant to a vote of its members as provided in its Articles of Incorporation and By-Laws, the owner of any property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association may file of record a Supplementary Declaration of Covenants and Restrictions, as described in subsection (a) hereof.

(c) Upon a merger or consolidation of the Association with another association as provided in the Articles of Incorporation and By-Laws of the Association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may by operation of law be

added to the properties, rights and obligations of the Association as the surviving corporation pursuant to a merger. The surviving or consolidated Association may administer the covenants and restrictions established by this Declaration within the existing property together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration within the existing properties except as hereinafter provided.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Every person who is or entity which is a record owner of a fee, or undivided fee interest, in any lot or plot which is subject by covenants of record to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds or which holds such interest merely as security for the performance of an obligation shall not be a member.

Section 2. The Association shall have but one class of voting membership. Members shall be entitled to one vote for each lot and one vote and fraction of a vote for the number of lots in which they hold the interest required for membership by Section 1. When more than one person holds such interest or interests in any lot, or lots, all such persons shall be members and the vote for such lot, or lots, and fraction or fractions of a lot or lots, shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one such lot.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON AREA

Section 1. Subject to the provisions of Section 3, every member shall have a right and easement of enjoyment in and to the common areas and such easements shall be appurtenant to and shall pass with the title to every lot or plot.

Section 2. The Developer may retain the legal title to the common areas until such time as it has completed such improvements as it desires to make thereon and until such time as in the opinion of Developer, the Association is able to maintain the same. Notwithstanding any provision herein, the Developer hereby covenants for itself, its successors and assigns, that it shall convey the common areas to the Association not later than one year from the date of the sale of the first lot in the subdivision or when twenty-five per cent of all of the lots in the subdivision have been sold, whichever event first occurs.

Section 3. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association in accordance with its Articles and By-Laws to borrow money for the purpose of improving the common areas and in aid thereof to mortgage the property, provided that no

such encumbrance may be placed on the common areas without the affirmative vote of two-thirds of the membership.

(b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosures; and

(c) The right of the Association, as provided by its Articles of Incorporation and By-Laws to suspend the enjoyment rights of any member for any period during which an assessment remains unpaid, and for any period, not to exceed thirty (30) days, for any infraction of its published rules and regulations, provided that no such suspension shall be effective unless and until said member has been afforded the opportunity of a hearing, notice and the conduct of which shall be in accordance with the rules and regulations for administrative hearings as set forth in the California Administrative Code.

(d) The right of the Association to dedicate or transfer all or any part of the common areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members, provided that no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by members entitled to cast three-fourths of the vote of the membership has been recorded agreeing to such dedication, transfer, purpose or conditions and unless written notice

of the proposed agreement and action thereunder is sent to every member at least ninety (90) days in advance of any action taken.

ARTICLE V
COVENANT FOR ASSESSMENTS

Section 1. The Developer, for each lot or plot owned by anyone in the properties, hereby covenants and each owner of any lot or plot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association:

- (a) Annual assessments or charges or dues;
- (b) Special assessments for annual upkeep, capital improvements and maintenance costs of the common areas; special assessments for maintenance, repair and replacement of the fences on the roads known as "Mosquito Road" and as "Mosquito Cut-Off"; special assessments to maintain, repair, improve, finance and pay for subsequent stages of construction of the public roads shown upon and dedicated by the Official Map of Swansboro Country, Unit No. 1, and special assessments for the purpose of installing, maintaining and replacing street name signs and traffic control signs on the public roads shown upon and dedicated by the Official Map of Swansboro Country, Unit No. 1; all such assessments to be fixed, established and collected from time to time as hereinafter provided.

The annual and special assessments, together with such interest thereon and the cost of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien on the property against which each such assessment is made. Each such assessment, together with such interest thereon and the cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person or owner who was the owner of such property at the time when the assessment fell due.

Section 2. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, welfare, safety, comfort and recreation of the residents in the properties and in particular for the improvement and maintenance of the common areas and, for the purposes set forth in subparagraph (b) of foregoing Section 1 hereof.

Section 3. Until the year beginning January, 1971 the annual assessment shall be fifteen dollars per year per lot payable annually, and from and after January, 1971 the annual assessment may be increased by vote of the members, as hereinafter provided, for the next succeeding three (3) years and at the end of each such period of three (3) years, for each succeeding period of three (3) years. Developer shall pay its proportionate share of the annual assessments, in proportion to the units or lots owned by Developer, until all of the lots in said

subdivision are sold.

Section 4. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement on the common area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority of the vote of members who are voting in person or by proxy at the meeting to be called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance setting forth the purpose of the meeting. In addition, the Association may levy in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the costs of maintenance, repair and replacement of the fences on the roads known as "Mosquito Road" and as "Mosquito Cut-Off" and the costs of maintaining, repairing, improving, financing and paying for subsequent stages of construction of the public roads shown upon and dedicated by the Official Map of Swansboro Country, Unit No. 1, and for the purpose of installing, maintaining and replacing street name signs and traffic control signs on the public roads shown upon

and dedicated by the Official Map of Swansboro Country, Unit No. 1, provided that Developer shall not be responsible for payment of such special assessments at any time.

Section 5. Subject to the limitations of Section 3 hereof and for the periods therein specified, the Association may change the maximum and basis of the assessments fixed by Section 3 hereof prospectively for any such period, provided that any such change shall have the assent of a majority of the vote of members voting in person or by proxy; provided further, that the limitations of Section 3 hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation and under its By-Laws and under Article II, Section 2 hereof.

Section 6. The quorum required for any action authorized by Section 4 and by Section 5 hereof shall be as follows: At the first meeting called, as provided in Sections 4 and 5 hereof, the presence at the meeting of members or of proxies entitled to cast a majority of all votes of the membership shall constitute a quorum. In the event a quorum is not present, the meeting may be adjourned, and the adjourned meeting the members present in person or by proxy shall constitute a quorum.

Section 7. The annual assessments provided for herein shall commence on the date fixed by the Board of Directors of the Association to be the date of commencement.

The first annual assessment shall be made for the balance of the calendar year and shall become due and payable on the date fixed for commencement. The assessments for any year, after the first year, shall become due and payable on the first day of March of said year. The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided for in Section 3 hereof as the remaining number of months in that year bears to twelve. The same reduction in the amount of the assessment shall apply to the first assessment levied against any property which is hereafter added to the properties now subject to assessment at a time other than the beginning of any assessment period. The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

Section 8. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each lot or plot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of

the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any owner.

Written notice of the assessment shall thereupon be sent to every owner subject thereto.

The Association shall, upon demand, at any time, furnish to any owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether or not said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. If the assessments are not paid on the date when due then such assessments shall become delinquent and shall, together with such interest thereon and costs of collection thereof as are hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall

bear interest from the date of delinquency at the rate of seven per cent (7%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the cost of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee, to be fixed by the Court, together with the costs of the action.

Section 10. The lien of the assessment provided for herein shall be subordinate to the lien of any mortgage or deed of trust now or hereafter placed upon the property subject to the assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or a transfer of such property pursuant to a decree of foreclosure or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 11. All property which is subject to this Declaration shall be exempted therefrom to the extent of any easement therein dedicated and accepted by any local public authority and devoted to public use, and also all

properties exempted from taxation by the laws of the State of California.

ARTICLE VI
BUILDING RESTRICTIONS

Section 1. Uses and improvements.

(a) With the exceptions of Lots 70 and 92, no buildings other than one detached single family private residence, a private garage for the use of the occupants of such residence, and other usual and appropriate out buildings and structures incident and appurtenant to a private residence shall be erected or maintained on any lot or plot in this subdivision and no use whatsoever, except in connection with its use and improvement as a site and grounds for such buildings, shall be made of any lot or plot therein. The term "private residence" is intended to exclude every other form of dwelling for the occupancy of more than one family and is intended to exclude boarding houses, lodging houses, sanitariums and hospitals, but is not intended to exclude a "guest house" incident to a private residence for the entertainment of social guests, nor servants' quarters for servants or other employees employed on the premises.

(b) No form of business, commercial, manufacturing or storage enterprise or activity or exploration for

or production of minerals, stone, gravel, oil, gas and other natural resources shall be conducted or maintained on any lot or plot in this subdivision, including the common areas.

(c) The common areas are those designated as Lots 79 and 92 on the Official Map of said subdivision.

Section 2. The principal residence building on any lot or plot shall cover a ground floor area of not less than 850 square feet if a one story residence, and not less than 850 square feet on the main floor if a one and one-half or if a two story structure, with an additional area of at least 350 square feet on the second floor. "Ground floor area" shall exclude any attached garage, open porch, terrace, steps and like appurtenances not enclosed by the bearing walls of the residence building.

Section 3. No building, projection, or any part thereof, shall be erected on any lot or plot nearer than fifty (50) feet from any lot line or plot line.

Section 4. Easements, as shown upon the recorded map of the subdivision, are reserved for the construction, maintenance and operation therein or thereon of pipes, conduits, ditches, and appurtenances, for the purpose of providing drainage, paths, riding trails, or public services and facilities. No interference shall be made with the free use of such easements for the purposes for which they are intended.

Section 5. No billboards or other advertising devices shall be erected or placed upon any lot or plot in this subdivision, except as follows: The name and profession of any professional person may be displayed upon any dwelling house on a sign not exceeding 200 square inches in area. No more than one "For Sale", "For Lease", or "For Rent" sign, plus one builders' sign during construction of a residence shall be displayed upon any lot or plot, and such sign shall not be larger than 18 inches by 24 inches in size; provided, however, that in the course of developing or improving the subdivision and lots, the Developer or his agent or builders may erect and display larger signs.

Section 6. No structure or building other than a completed residence shall be used or occupied as a dwelling place on any lot or plot in this subdivision. No tents, trailers or other temporary habitations shall be used.

Section 7. Any residence or other building in this subdivision, the construction of which has been started, shall be completed without delay and within one year, except when such delay is caused by weather conditions, strikes, actual inability of the owner to procure delivery of necessary materials, or by interference by other persons or forces beyond the control

of the owner. Financial inability of the owner or his contractor to secure labor or materials or to discharge liens or attachments shall not be deemed a cause beyond the control of the owner.

In the event of cessation of construction of any building for a period of 120 days where such cessation is not excused by the provisions hereof, the existence of such incomplete buildings shall be deemed to be a nuisance and the Developer or any other owner of property subject to this Declaration shall have the right to enter upon said uncompleted property and remove the same or carry such construction work to completion, and the expense incurred in connection with the removal or completion of such building shall become a lien upon the land and improvements thereon upon which such building is situated, which said lien may be foreclosed either as a mechanic's lien or as a mortgage or deed of trust made on real property.

ARTICLE VII

BUILDING DESIGN AND MATERIALS

Section 1. Any building placed, erected or maintained upon any lot or plot shall be entirely constructed thereon and the same shall not, nor shall any part thereof, be moved or placed thereon from elsewhere.

Section 2. All buildings erected within this subdivision shall be of new materials, provided, however, that the provisions of this paragraph shall not prevent the use of used brick or any other material which is in general use in the construction of dwelling houses.

Section 3. No reflective metals or other materials which may cause glare shall be used on any exterior surface of any building and in the event metal is used on any exterior surface of any building such metal shall be painted for the purpose of preventing glare.

ARTICLE VIII

GROUNDS

Section 1. All incinerators used for the purpose of burning trash shall be of concrete or metal with one or more vent screens of one-quarter inch mesh or finer, placed on bare ground area not less than ten feet in radius from each such incinerator.

Section 2. Barbed wire shall not be used for fencing purposes on any lot or plot in this subdivision nor shall any electrically charged wire be used for fencing. No fence erected on any portion of any lot or plot shall exceed six feet in height.

Section 3. Each dwelling shall be provided with a sewage disposal system consisting of an individual

septic tank, or other equally sanitary structure for the storage or disposal of sewage, constructed, located, and connected with a drain field, and all such facilities shall conform to the Health and Safety Regulations of the County of El Dorado, State of California.

Section 4. All wells and water facilities on each lot or plot in said subdivision shall conform to the Health and Safety Regulations of the County of El Dorado, State of California.

Section 5. No boats, trucks, campers, automobiles or trailers shall be stored in the open within view of public streets.

ARTICLE IX GENERAL PROVISIONS

Section 1. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or by the owner of any land subject to this Declaration, for a term of thirty-five (35) years from the date of recording of this Declaration, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then owners of three-fourths (3/4) of the lots or plots in said subdivision has been recorded, agreeing to change said covenants and restrictions in

whole or in part, provided, however, that no such agreement as to change or changes shall be effective unless made and recorded one (1) year in advance of the effective date of such change, and unless written notice of the proposed change or changes is sent to every owner at least ninety (90) days in advance of any action taken by the owner desiring to make such change or changes.

Section 2. Any notice required to be sent to any member or owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as a member or as an owner on the records of the Association at the time of such mailing.

Section 3. Enforcement of these Covenants and Restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction herein contained, either to restrain violation thereof or to recover damages therefor, and against the land to enforce any lien created by these covenants; and failure by the Association or by any owner to enforce any covenant or restriction herein contained shall not be deemed to be a waiver of the right to do so thereafter.

Section 4. Invalidation of any one of these covenants or restrictions by judgment or by court order shall in no way affect any of the other provisions

herein contained which such other provisions shall remain in full force and effect.

Section 5. No lot, plot or building in this subdivision shall be used for the keeping or breeding of fowl, or animals of any kind for commercial purposes. A reasonable and usual number of household pets may be kept for the pleasure of the occupants of the premises where kept, but the same shall not be kept in numbers or under conditions objectionable to other residents in the subdivision. No lot owner shall have more than two dogs or more than two cats over the age of four months.

Section 6. Nothing contained in this Declaration shall impair or defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but title to any property taken subject to this Declaration whether obtained through sale or through foreclosure of any mortgage or deed of trust or in lieu of foreclosure of such mortgage or deed of trust shall thereafter be held subject to all of the terms and provisions herein contained.

Section 7. Each grantee of a conveyance or purchaser under a contract or agreement of sale, by accepting a deed or contract of sale or agreement of purchase, accepts the same subject to all of the

covenants, conditions, restrictions, easements and agreements set forth in this Declaration and agrees to be bound by all of the same. Damages for breach of any of the covenants, restrictions or agreements set forth in this Declaration are hereby declared not to be adequate compensation, but such breach and the continuation thereof may be enjoined or abated by appropriate proceedings by the Developer, the Association, or by an owner or owners of any other lot or lots, or plots in said subdivision. If suit be instituted to enforce any of the provisions of this Declaration, the owner or owners against whom such suit is instituted hereby agree to pay costs and reasonable attorney's fees incurred by any person or persons or corporation, including the Association, duly authorized to prosecute such suit.

Section 8. Failure by the Developer or any other person or persons entitled so to do to enforce any covenant, condition, restriction or agreement herein contained, upon violation thereof, shall not estop, prevent or be deemed to be a waiver of the right of enforcement thereafter.

Section 9. The covenants, conditions, restrictions, easements and agreements set forth in this Declaration may be waived, modified, changed, altered, cancelled or

(CORPORATE SEAL)

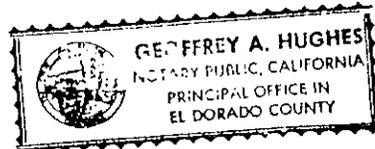
State of California)
County of El Dorado) ss.

On the 19th day of May, 1969 before me, the undersigned, a Notary Public in and for the County of El Dorado, State of California, personally appeared R. H. Dyer and John W. Ehlman, known to me to be the President and Secretary, respectively, of W & D Investment Company, Inc., the corporation that executed the within instrument and known to me to be the persons who executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same.


(GEOFFREY A. HUGHES)

Notary Public in and for
said County and State.

(NOTARIAL SEAL)



MAIL TO

3191 RUNNING SWAIL CT.
PLACERVILLE, CA 95667

75942

OFFICIAL RECORDS
EL DORADO COUNTY CALIF
RECORD REQUESTED BY:

Homeowners Assn.

500 93 DEC 15 AM 9:04

LONITA "JEAN" BELL
COUNTY RECORDER-CLERK

SWANSBORO COUNTRY SUBDIVISION
AMENDMENT FOR:

UNIT 1 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON MAY 13, 1969 IN MAP BOOK E NO. 30

UNIT 2 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON OCTOBER 6, 1969 BOOK E MAP NO. 43

UNIT 3 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON NOVEMBER 24, 1969 BOOK E MAP NO 106

UNIT 4 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON JUNE 9, 1971 BOOK E MAP NO. 94

UNIT 3 AMENDED FILED IN THE OFFICE OF THE COUNTY RECORDER OF
THE COUNTY OF EL DORADO ON APRIL 12, 1973 BOOK F PAGE 19

AMENDMENT AS FOLLOWS:

JULY 1993 AS PER A MAJORITY OF THE VOTERS OF SWANSBORO
COUNTRY PROPERTY OWNERS ASSOCIATION (SCPOA), THE FOLLOWING
CHANGE IS IN EFFECT.

ALL PROPERTY SET-BACKS ARE TWENTY (20) FEET. THIS INVOLVES
UNITS 1 THRU UNIT 4. THIS ALSO CORRESPONDS WITH EL DORADO
COUNTY REQUIREMENTS.

Swansboro County Property Owners Association

Elsie Gallagher
ELSIE GALLAGHER, PRESIDENT

Nov. 15, 1993
DATE:

D.C. Gallagher
D.C. GALLAGHER, CHAIRMAN, D.C. & R COMMITTEE

15 Dec 93
DATE:

RECORDER'S NOTE
RECORDED SPECIALLY AT REQUEST OF FILER

CERTIFICATE OF ACKNOWLEDGMENT

State of California }
County of El Dorado } SS.

On 12-13-93 before me, RUTH E. BRILLISOUR
(date) (Notary)
personally appeared D.C. GALLAGHER

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

WITNESS my hand and official seal.

Ruth E. Brillisour
Notary's Signature



BOOK 4173 PAGE 233

END

EL DORADO
COUNTY RECORDER

OFFICIAL RECORDS
EL DORADO COUNTY, CALIF.
RECORD REQUESTED BY
INTER-COUNTY TITLE CO.

OCT 6 4 26 PM 1969

JAMES P. SWEENEY
COUNTY RECORDER

SUPPLEMENTARY DECLARATION OF COVENANTS AND RESTRICTIONS

AS TO

SWANSBORO COUNTRY UNIT NO. 2

THIS DECLARATION made this 6th day of October, 1969,
by W & D INVESTMENT COMPANY, INC., a corporation, hereinafter referred to as
"Developer",

WITNESSETH:

WHEREAS, Developer is the owner of the following described real property, situate
in the County of El Dorado, State of California, described as follows:

Lots 1 through 39, both inclusive, Lots 41 and 42, Lots 44 through
85, both inclusive, Lot 87, Lots 89 through 114, both inclusive,
and Lots 163, 166, 167 and 169, as shown on the Official "Plan of
Swansboro Country, Unit No. 2", filed for record in the office of
the County Recorder of the County of El Dorado, State of California
on the 6th day of October, 1969, in Book E
of Maps, at Page 43, which real property is hereinafter
referred to as "Unit No. 2"; and

WHEREAS, Developer filed for record a certain "DECLARATION OF COVENANTS AND
RESTRICTIONS" dated May 19, 1969, recorded May 20, 1969, in Book 932 of Official
Records of El Dorado County, at Page 196, which Declaration is hereby referred to
and incorporated herein by reference, as if fully set forth, subject to the
modifications hereinafter set forth; and

(i)

BOOK 952 PAGE 667

EL DORADO
COUNTY RECORDER

WHEREAS, Developer desires to extend the scheme of said Covenants and Restrictions to include Swansboro Country Unit No. 2, in accordance with Article II, Section 2 of said Declaration;

NOW, THEREFORE, Developer declares that the real property described herein as Unit No. 2 shall constitute additional property as provided in said Declaration, and shall be held, transferred, sold, conveyed and occupied subject to said covenants, restrictions, easements, charges and liens as set forth in said Declaration, subject to the modifications hereinafter set forth, without modification of said Declaration as applied to the Lots in Swansboro Country Unit No. 1, and only for the purpose of modification of the Declaration as the same applies to the additional property described herein as Unit No. 2, the reference in said Declaration shall be deemed, and are hereby amended as follows:

- (1) Article V, Section 1 (b) and Article V, Section 4 are modified by substitution of the words "Unit No. 2" in the place and stead of the words "Unit No. 1", wherever the same appear therein.
- (2) Article VI, Section 1, Subsections (a) and (c) are modified by the substitution of the words "Lots 163, 166, 167 and 169", in the place and stead of the words "Lots 70 and 92" wherever the same appear therein.
- (3) Article VI, Section 3 is amended to read as follows: "No building, projection, or any part thereof, shall be erected on any lot or plot nearer than fifty (50) feet from any Street lot line or plot line".

IN WITNESS WHEREOF, W & D INVESTMENT COMPANY, INC., a California corporation, the owner in fee of all of the lands described and subdivided as "Swansboro Country Unit No. 2" has caused this instrument to be executed this 5th day of October, 1969, by its officers thereunto duly authorized.

W & D INVESTMENT COMPANY, INC.,
a corporation

BY: [Signature]
PRESIDENT
BY: [Signature]
VICE PRESIDENT



102X 052 068

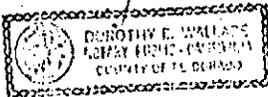
EL DORADO
COUNTY RECORDER

STATE OF CALIFORNIA)
COUNTY OF EL DORADO) SS.

On October 6, 1969, before me, the undersigned, a Notary Public in and for said State, personally appeared RICHARD H. DYER, known to me to be the President and KENNETH WILKINSON, known to me to be the Vice President of the corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS MY HAND AND OFFICIAL SEAL.

Dorothy E. Wallace
DOROTHY E. WALLACE
My Commission Expires Nov. 30, 1970



END OF DOCUMENT

1969 OCT 6 1969

MAIL TO

3191 RUNNING SWAIL ST
PLACERVILLE, CA 95267

75942

OFFICIAL PUBLIC RECORDS
EL DORADO COUNTY CALIF
RECORD REQUESTED BY:

Homeowners Assn.

500 93 DEC 15 AM 9:04

SWANSBORO COUNTRY SUBDIVISION
AMENDMENT FOR: LONITA "JEAN" BELL
COUNTY RECORDER-CLERK

UNIT 1 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON MAY 13, 1969 IN MAP BOOK E NO. 30

UNIT 2 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON OCTOBER 6, 1969 BOOK E MAP NO. 43

UNIT 3 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON NOVEMBER 24, 1969 BOOK E MAP NO 106

UNIT 4 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON JUNE 9, 1971 BOOK E MAP NO. 94

UNIT 3 AMENDED (FILED) IN THE OFFICE OF THE COUNTY RECORDER OF
THE COUNTY OF EL DORADO ON APRIL 12, 1973 BOOK F PAGE 19

AMENDMENT AS FOLLOWS:

JULY 1993 AS PER A MAJORITY OF THE VOTERS OF SWANSBORO
COUNTRY PROPERTY OWNERS ASSOCIATION (SCPOA), THE FOLLOWING
CHANGE IS IN EFFECT.

ALL PROPERTY SET-BACKS ARE TWENTY (20) FEET. THIS INVOLVES
UNITS 1 THRU UNIT 4. THIS ALSO CORRESPONDS WITH EL DORADO
COUNTY REQUIREMENTS.

Swansboro County Property Owners Association

Elsie Gallagher
ELSIE GALLAGHER, PRESIDENT

Nov. 15, 1993
DATE:

D.C. Gallagher
D.C. GALLAGHER, CHAIRMAN, D.C. & R COMMITTEE

15 Dec 93
DATE:

RECORDER'S NOTE
RECORDED SPECIALLY AT REQUEST OF FILER

CERTIFICATE OF ACKNOWLEDGMENT

State of California }
County of El Dorado } ss.

On 12-13-93 before me, RUTH E. BRILLISOUR
(date) (Notary)
personally appeared D.C. GALLAGHER

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

WITNESS my hand and official seal.

Ruth E. Brillisour
Notary's Signature



BOOK 4173 PAGE 233

END

El Dorado County

When recorded return to:
Inter-County Title Co.
P.O. Box 1048
Piscerville, California 95667
#90323

OFFICIAL RECORDS
EL DORADO COUNTY-CALIF
RECORD REQUESTED BY
INTER-COUNTY TITLE CO.
Nov 24 2 44 PM 1971
JAMES W. SWEENEY
COUNTY RECORDER

SUPPLEMENTARY DECLARATION OF COVENANTS AND RESTRICTIONS

AS TO

SWANSBORO COUNTRY UNIT NO. 3

280

THIS DECLARATION made this 11th day of October, 1971, by LUMBERMAN'S MORTGAGE CO., INC., a California corporation, hereinafter referred to as "Developer",

WITNESSETH:

WHEREAS, Developer is the Owner of the following described real property, situate in the County of El Dorado, State of California, described as follows:

Lots 172 through 276, both inclusive;
Lots 278 through 311, both inclusive;
and Lots 313 through 325, both inclusive;
as shown on the Official "Plat of Swansboro Country, Unit No. 3, filed for record in the Office of the County Recorder of the County of El Dorado, State of California, on the 24th day of November, 1971, in Book of Maps, at Page , which real property is hereinafter referred to as "Unit No. 3", and

WHEREAS, W. & D. Investment Co., Inc., a California corporation, filed for record a certain "Declaration of Covenants and Restrictions" dated May 19, 1969, recorded May 20, 1969, in Book 932 of Official Records of El Dorado County, at Page 196, and also filed for record a "Supplementary Declaration of Covenants and Restrictions" dated October 6, 1969, recorded October 6, 1969, in Book 952 of Official Records of El Dorado County, at Page 667, and also filed a "Supplementary Declaration of Covenants and Restrictions" on June 9, 1971, in Book 1057 of Official Records of El Dorado County, at Page 515, which Declarations are hereby referred to and incorporated herein by reference, as if fully set forth, subject to the modifications hereinafter set forth; and

WHEREAS, Developer desires to extend the scheme of said Covenants and Restrictions to include Swansboro Country Unit No. 3, in accordance with Article II, Section 2 of Declaration recorded May 20, 1969, in Book 932, at Page 196;

NOW, THEREFORE, Developer declares that the real property described herein as Unit No. 3 shall constitute additional property provided in said Declaration, and shall be held, transferred, sold, conveyed and occupied subject to said covenants, restrictions, assessments, charges and liens as set forth in said Declaration, subject to the modifications hereinafter set forth, without modification of said Declaration and Supplementary Declarations as applied to the Lots in Swansboro Country Unit No. 1, Unit No. 2, and Unit No. 4, and only for the purpose of modification of the Declaration as the same

52260

BOOK 1090 PAGE 392

El Dorado County

applies to the additional property described herein as Unit No. 3, the reference in said Declaration recorded October 6, 1969, in Book 952 of Official Records, at Page 667, shall be deemed, and is hereby amended as follows:

- (1) ARTICLE V, Section 1 (b) and ARTICLE V, Section 4, are modified by substitution of the words "Unit No. 3" in the place and stead of the words "Unit No. 1", wherever the same appear therein;
- (2) ARTICLE VI, Section 1, Subsections (2) and (c) are modified by the substitution of the words "Lot 315", in the place and stead of the words "Lots 70 and 92" wherever the same appear therein;
- (3) ARTICLE VI, Section 3, are amended by deletion in its entirety and substituting and amending said ARTICLE VI, Section 3, to read as follows:

"Section 3. No building, projection, or any part thereof, shall be erected on any lot or plot nearer than twenty (20) feet from any lot line or plot line."

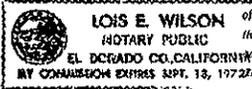
IN WITNESS WHEREOF, LIMBERMAN'S MORTGAGE CO., INC., a California corporation, the owner in fee of all of the lands described and subdivided as "SWANSEBORO COUNTRY, UNIT NO. 3" has caused this instrument to be executed this 11th day of October, 1971, by its officers thereunder duly authorized.

LIMBERMAN'S MORTGAGE CO., INC.,
a California corporation

By: *[Signature]*
By: *[Signature]*



STATE OF CALIFORNIA,
County of El Dorado } ss.
On this 11th day of October in the year one thousand nine hundred and seventy-one
before me, the undersigned, a Notary Public,
State of California, duly commissioned and sworn, personally appeared
STANLEY D. KRIKAC, and CHARLES H. GIOVANETTI
known to me to be the Vice-President and Secretary
of the corporation described in and that executed the within instrument, and also known to me to be
the person who executed the within instrument on behalf of the corporation therein named, and
acknowledged to me that such corporation executed the same pursuant to its by-laws or a
resolution of its Board of Directors



IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the County of El Dorado the day and year in this certificate first above written.

[Signature]
Notary Public, State of California.

Notary's Form No. 28 (Acknowledgment—Corporation)
(C. C. Sec. 1150-1190.1)

My Commission Expires _____

MAIL TO

3191 BURNING SWAMP ST.
PLACERVILLE, CA 95267

75942

OFFICIAL PUBLIC RECORDS
EL DORADO COUNTY CALIF
RECORD REQUESTED BY:

Homeowners Assn.

500 93 DEC 15 AM 9:04

LORITA "JEAN" BELL
COUNTY RECORDER-CLERK

SWANSBORO COUNTRY SUBDIVISION
AMENDMENT FOR:

UNIT 1 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON MAY 13, 1969 IN MAP BOOK E NO. 30

UNIT 2 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON OCTOBER 6, 1969 BOOK E MAP NO. 43

UNIT 3 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON NOVEMBER 24, 1969 BOOK E MAP NO 106

UNIT 4 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON JUNE 9, 1971 BOOK E MAP NO. 94

UNIT 3 AMENDED FILED IN THE OFFICE OF THE COUNTY RECORDER OF
THE COUNTY OF EL DORADO ON APRIL 12, 1973 BOOK F PAGE 19

AMENDMENT AS FOLLOWS:

JULY 1993 AS PER A MAJORITY OF THE VOTERS OF SWANSBORO
COUNTRY PROPERTY OWNERS ASSOCIATION (SCPOA), THE FOLLOWING
CHANGE IS IN EFFECT.

ALL PROPERTY SET-BACKS ARE TWENTY (20) FEET. THIS INVOLVES
UNITS 1 THRU UNIT 4. THIS ALSO CORRESPONDS WITH EL DORADO
COUNTY REQUIREMENTS.

Swansboro County Property Owners Association

Elsie Gallagher
ELSIE GALLAGHER, PRESIDENT

Dec. 15, 1993
DATE:

D.C. Gallagher
D.C. GALLAGHER, CHAIRMAN, D.C. & R COMMITTEE

15 Dec 93
DATE:

RECORDER'S NOTE
RECORDED SPECIFICALLY AT REQUEST OF FILER

CERTIFICATE OF ACKNOWLEDGMENT

State of California }
County of El Dorado } SS.

On 12-13-93 before me, RUTH E. BRILLISOUR
(date) (Notary)
personally appeared D.C. GALLAGHER

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

WITNESS my hand and official seal.

Ruth E. Brillisour
Notary's Signature



BOOK 4173 PAGE 233

END

When recorded return to:
Inter-County Title Co.
P.O. Box 387
Placerville, California
#87522

Official Records
El Dorado County - Calif
Record Requested By

INTER-COUNTY TITLE CO. ✓
JUN 9 2 41 PM 1971

JPO
JAMES W. SWINNEY
COUNTY RECORDER

SUPPLEMENTARY DECLARATION OF COVENANTS AND RESTRICTIONS

AS TO

SWANSBORO COUNTRY UNIT NO. 4

THIS DECLARATION made this 9th day of JUNE, 1971,
by W & D INVESTMENT COMPANY, INC., a corporation, hereinafter referred to as
"Developer",

WITNESSETH:

WHEREAS, Developer is the owner of the following described real property, situate
in the County of El Dorado, State of California, described as follows:

Lots 115 through 126, both inclusive;
Lots 129 through 140, both inclusive, and
Lots 142 through 143, both inclusive, as
shown on the Official "Plat of Swansboro Country,
Unit No. 4", filed for record in the office of
the County Recorder of the County of El Dorado,
State of California on the 7 day of JUNE, 1971,
in Book E of Maps, at Page 94, which real
property is hereinafter referred to as "Unit No. 4"; and

WHEREAS, Developer filed for record a certain "DECLARATION OF COVENANTS AND
RESTRICTIONS" dated May 19, 1969, recorded May 20, 1969, in Book 932 of Official
Records of El Dorado County, at Page 196, and also filed for record a
"SUPPLEMENTARY DECLARATION OF COVENANTS AND RESTRICTIONS" dated October 6, 1969,
recorded October 6, 1969, in Book 952 of Official Records of El Dorado County,
at Page 667, which Declarations are hereby referred to and incorporated herein
by reference, as if fully set forth, subject to the modifications hereinafter
set forth; and

WHEREAS, Developer desires to extend the scheme of said Covenants and Restric-
tions to include Swansboro Country Unit No. 4, in accordance with Article II,
Section 2 of Declaration recorded May 20, 1969, in Book 932 at Page 196;

NOW, THEREFORE, Developer declares that the real property described herein
as Unit No. 4 shall constitute additional property provided in said Declaration,
and shall be held, transferred, sold, conveyed and occupied subject to said
covenants, restrictions, easements, charges and liens as set forth in said
Declaration, subject to the modifications hereinafter set forth, without
modification of said Declaration and Supplementary Declaration recorded
October 6, 1969, in Book 952 of Official Records at Page 667, as applied to.

14715

MAIL TO

3191 BURNING SPRING ST.
PLACERVILLE, CA 95667

75942

OFFICIAL PUBLIC RECORDS
EL DORADO COUNTY CALIF
RECORD REQUESTED BY:

Homeowners Assn.

500 93 DEC 15 AM 9:04

LONITA "JEAN" BELL
COUNTY RECORDER-CLERK

SWANSBORO COUNTRY SUBDIVISION
AMENDMENT FOR:

UNIT 1 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON MAY 13, 1969 IN MAP BOOK E NO. 30

UNIT 2 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON OCTOBER 6, 1969 BOOK E MAP NO. 43

UNIT 3 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON NOVEMBER 24, 1969 BOOK E MAP NO 106

UNIT 4 FILED IN THE OFFICE OF THE COUNTY RECORDER OF THE
COUNTY OF EL DORADO ON JUNE 9, 1971 BOOK E MAP NO. 94

UNIT 3 AMENDED (FILED) IN THE OFFICE OF THE COUNTY RECORDER OF
THE COUNTY OF EL DORADO ON APRIL 12, 1973 BOOK F PAGE 19

AMENDMENT AS FOLLOWS:

JULY 1993 AS PER A MAJORITY OF THE VOTERS OF SWANSBORO
COUNTRY PROPERTY OWNERS ASSOCIATION (SCPOA), THE FOLLOWING
CHANGE IS IN EFFECT.

ALL PROPERTY SET-BACKS ARE TWENTY (20) FEET. THIS INVOLVES
UNITS 1 THRU UNIT 4. THIS ALSO CORRESPONDS WITH EL DORADO
COUNTY REQUIREMENTS.

Swansboro County Property Owners Association

Elsie Gallagher
ELSIE GALLAGHER, PRESIDENT

Nov. 15, 1993
DATE:

D.C. Gallagher
D.C. GALLAGHER, CHAIRMAN, D.C.&R COMMITTEE

15 DEC 93
DATE:

RECORDER'S NOTE
RECORDED SPECIFICALLY AT REQUEST OF FILER

CERTIFICATE OF ACKNOWLEDGMENT

State of California }
County of El Dorado } SS.

On 12-13-93 before me, RUTH E. BRILLISOUR
(date) (Notary)
personally appeared D.C. GALLAGHER

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



Ruth E. Brillisour
Notary's Signature

BOOK 4173 PAGE 233

END

SCPOA

CCR'S Unit 6

Dated Feb. 28, 1973

INTER-COUNTY TITLE CO.

FEB 28 1973

Recorded at the request of
Inter-County Title Co.

When recorded mail to
W & D Investment Company
74 Main Street
Placerville, California 95667
Escrow No. 95962

1700

DECLARATION OF COVENANTS AND RESTRICTIONS

This Declaration made this 27th day of February, 1973 by W & D Investment Company, Inc., a California corporation, hereinafter referred to as "Developer", Witnesseth:

WHEREAS, Developer is the owner of the following described real property situate in the County of El Dorado, State of California, described as follows:

Lots B and C and Lots 327 through 338, both inclusive; Lots 340 through 353, both inclusive; Lots 355 through 434, both inclusive; Lots 436 through 438, both inclusive; Lot 440; Lots 442 through 486, both inclusive; Lots 491 through 533 both inclusive, as shown on the Official "Plat of Swansboro Country, Unit 6", filed for record in the office of the County Recorder of the County of El Dorado, State of California on the 28th day of February, 1973, in Book F of Maps, at Page 17.

AND

WHEREAS, Developer desires to create thereon a residential community with permanent common areas, and other common facilities for the benefit of said community; and

WHEREAS, Developer desires to provide for the preservation of the values in said community and for the maintenance of said common areas, and other common facilities, and to this end, desires to subject the real property hereinbefore described, together with such additions thereto as may hereafter be made, to the covenants, conditions, restrictions, easements, and agreements hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Developer has deemed it desirable for the efficient preservation of the values of said community, to create an agency or entity to which should be delegated and assigned the power of maintaining and administering the common properties and facilities and the maintaining, repairing and improving, and the providing for, and financing of, subsequent stages of construction of the public roads shown upon and dedicated by the Official Map hereinbefore mentioned and the installing, maintaining and replacing of street name signs and traffic control signs on the said public roads shown upon and dedicated by the Official Map of said subdivision hereinbefore mentioned and administering and enforcing

5421

the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Developer has incorporated under the laws of the State of California, as a nonprofit corporation, the Swanboro Country Property Owners Association, for the purpose of exercising the functions hereinbefore set forth;

NOW, THEREFORE, the Developer declares that the real property hereinbefore described and such additions thereto as may hereafter be made pursuant to these Declarations, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth,

ARTICLE I
DEFINITIONS

Section 1. The following words when used in this Declaration or any Supplemental Declaration shall have the following meanings:

- (a) "Association" shall mean and refer to the Swanboro Country Property Owners Association.
- (b) "The Properties" shall mean and refer to all such existing properties, and additions thereto, as are subject to this Declaration or any Supplemental Declaration under the provisions of Article II hereof.
- (c) "Common Areas" shall mean and refer to those areas of land shown on any recorded subdivision map of the properties and intended to be devoted to the common use and enjoyment of the owners of the properties.
- (d) "Lot" shall mean any numbered lot designated and shown on any recorded subdivision map of the properties with the exception of the common areas as hereinbefore defined.
- (e) "Plot" shall mean any parcel of land surrounding one residential building and appurtenant buildings where composed of one or more lots or a lot and a fraction of another lot or lots thereby creating one homestead, which such parcel shall be monumented to identify the exterior boundaries of said homestead.
- (f) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot or plot situate upon the property, but shall not mean or refer to any lienholder unless or until such lienholder has acquired title due to foreclosure or any proceeding in lieu of foreclosure.
- (g) "Members" shall mean and refer to all those owners who are members of

the Association as provided in Article III, Section 1 hereof.

ARTICLE II

PROPERTIES SUBJECT TO THIS DECLARATION ADDITIONS THERE TO

Section 1. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in the County of El Dorado, State of California and is more particularly described as follows:

lots B & C, and Lots 327 through 338, both inclusive; Lots 340 through 353, both inclusive; Lots 355 through 434, both inclusive; Lots 436 through 438, both inclusive; Lot 440; Lots 442 through 446, both inclusive; Lots 491 through 533, both inclusive, as shown on the Official "Plat of SWANSBORO COUNTRY, UNIT NO. 6", filed for record in the office of the County Recorder of the County of El Dorado, State of California, on the 28th day of February, 1973, in Book F of Maps, at Page 17.

All of which real property shall hereinafter be referred to as existing property.

Section 2. Additional land may become subject to this Declaration in the following manner:

(a) The Developer, its successors and assigns, shall have the right to bring within the scheme of this Declaration additional properties in future stages of the development, provided that such additions are in accord with the General Plan of Development prepared prior to sale of any lot and made known to every purchaser, which knowledge may be communicated by brochure delivered to each purchaser or by referring to a posted map prior to such sale.

Such General Plan of Development shall show the proposed additions to the existing property and shall contain:

1. A General indication of size and location of additional development stages and proposed land uses in each proposed addition;
2. The approximate size and location of common properties proposed for each stage;
3. A limitation that the number of additional lots shall not exceed 1,000 (one thousand).
4. Provisions that said additional lots will not substantially increase assessments or burdens upon the common property;
5. The general nature of proposed common facilities and improvements;
6. A statement that the proposed additions, if made, will become subject to assessment for their just share of Association expenses;
7. A statement that the proposed additions or annexations shall be accomplished within three years from and following the date of the last Final Subdivision Public Report affecting the property subject to this Declaration.

Unless otherwise stated therein, such general plan shall not bind the Developer, his heirs, successors or assigns, to make the proposed additions or to adhere to the plan in any subsequent development of the land shown thereon and the general plan shall contain a conspicuous statement to this effect.

The additions authorized under this subsection shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the scheme of the covenants and restrictions of this Declaration to such property.

Such Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added property and as are not inconsistent with the scheme of this Declaration. In no event, however, shall such Supplementary Declaration revoke, modify or add to this Declaration within the existing properties.

(b) Upon approval in writing of the Association pursuant to a vote of its members as provided in its Articles of Incorporation and By-Laws, the owner of any property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association may file of record a Supplementary Declaration of Covenants and Restrictions, as described in subsection (a) hereof.

(c) Upon a merger or consolidation of the Association with another association as provided in the Articles of Incorporation and By-Laws of the Association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may by operation of law be added to the properties, rights and obligations of the Association as the surviving corporation pursuant to a merger. The surviving or consolidated Association may administer the covenants and restrictions established by this Declaration within the existing property together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration within the existing properties except as hereinafter provided.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Every person who is or entity which is a record owner of

BOOK 178 PAGE 320

a fee, or undivided fee interest, in any lot or plot which is subject by covenants of record to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds or which holds such interest merely as security for the performance of an obligation shall not be a member.

Section 2 The Association shall have but one class of voting membership. Members shall be entitled to one vote for each lot and one vote and fraction of a vote for the number of lots in which they hold the interest required for membership by Section 1. When more than one person holds such interest or interest in any lot, or lots, all such persons shall be members and the vote for such lot, or lots, and fraction or fractions of a lot or lots, shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one such lot.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON AREA

Section 1 Subject to the provisions of Section 3, every member shall have a right and easement of enjoyment in and to the common areas and such easements shall be appurtenant to and shall pass with the title to every lot or plot.

Section 2. The Developer may retain the legal title to the common areas until such time as it has completed such improvements as it desires to make thereon and until such time as in the opinion of Developer, the Association is able to maintain the same. Notwithstanding any provision herein, the Developer hereby covenants for itself, its successors and assigns, that it shall convey the common areas to the Association not later than one year from the date of the sale of the first lot in the subdivision or when twenty-five per cent of all of the lots in the subdivision have been sold, whichever event first occurs.

Section 3. The rights and easements of enjoyment created hereby shall be subject to the following:

- (a) The right of the Association in accordance with its articles and By-Laws to borrow money for the purpose of improving the common areas and in aid thereof to mortgage the property, provided that no such encumbrance may be placed on the common areas without the affirmative vote of two-thirds of the membership.
- (b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosures; and
- (c) The right of the Association, as provided by its Articles of Incorporation

tion and By-Laws to suspend the enjoyment rights of any member for any period during which an assessment remains unpaid, and for any period, not to exceed thirty (30) days, for any infraction of its published rules and regulations, provided that no such suspension shall be effective unless and until said member has been afforded the opportunity of a hearing, notice and the conduct of which shall be in accordance with the rules and regulations for administrative hearings as set forth in the California Administrative Code.

(d) The right of the Association to dedicate or transfer all or any part of the common areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members, provided that no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by members entitled to cast three-fourths of the vote of the membership has been recorded agreeing to such dedication, transfer, purpose or conditions and unless written notice of the proposed agreement and action thereunder is sent to every member at least ninety (90) days in advance of any action taken.

ARTICLE V

COVENANT FOR ASSESSMENTS

Section 1. The Developer, for each lot or plot owned by anyone in the properties, hereby covenants and each owner of any lot or plot by acceptance of a deed thereof, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association:

- (a) Annual assessments or charges or dues;
- (b) Special assessments for annual upkeep, capital improvements and maintenance costs of the common areas; special assessments for maintenance, repair and replacement of the fences on the roads known as "Mosquito Road" and as "Mosquito Cut Off"; special assessments to maintain, repair, improve, finance and pay for subsequent stages of construction of the public roads shown upon and dedicated by the Official Map of Swansboro Country, Unit No. 3, and special assessments for the purpose of installing, maintaining and replacing street name signs and traffic control signs on the public roads shown upon and dedicated by the Official Map of Swansboro Country, Unit No. 3;

All such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and the cost of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien on the property against which each such assessment is made. Each such assessment, together with such interest thereon and the cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person or owner who was the owner of such property at the time when the assessment fell due.

Section 2. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, welfare, safety, comfort and recreation of the residents in the properties and in particular for the improvement and maintenance of the common areas and, for the purposes set forth in subparagraph (b) of foregoing Section 1 hereof.

Section 3. Until the year beginning January, 1974 the annual assessment shall be fifteen dollars per year per lot payable annually, and from and after January, 1974 the annual assessment may be increased by vote of the members, as hereinafter provided, for the next succeeding three (3) years and at the end of each such period of three (3) years, for each succeeding period of three (3) years. Developer shall pay its proportionate share of the annual assessments, in proportion to the units or lots owned by Developer, until all of the lots in said subdivision are sold.

Section 4. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement on the common area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority of the vote of members who are voting in person or by proxy at the meeting to be called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance setting forth the purpose of the meeting. In addition, the Association may levy in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the costs of maintenance, repair and replacement of the fences on the roads known as "Mosquito Road" and as "Mosquito Cut-Off" and the costs of maintaining, repairing, improving, financing and paying for subsequent stages of construction of the public roads shown upon and dedicated by the Official Map of Swansboro Country, Unit No. 1, 2, 3, 4,

and 6 and for the purpose of installing, maintaining and replacing street name signs and traffic control signs on the public roads shown upon and dedicated by the Official Map of Swansboro Country, Unit No. 1, 2, 3, 4, and 6, provided that Developer shall not be responsible for payment of such special assessments at any time. EXCEPT THAT DEVELOPER SHALL BE RESPONSIBLE FOR SUCH SPECIAL ASSESSMENTS ON EACH UNGOLD LOT OWNED BY THE DEVELOPER.

Section 5. Subject to the limitations of Section 3 hereof and for the periods therein specified, the Association may change the maximum and basis of the assessments fixed by Section 3 hereof prospectively for any such period, provided that any such change shall have the assent of a majority of the vote of members voting in person or by proxy; provided further, that the limitations of Section 3 hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation and under its By-Laws and under Article II, Section 2 hereof.

Section 6. The quorum required for any action authorized by Section 4 and by Section 5 hereof shall be as follows: At the first meeting called, as provided in Sections 4 and 5 hereof, the presence at the meeting of members or of proxies entitled to cast a majority of all votes of the membership shall constitute a quorum. In the event a quorum is not present, the meeting may be adjourned, and the adjourned meeting the members present in person or by proxy shall constitute a quorum.

Section 7. The annual assessments provided for herein shall commence on the date fixed by the Board of Directors of the Association to be the date of commencement.

The first annual assessment shall be made for the balance of the calendar year and shall become due and payable on the date fixed for commencement. The assessments for any year, after the first year, shall become due and payable on the first day of March of said year. The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided for in Section 3 hereof as the remaining number of months in that year bears to twelve. The same reduction in the amount of the assessment shall apply to the first assessment levied against any property which is hereafter added to the properties now subject to assessment at a time other than the beginning of any assessment period. The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authoris-

ing such assessment.

Section 8. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each lot or plot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any owner.

Written notice of the assessment shall thereupon be sent to every owner subject thereto.

The Association shall, upon demand, at any time, furnish to any owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether or not said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. If the assessments are not paid on the date when due then such assessments shall become delinquent and shall, together with such interest thereon and costs of collection thereof as are hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of seven per cent (7%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the cost of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee, to be fixed by the Court, together with the costs of the action.

Section 10. The lien of the assessment provided for herein shall be subordinate to the lien of any mortgage or deed of trust now or hereafter placed upon the property subject to the assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or a transfer of such property pursuant to a decree of foreclosure or any other proceeding in lieu of foreclosure.

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Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 11. All property which is subject to this Declaration shall be exempted therefrom to the extent of any easement therein dedicated and accepted by any local public authority and devoted to public use, and also all properties exempted from taxation by the laws of the State of California.

ARTICLE VI

BUILDING RESTRICTIONS

Section 1. Uses and improvements.

(a) An Architectural Control Committee has been created by the Declarants,

consisting of the officers of W & D Investment Co., Inc., The said committee shall be and is hereby authorized to pass upon, approve, or reject any plans or specifications for structures to be erected on the lots or plots in said Subdivision. But nothing herein contained shall be construed as authorizing or empowering the committee to change or waive any restrictions provided for herein except where expressly authorized so to do. The committee may act by any two of its members and any authorization, approval or waiver made by the committee must be in writing, signed by two members thereof.

(b) No buildings other than one detached single family private residence, a private garage for the use of the occupants of such residence, and other usual and appropriate out buildings and structures incident and appurtenant to a private residence shall be erected or maintained on any lot or plot in this subdivision and no use whatsoever, except in connection with its use and improvement as a site and grounds for such buildings, shall be made of any lot or plot therein. The term "private residence" is intended to exclude every other form of dwelling for the occupancy of more than one family and is intended to exclude boarding houses, lodging houses, sanitariums and hospitals, but is not intended to exclude a "guest house" incident to a private residence for the entertainment of social guests, nor servants' quarters for servants or other employees employed on the premises.

(c) No form of business, commercial, manufacturing or storage enterprise or activity or exploration for or production of minerals, stone, gravel, oil, gas and other natural resources shall be conducted or maintained on any lot or plot in this subdivision, including the common areas.

(d) The common areas are those designated as Lots B-6C, Unit No. 6 on the Official Map of said subdivision.

Section 2. The principal residence building on any lot or plot shall cover a

area 1178 sq. ft. 326

ground floor area of not less than 850 square feet if a one story residence, and not less than 850 square feet on the main floor if a one and one-half or if a two story structure, with an additional area of at least 350 square feet on the second floor. "Ground floor area" shall exclude an attached garage, open porch, terrace, steps and like appurtenances not enclosed by the bearing walls of the residence building.

Section 3. No building, projection, or any part thereof, shall be erected on any lot or plot nearer than twenty (20) feet from any lot line or plot line.

Section 4. Easements, as shown upon the recorded map of the subdivision, are reserved for the construction, maintenance and operation therein or thereon of pipes, conduits, ditches, and appurtenances, for the purpose of providing drainage, paths, riding trails, or public services and facilities. No interference shall be made with the free use of such easements for the purposes for which they are intended.

Section 5. No billboards or other advertising devices shall be erected or placed upon any lot or plot in this subdivision, except as follows: The name and profession of any professional person may be displayed upon any dwelling house on a sign not exceeding 200 square inches in area. No more than one "For Sale", "For Lease", or "For Rent" sign, plus one builders' sign during construction of a residence shall be displayed upon any lot or plot, and each sign shall not be larger than 18 inches by 24 inches in size; provided, however, that in the course of developing or improving the subdivision and lots, the Developer or his agent or builders may erect and display larger signs.

Section 6. No structure or building other than a completed residence shall be used or occupied as a dwelling place on any lot or plot in this subdivision. No tents, trailers or other temporary habitations shall be used.

Section 7. Any residence or other building in this subdivision, the construction of which has been started, shall be completed without delay and within one year, except when such delay is caused by weather conditions, strikes, actual inability of the owner to procure delivery of necessary materials, or by interference by other persons or forces beyond the control of the owner. Financial inability of the owner or his contractor to secure labor or materials or to discharge liens or attachments shall not be deemed a cause beyond the control of the owner.

In the event of cessation of construction of any building for a period of 120 days where such cessation is not excused by the provisions hereof, the existence of such

incompleted buildings shall be deemed to be a nuisance and the Developer or any other owner of property subject to this Declaration shall have the right to enter upon said uncompleted property and remove the same or carry such construction work to completion, and the expense incurred in connection with the removal or completion of such building shall become, a lien upon the land and improvements thereon upon which such building is situate, which said lien may be foreclosed either as a mechanic's lien or as a mortgage or deed of trust made on real property.

Section 8: During the construction of a dwelling and its appurtenances on any lot, it shall be mandatory that as little of the natural vegetation be removed as is practical. Following said construction, it shall be mandatory that any soil upon which the native vegetation was removed and which is exposed to rainfall be replanted or reseeded.

ARTICLE VII

BUILDING DESIGN AND MATERIALS

Section 1. Any building placed, erected or maintained upon any lot or plot shall be entirely constructed thereon and the same shall not, nor shall any part thereof, be moved or placed thereon from elsewhere.

Section 2. All buildings erected within this subdivision shall be of new materials, provided, however, that the provisions of this paragraph shall not prevent the use of used brick or any other material which is in general use in the construction of dwelling houses.

Section 3. No reflective metals or other materials which may cause glare shall be used on any exterior surface of any building and in the event metal is used on any exterior surface of any building such metal shall be painted for the purpose of preventing glare.

ARTICLE VIII

GROUND

Section 1. All incinerators used for the purpose of burning trash shall be of concrete or metal with one or more vent screens of one-quarter inch mesh or finer, placed on bare ground area not less than ten feet in radius from each such incinerator.

Section 2. Fences are limited to 300 linear feet and 50 feet from any property line. Barbed wire shall not be used for fencing purposes, nor shall any electrically charged wire be used for fencing.

Section 3. Each dwelling shall be provided with a sewage disposal system consisting of an individual septic tank, or other equally sanitary structure for the storage or disposal of sewage, constructed, located and connected with a

drain field, and all such facilities shall conform to the Health and Safety Regulations of the County of El Dorado, State of California.

Section 4. Approval by the El Dorado County Health Department shall be required prior to the construction of any well or septic tank on any lot within this subdivision.

Until the County of El Dorado adopts their own standards for well construction, private wells shall be developed pursuant to Bulletin No. 74, Water Well Standards, State of California, Department of Water Resources, February, 1962.

Section 5. No boats, trucks, campers, automobiles or trailers shall be stored in the open within view of public streets.

Section 6. All hunting is Prohibited.

ARTICLE IX

GENERAL PROVISIONS

Section 1. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or by the owner of any land subject to this Declaration, for a term of thirty-five (35) years from the date of recording of this Declaration, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then owners of three-fourths (3/4) of the lots or plots in said subdivision has been recorded, agreeing to change said covenants and restrictions in whole or in part, provided, however, that no such agreement as to change or changes shall be effective unless made and recorded one (1) year in advance of the effective date of such change, and unless written notice of the proposed change or changes is sent to every owner at least ninety (90) days in advance of any action taken by the owner desiring to make such change or changes.

Section 2. Any notice required to be sent to any member or owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as a member or as an owner on the records of the Association at the time of such mailing.

Section 3. Enforcement of these Covenants and Restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction herein contained, either to restrain violation thereof or to recover damages therefor, and against the land to enforce any lien created by these covenants; and failure by the Association or

by any owner to enforce any covenant or restriction herein contained shall not be deemed to be a waiver of the right to do so thereafter.

Section 4. Invalidation of any one of these covenants or restrictions by judgment or by court order shall in no way affect any of the other provisions herein contained which such other provisions shall remain in full force and effect.

Section 5. No lot, plot or building in this subdivision shall be used for the keeping or breeding of fowl, or animals of any kind for commercial purposes. A reasonable and usual number of household pets may be kept for the pleasure of the occupants of the premises where kept, but the same shall not be kept in numbers or under condition objectionable to other residents in the subdivision. No lot owner shall have more than two dogs or more than two cats over the age of four months.

Dogs will not be permitted to run at large in Swansboro Country. They must be controlled on a leash unless contained on owners property.

Section 6. Nothing contained in this Declaration shall impair or defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but title to any property taken subject to this Declaration whether obtained through sale or through foreclosure of any mortgage or deed of trust or in lieu of foreclosure of such mortgage or deed of trust shall thereafter be held subject to all of the terms and provisions herein contained.

Section 7. Each grantee of a conveyance or purchaser under a contract or agreement of sale, by accepting a deed or contract of sale or agreement of purchase, accepts the same subject to all of the covenants, conditions, restrictions, easements and agreements set forth in this Declaration and agrees to be bound by all of the same. Damages for breach of any of the covenants, restrictions or agreements set forth in this Declaration are hereby declared not to be adequate compensation, but such breach and the continuation thereof may be enjoined or abated by appropriate proceedings by the Developer, the Association, or by an owner or owners of any other lot or lots, or plots in said subdivision. If suit be instituted to enforce any of the provisions of this Declaration, the owner or owners against whom such suit is instituted hereby agree to pay costs and reasonable attorney's fees incurred by any person or persons or corporation, including the Association, duly authorized to prosecute such suit.

Section 8. Failure by the Developer or any other person or persons entitled so to do to enforce any covenants, condition, restriction or agreement herein contained, upon violation thereof, shall not estop, prevent or be deemed to be a waiver of the right of enforcement thereafter.

Section 9. The covenants, conditions, restrictions, easements, and agreements set forth in this Declaration may be waived, modified, changed, altered, cancelled or terminated as to the whole of said subdivision or any part or portion thereof with the written consent of the owners of seventy-five per cent (75%) of the lots and plots in the subdivision. No such waiver, modification, change, alteration, cancellation or termination shall be effective until a proper instrument in writing shall have been executed and recorded in the office of the County Recorder of the County of El Dorado.

IN WITNESS WHEREOF, W & D Investment Company, Inc., a California corporation, the owner in fee of all of the lands described and subdivided as "SWANSBORO COUNTRY UNIT NO. 6" has caused this instrument to be executed this 27th day of FEBRUARY, 1973, by its officers thereunto duly authorized.

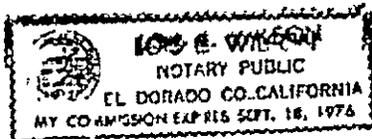
W & D INVESTMENT COMPANY, INC.
a California corporation

By: Richard H. Dyer
Richard H. Dyer, President

By: Robert M. Brillisour
Robert M. Brillisour,
Vice-President

STATE OF CALIFORNIA)
(ss
COUNTY OF EL DORADO)

On this 27th day of February, 1973, before me, the undersigned, a Notary Public in and for the County of El Dorado, State of California, personally appeared Richard H. Dyer and Robert M. Brillisour, known to me to be the President and Vice-President respectively, of W & D Investment Company, Inc., the corporation that executed the within instrument and known to me to be the persons who executed the within instrument on behalf of the corporation therein named and acknowledged to me that such corporation executed the same.



Lois E. Wilson
Notary Public in and for said County and State

SCPOA

CCR'S Unit 7

Dated May 21, 1975

MAY 21 9 31 AM 1975

JAMES A. HANEY
COUNTY RECORDER

Recording Requested by
Inter-County Title Co.

when recorded mail to:
W & D Investment Company
74 Main Street
Placerville, California 95667
Escrow No. 99483

DECLARATION OF COVENANTS AND RESTRICTIONS

This Declaration made this 16th day of May, 1975 by W & D Investment Company, Inc., a California corporation, hereinafter referred to as "Developer",

Witnesseth:

WHEREAS, Developer is the owner of the following described real property situate in the County of El Dorado, State of California, described as follows:

Lots D, E, F, G and H, and Lots 534 through 717, both inclusive of Swansboro Country Unit 7, as said lots are shown on the Official Map of Swansboro Country Unit 7, filed in the office of the County Recorder of the County of El Dorado on July 21, 1975 in Map Book F, Map No. 46.

AND

WHEREAS, Developer desires to create thereon, a residential community with permanent common areas, and other common facilities for the benefit of said community; and

WHEREAS, Developer desires to provide for the preservation of the values in said community and for the maintenance of said common areas, and other common facilities, and to this end, desires to subject the real property hereinbefore described, together with such additions thereto as may hereafter be made, to the covenants, conditions, restrictions, easements, and agreements hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Developer has deemed it desirable for the efficient preservation of the values of said community, to create an agency or entity to which should be delegated and assigned

"1"

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1 the power of maintaining and administering the common properties
2 and facilities and the maintaining, repairing and improving,
3 and the providing for, and financing of, subsequent stages of
4 construction of the public roads shown upon and dedicated by
5 the official map hereinbefore mentioned and the installing,
6 maintaining and replacing of street name signs and traffic
7 control signs on the said public roads shown upon and dedicated
8 by the Official Map of said subdivision hereinbefore mentioned
9 and administering and enforcing the covenants and restrictions
10 and collecting and disbursing the assessments and charges
11 hereinafter created; and

12 WHEREAS, Developer has incorporated under the laws of the
13 State of California, as a nonprofit corporation, the Swansboro
14 Country Property Owners Association, for the purpose of exer-
15 cising the functions hereinbefore set forth;

16 NOW, THEREFORE, the Developer declares that the real property
17 hereinbefore described and such additions thereto as may hereafter
18 be made pursuant to these Declarations, is and shall be held,
19 transferred, sold, conveyed and occupied subject to the covenants,
20 restrictions, easements, charges and liens hereinafter set
21 forth,

22 ARTICLE I
23 DEFINITIONS

24
25 Section 1. The following words when used in this Declaration
26 or any Supplemental Declaration shall have the following meanings:

- 27 (a) "Association" shall mean and refer to the Swansboro
28 Country Property Owners Association.
- 29 (b) "The Properties" shall mean and refer to all such
30 existing properties, and additions thereto, as are
31 subject to this Declaration or any Supplemental

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1 Declaration under the provisions of Article II hereof.

- 2 (c) "Common Areas" shall mean and refer to those areas
3 of land shown on any recorded subdivision map of the
4 properties and intended to be devoted to the common
5 use and enjoyment of the owners of the properties.
6 (d) "Lot" shall mean any numbered lot designated and shown
7 on any recorded subdivision map of the properties
8 with the exception of the common areas as hereinbefore
9 defined.
10 (e) "Plot" shall mean any parcel of land surrounding
11 one residential building and appurtenant buildings
12 where composed of one or more lots or a lot and a
13 fraction of another lot or lots thereby creating
14 one homesite, which such parcel shall be monumented
15 to identify the exterior boundaries of said homesite.
16 (f) "Owner" shall mean and refer to the record owner,
17 whether one or more persons or entities, of the fee
18 simple title to any lot or plot situate upon the proper-
19 by, but shall not mean or refer to any lienholder unless
20 or until such lienholder has acquired title due
21 to foreclosure or any proceeding in lieu of foreclosure.
22 (g) "Members" shall mean and refer to all those owners
23 who are members of the Association as provided in
24 Article III, Section 1 hereof.

25 ARTICLE II

26 PROPERTIES SUBJECT TO THIS DECLARATION
27 ADDITIONS THERETO

28 Section 1. The real property which is and shall be held,
29 transferred, sold, conveyed and occupied subject to this
30 Declaration is located in the County of El Dorado, State of
31 California and is more particularly described as follows:

1 Lots D, E, F, G and H, and Lots 534 through
2 717, both inclusive of Swansboro Country
3 Unit 7, as said lots are shown on the Official
4 Map of Swansboro Country Unit 7, filed
5 in the office of the County Recorder of
6 the County of El Dorado on May 21, 1975
7 in Map Book F, Map No. 497.

8 All of which real property shall hereinafter be referred to as
9 existing property.

10 Section 2. Additional land may become subject to this
11 Declaration in the following manner:

12 (a) The Developer, its successors and assigns, shall
13 have the right to bring within the scheme of
14 this Declaration additional properties in future
15 stages of the development, provided that such additions
16 are in accord with the General Plan of Development
17 prepared prior to sale of any lot and made known to
18 every purchaser, which knowledge may be communicated
19 by brochure delivered to each purchaser or by referring
20 to a posted map prior to such sale.

21 Such General Plan of Development shall show the
22 proposed additions to the existing property and shall
23 contain:

- 24 1. A General indication of size and location
25 of additional development stages and proposed
26 land uses in each proposed addition;
- 27 2. The approximate size and location of common
28 properties proposed for each stage;
- 29 3. A limitation that the number of additional
30 lots shall not exceed 1,000 (one thousand)
- 31 4. Provisions that said additional lots will
32 not substantially increase assessments or
burdens upon the common property;
5. The general nature of proposed common facilities
and improvements;
6. A statement that the proposed additions, if
made, will become subject to assessment for
their just share of Association expenses;
7. A statement that the proposed additions
or annexations shall be accomplished within
three years from and following the date of the
last Final Subdivision Public Report affecting
the property subject to this Declaration.

1 Unless otherwise stated therein, such general plan shall not
 2 bind the Developer, his heirs, successors or assigns, to make the
 3 proposed additions or to adhere to the plan in any subsequent
 4 development of the land shown thereon and the general plan
 5 shall contain a conspicuous statement to this effect.
 6 The additions authorized under this subsection shall be
 7 made by filing of record a Supplementary Declaration of Covenants
 8 and Restrictions with respect to the additional property which
 9 shall extend the scheme of the covenants and restrictions of
 10 this Declaration to such property.
 11 Such Supplementary Declaration may contain such complementary
 12 additions and modifications of the covenants, and restrictions
 13 contained in this Declaration as may be necessary to reflect
 14 the different character, if any, of the added property and
 15 as are not inconsistent with the scheme of this Declaration.
 16 In no event, however, shall such supplementary Declaration
 17 revoke, modify or add to this Declaration within the existing
 18 properties.

19 (b) Upon approval in writing of the Association pursuant
 20 to a vote of its members as provided in its Articles
 21 of Incorporation and By-Laws, the owner of any property
 22 who desires to add it to the scheme of this Declaration
 23 and to subject it to the jurisdiction of the Association
 24 may file of record a Supplementary Declaration of Covenants
 25 and Restrictions, as described in subsection (a) hereof.

26 (c) Upon a merger or consolidation of the Association
 27 with another association as provided in the Articles
 28 of Incorporation and By-Laws of the Association, its propert-
 29 ies, rights and obligations may, by operation of law, be
 30 transferred to another surviving or consolidated
 31 association, or alternatively, the properties, rights

1 Unless otherwise stated therein, such general plan shall not
 2 bind the Developer, his heirs, successors or assigns, to make the
 3 proposed additions or to adhere to the plan in any subsequent
 4 development of the land shown thereon and the general plan
 5 shall contain a conspicuous statement to this effect.
 6 The additions authorized under this subsection shall be
 7 made by filing of record a Supplementary Declaration of Covenants
 8 and Restrictions with respect to the additional property which
 9 shall extend the scheme of the covenants and restrictions of
 10 this Declaration to such property.
 11 Such Supplementary Declaration may contain such complementary
 12 additions and modifications of the covenants, and restrictions
 13 contained in this Declaration as may be necessary to reflect
 14 the different character, if any, of the added property and
 15 as are not inconsistent with the scheme of this Declaration.
 16 In no event, however, shall such supplementary Declaration
 17 revoke, modify or add to this Declaration within the existing
 18 properties.

19 (b) Upon approval in writing of the Association pursuant
 20 to a vote of its members as provided in its Articles
 21 of Incorporation and By-Laws, the owner of any property
 22 who desires to add it to the scheme of this Declaration
 23 and to subject it to the jurisdiction of the Association
 24 may file of record a Supplementary Declaration of Covenants
 25 and Restrictions, as described in subsection (a) hereof.

26 (c) Upon a merger or consolidation of the Association
 27 with another association as provided in the Articles
 28 of Incorporation and By-Laws of the Association, its propert-
 29 ies, rights and obligations may, by operation of law, be
 30 transferred to another surviving or consolidated
 31 association, or alternatively, the properties, rights

1 Unless otherwise stated therein, such general plan shall not
2 bind the Developer, his heirs, successors or assigns, to make the
3 proposed additions or to adhere to the plan in any subsequent
4 development of the land shown thereon and the general plan
5 shall contain a conspicuous statement to this effect.

6 The additions authorized under this subsection shall be
7 made by filing of record a Supplementary Declaration of Covenants
8 and Restrictions with respect to the additional property which
9 shall extend the scheme of the covenants and restrictions of
10 this Declaration to such property.

11 Such Supplementary Declaration may contain such complementary
12 additions and modifications of the covenants, and restrictions
13 contained in this Declaration as may be necessary to reflect
14 the different character, if any, of the added property and
15 as are not inconsistent with the scheme of this Declaration.
16 In no event, however, shall such supplementary Declaration
17 revoke, modify or add to this Declaration within the existing
18 properties.

19 (b) Upon approval in writing of the Association pursuant
20 to a vote of its members as provided in its Articles
21 of Incorporation and By-Laws, the owner of any property
22 who desires to add it to the scheme of this Declaration
23 and to subject it to the jurisdiction of the Association
24 may file of record a Supplementary Declaration of Covenants
25 and Restrictions, as described in subsection (a) hereof.

26 (c) Upon a merger or consolidation of the Association
27 with another association as provided in the Articles
28 of Incorporation and By-Laws of the Association, its propert-
29 ies, rights and obligations may, by operation of law, be
30 transferred to another surviving or consolidated
31 association, or alternatively, the properties, rights

1 and obligations of another association may by operation of
2 law be added to the properties, rights and obligations of the
3 Association as the surviving corporation pursuant to a merger.
4 The surviving or consolidated Association may administer
5 the covenants and restrictions established by this
6 Declaration within the existing property together with
7 the covenants and restrictions established upon any other
8 properties as one scheme. No such merger or consolidation,
9 however, shall effect any revocation, change or addition
10 to the covenants established by this Declaration within
11 the existing properties except as hereinafter provided.

12 ARTICLE III

13 MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

14 Section 1. Every person who is or entity which is a record
15 owner of a fee, or undivided fee interest, in any lot or plot
16 which is subject by covenants of record to assessment by the
17 Association shall be a member of the Association, provided that
18 any such person or entity who holds or which holds such interest
19 merely as security for the performance of an obligation shall
20 not be a member.

21 Section 2: The Association shall have but one class of
22 voting membership. Members shall be entitled to one vote for
23 each lot and one vote and fraction of a vote for the number of
24 lots in which they hold the interest required for membership
25 by Section 1. When more than one person holds such interest
26 or interest in any lot, or lots, all such persons shall be
27 members and the vote for such lot, or lots, and fraction or
28 fractions of a lot or lots, shall be exercised as they among
29 themselves determine, but in no event shall more than one vote
30 be cast with respect to any one such lot.

1 ARTICLE IV

2 PROPERTY RIGHTS IN THE COMMON AREA

3 Section 1. Subject to the provisions of Section 3, every
4 member shall have a right and easement of
5 enjoyment in and to the common areas and such easements shall
6 be appurtenant to and shall pass with the title to every lot
7 or plot.

8 Section 2. The Developer may retain the legal title
9 to the common areas until such time as it
10 has completed such improvements as it desires to make thereon
11 and until such time as in the opinion of Developer, the
12 Association is able to maintain the same. Notwithstanding
13 any provision herein, the Developer hereby covenants for itself,
14 its successors and assigns, that it shall convey the common areas
15 to the association not later than one year from the date of the
16 sale of the first lot in the subdivision or when twenty-five
17 per cent of all of the lots in the subdivision have been sold,
18 whichever event first occurs.

19 Section 3. The rights and easements of enjoyment created
20 hereby shall be subject to the following:

21 (a) The right of the Association in accordance with its articles
22 and By-Laws to borrow money for the purpose of improving
23 the common areas and in aid thereof to mortgage the property,
24 provided that no such encumbrance may be placed on the common
25 areas without the affirmative vote of two-thirds of the
26 membership.

27 (b) The right of the Association to take such steps as are
28 reasonably necessary to protect the above described
29 properties against foreclosures; and

1 (c) The right of the Association, as provided by its Articles
2 of Incorporation and By-Laws to suspend the enjoyment
3 rights of any member for any period during which an assessment
4 remains unpaid, and for any period, not to exceed thirty (30)
5 days, for any infraction of its published rules and regulations,
6 provided that no such suspension shall be effective unless and
7 until said member has been afforded the opportunity of a hearing,
8 notice and the conduct of which shall be in accordance with the
9 rules and regulations for administrative hearings as set forth
10 in the California Administrative Code.

11 (d) The right of the Association to dedicate or transfer
12 all or any part of the common areas to any public
13 agency, authority or utility for such purposes and subject
14 to such conditions as may be agreed to by the members,
15 provided that no such dedication or transfer, determination
16 as to the purposes or as to the conditions thereof, shall
17 be effective unless an instrument signed by members entitled
18 to cast three-fourths of the vote of the membership has
19 been recorded agreeing to such dedication, transfer,
20 purpose or conditions and unless written notice of the
21 proposed agreement and action thereunder is sent to every
22 member at least ninety (90) Days in advance of any action
23 taken.

24 ARTICLE V

25 COVENANT FOR ASSESSMENTS

26 Section 1. The Developer, for each lot or plot
27 owned by anyone in the properties,
28 hereby covenants and each owner of any lot or plot
29 by acceptance of a deed thereof, whether or not it
30 shall be so expressed in any such deed or other con-
31 veyance, shall be deemed to covenant and agree to
32 pay to the Association:

(a) Annual assessments or charges or dues:

1 (b) Special assessments for annual upkeep, capital
2 improvements and maintenance costs of the common
3 areas; special assessments for maintenance, repair
4 and replacement of the fences on the roads known as
5 "Mosquito Road" and as "Mosquito Cut Off"; special
6 assessments to maintain, repair, improve, finance
7 and pay for subsequent stages of construction of the
8 public roads shown upon and dedicated by the Official
9 Map of Swansboro Country Unit No. 7, and special
10 assessments for the purpose of installing, maintaining
11 and replacing street name signs and traffic control
12 signs on the public roads shown upon and dedicated
13 by the Official Map of Swansboro County Unit No. 7;
14 all such assessments to be fixed, established and collected
15 from time to time as hereinafter provided. The annual and
16 special assessments, together with such interest thereon and the
17 cost of collection thereof as hereinafter provided, shall
18 be a charge on the land and shall be a continuing lien on the
19 property against which each such assessment is made. Each such
20 assessment, together with such interest thereon and the cost
21 of collection thereof as hereinafter provided, shall also be
22 the personal obligation of the person or owner who was the
23 owner of such property at the time when the assessment fell due.

24 Section 2. The assessments levied by the Association
25 shall be used exclusively for the purpose of promoting the
26 health, welfare, safety, comfort and recreation of the residents
27 in the properties and in particular for the improvement and
28 maintenance of the common areas and, for the purposes set forth
29 in subparagraph (b) of foregoing Section 1 hereof.

1 Section 3. Until the year beginning January, 1974 the annual
2 assessment shall be fifteen dollars per year per lot payable
3 annually, and from and after January, 1974 the annual assessment
4 may be increased by vote of the members, as hereinafter provided,
5 for the next succeeding three (3) years and at the end of
6 each such period of three (3) years, for each succeeding period
7 of three (3) years. Developer shall pay its proportionate
8 share of the annual assessments, in proportion to the units
9 or lots owned by Developer, until all of the lots in said
10 subdivision are sold.

11 Section 4, In addition to the annual assessments author-
12 ized by Section 3 hereof, the Association may
13 levy in any assessment year, a special assessment, applicable
14 to that year only, for the purpose of defraying, in whole or
15 in part, the cost of any construction or reconstruction,
16 unexpected repair or replacement of a described capital improve-
17 ment on the common area, including the necessary fixtures and
18 personal property related thereto, provided that any such assess-
19 ment shall have the assent of a majority of the vote of members
20 who are voting in person or by proxy at the meeting to be called
21 for this purpose, written notice of which shall be sent to all
22 members at least thirty (30) days in advance setting forth
23 the purpose of the meeting. In addition, the Association may
24 levy in any assessment year, a special assessment, applicable
25 to that year only, for the purpose of defraying, in whole or in
26 part, the costs of maintenance, repair and replacement of the
27 fences on the roads known as "Mosquito Road" and as "Mosquito
28 Cut-Off" and the costs of maintaining, repairing, improving,
29 financing and paying for subsequent stages of construction
30 of the public roads shown upon and dedicated by the Official

1 Map of Swansboro Country Unit No. 1, 2, 3, 4, 6 and 7 and
2 for the purpose of installing, maintaining and replacing street
3 name signs and traffic control signs on the public roads shown
4 upon and dedicated by the Official Map of Swansboro Country
5 Unit No. 1, 2, 3, 4, 6 and 7, provided that Developer shall
6 not be responsible for payment of such special assessments
7 at any time. EXCEPT THAT DEVELOPER SHALL BE RESPONSIBLE FOR
8 SUCH SPECIAL ASSESSMENTS ON EACH UNSOLD LOT OWNED BY THE
9 DEVELOPER

9 Section 5. Subject to the limitations of Section 3 hereof
10 and for the periods therein specified, the
11 Association may change the maximum and basis of the assessments
12 fixed by Section 3 hereof prospectively for any such period,
13 provided that any such change shall have the assent of a
14 majority of the vote of members voting in person or by proxy;
15 provided further, that the limitations of Section 3 hereof shall
16 not apply to any change in the maximum and basis of the assess-
17 ments undertaken as an incident to a merger or consolidation
18 in which the Association is authorized to participate under its
19 Articles of Incorporation and under its By-Laws and under
20 Article II, Section 2 hereof.

21 Section 6. The quorum required for any action authorized
22 by Section 4 and by Section 5 hereof shall be as follows:
23 At the first meeting called, as provided in Sections 4 and 5
24 hereof, the presence at the meeting of members or of proxies
25 entitled to cast a majority of all votes of the membership
26 shall constitute a quorum. In the event a quorum is not present,
27 the meeting may be adjourned, and the adjourned meeting the
28 members present in person or by proxy shall constitute a quorum.

29 Section 7. The annual assessments provided for herein
30 shall commence on the date fixed by the Board
31 of Directors of the Association to be the date of commencement.
32 The first annual assessment shall be made for the balance of

1 the calendar year and shall become due and payable on the date
2 fixed for commencement. The assessments for any year, after the
3 first year, shall become due and payable on the first day of
4 March of said year. The amount of the annual assessment which
5 may be levied for the balance remaining in the first year of
6 assessment shall be an amount which bears the same relationship
7 to the annual assessment provided for in Section 3 hereof as the
8 remaining number of months in that year bears to twelve. The
9 same reduction in the amount of the assessment shall apply to
10 the first assessment levied against any property which is
11 hereafter added to the properties now subject to assessment
12 at a time other than the beginning of any assessment period.
13 The due date of any special assessment under Section 4 hereof
14 shall be fixed in the resolution authorizing such assessment.

15 Section 8. The Board of Directors of the Association shall
16 fix the date of commencement and the amount
17 of the assessment against each lot or plot for each assessment
18 period at least thirty (30) days in advance of such date or period
19 and shall, at ~~the~~ time, prepare a roster of the properties and
20 assessments applicable thereto which shall be kept in the office
21 of the Association and shall be open to inspection by any owner.
22 Written notice of the assessment shall thereupon be sent to every
23 owner subject thereto.

24 The Association shall, upon demand, at any time, furnish to
25 any owner liable for said assessment a certificate in writing
26 signed by an officer of the Association, setting forth whether
27 or not said assessment has been paid. Such certificate shall
28 be conclusive evidence of payment of any assessment therein
29 stated to have been paid.

Section 9. If the assessments are not paid on the date when due then such assessments shall become delinquent and shall, together with such interest thereon and costs of collection thereof as are hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of seven per cent (7%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the cost of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee, to be fixed by the Court, together with the costs of the action.

Section 10: The lien of the assessment provided for herein shall be subordinate to the lien of any mortgage or deed of trust now or hereafter placed upon the property subject to the assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or a transfer of such property pursuant to a decree of foreclosure or any other

Section 11. If the assessment is not paid on the date when due then such assessments shall become delinquent and shall, together with such interest thereon and costs of collection thereof as are hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of seven per cent (7%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the cost of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee, to be fixed by the Court, together with the costs of the action.

1 proceeding in lieu of foreclosure. Such sale or transfer shall
2 not relieve such property from liability for any assessments
3 thereafter becoming due, nor from the lien of any such
4 subsequent assessment.

5 Section 11. All property which is subject to this Declara-
6 tion shall be exempted therefrom to the extent
7 of any easement therein dedicated and accepted by any local
8 public authority and devoted to public use, and also all
9 properties exempted from taxation by the laws of the State of
10 California.

11 ARTICLE VI

12 BUILDING RESTRICTIONS

13 Section 1. Uses and improvements.

14 (a) An architectural Control Committee has been created
15 by the Declarants consisting of the officers of
16 W & D INVESTMENT CO., INC. The said committee shall be and
17 is hereby authorized to pass upon, approve, or reject any
18 plan or specifications for structures to be erected on the lots
19 or plots in said subdivision. But nothing herein contained
20 shall be construed as authorizing or empowering the committee
21 to change or waive any restrictions provided for herein except
22 where expressly authorized so to do. The committee may act by
23 any two of its members and any authorization, approval or
24 waiver made by the committee must be in writing, signed by two
25 members thereof.

26 (b) No buildings other than one detached single family
27 private residence, a private garage for the use of the
28 occupants of such residence, and other usual and appropriate
29 out buildings and structures incident and appurtenant to a
30 private residence shall be erected or maintained on any lot
31 or plot in this subdivision and no use whatsoever, except in
32 connection with its use and improvement as a site and grounds
for such buildings, shall be made of any lot or plot therein.

1 The term "private residence" is intended to exclude every other
2 form of dwelling for the occupancy of more than one family and
3 is intended to exclude boarding houses, lodging houses, sanit-
4 ariums and hospitals, but is not intended to exclude a "guest
5 house" incident to a private residence for the entertainment
6 of social guests, nor servants' quarters for servants or other
7 employees employed on the premises.

8 (c) No form of business, commercial, manufacturing or
9 storage enterprise or activity or exploration for or
10 production of minerals, stone, gravel, oil, gas and other natur-
11 al resources shall be conducted or maintained on any lot or
12 plot in this subdivision, including the common areas.

13 (d) The common areas are those designated as Lots B & C
14 Unit No. 7 on the official map of said subdivision.
15 Section 2. The principal residence building on any lot or
16 plot shall cover a ground floor area of not
17 less than 650 square feet if a one story residence, and not less
18 than 850 square feet on the main floor if a one and one-half
19 or if a two story structure, with an additional area of at
20 least 350 square feet on the second floor. "Ground floor area"
21 shall exclude any attached garage, open porch, terrace, steps,
22 and like appurtenances not enclosed by the bearing walls of the
23 residence building.

24 Section 3. No building, projection, or any part thereof,
25 shall be erected on any lot or plot nearer than
26 twenty (20) feet from any lot line or plot line.

27 Section 4. Easements, as shown upon the recorded map of
28 the subdivision, are reserved for the construc-
29 tion, maintenance and operation therein or thereon of pipes,
30 conduits, ditches, and appurtenances, for the purpose of

1 providing drainage, paths, riding trails, or public services
2 and facilities. No interference shall be made with the free
3 use of such easements for the purposes for which they are
4 intended.

5 Section 5. No billboards or other advertising devices
6 shall be erected or placed upon any lot or
7 plot in this subdivision, except as follows: The name and
8 profession of any professional person may be displayed upon
9 any dwelling house on a sign not exceeding 200 square inches
10 in area. No more than one "For Sale", "For Lease", or "For
11 Rent" sign, plus one builders' sign during construction of a
12 residence shall be displayed upon any lot or plot, and such
13 sign shall not be larger than 18 inches by 24 inches in size;
14 provided, however, that in the course of developing or improving
15 the subdivision and lots, the Developer or his agent or
16 builders may erect and display larger signs.

17 Section 6. No structure or building other than a completed
18 residence shall be used or occupied as a dwelling
19 place on any lot or plot in this subdivision. No tents, trailers
20 or other temporary habitations shall be used.

21 Section 7. Any residence or other building in this sub-
22 division, the construction of which has been
23 started, shall be completed without delay and within one year,
24 except when such delay is caused by weather conditions, strikes,
25 actual inability of the owner to procure delivery of necessary
26 materials, or by interference by other persons or forces beyond
27 the control of the owner. Financial inability of the owner
28 or his contractor to secure labor or materials or to discharge
29 liens or attachments shall not be deemed a cause beyond the
30 control of the owner.

1 In the event of cessation of construction of any building for a
2 period of 120 days where such cessation is not excused by the
3 provisions hereof, the existence of such incompleated buildings
4 shall be deemed to be a nuisance and the Developer or any
5 other owner of property subject to this Declaxation shall have
6 the right to enter upon said uncompleted property and remove
7 the same or carry such construction work to completion, and
8 the expense incurred in connection with the removal or completion
9 of such building shall become, a lien upon the land and
10 improvements thereon upon which such building is situate, which
11 said lien may be foreclosed either as a mechanic's lien or as
12 a mortgage or deed of trust made on real property.

13 Section 8. During the construction of a dwelling and its
14 appurtenances on any lot, it shall be mandatory
15 that as little of the natural vegetation be removed as is
16 practical, Following said construction, it shall be mandatory
17 that any soil upon which the native vegetation was removed and
18 which is exposed to rainfall be replanted or reseeded.

19 ARTICLE VII

20 BUILDING DESIGN AND MATERIALS

21 Section 1. Any building placed, erected or maintained upon
22 any lot or plot shall be entirely constructed
23 thereon and the same shall not, nor shall any part thereof,
24 be moved or placed thereon from elsewhere.

25 Section 2. All buildings erected within this subdivision shall
26 be of new materials, provided, however, that the
27 provisions of this paragraph shall not prevent the use of
28 used brick or any other material which is in general use in the
29 construction of dwelling houses.

1 Section 3. No reflective metals or other materials which may
2 cause glare shall be used on any exterior surface
3 of any building and in the event metal is used on any exterior
4 surface of any building such metal shall be painted for the
5 purpose of preventing glare.

6 ARTICLE VIII

7 GROUNDS

8 Section 1. All incinerators used for the purpose of burning
9 trash shall be of concrete or metal with one or
10 more vent screens of one-quarter inch mesh or finer, placed
11 on bare ground area not less than ten feet in radius from
12 each such incinerator.

13 Section 2. Fences are limited to 300 linear feet and 50 feet
14 from any property line. Barbed wire shall not be
15 used for fencing purposes, nor shall any electrically charged
16 wire be used for fencing.

17 Section 3. Each dwelling shall be provided with a sewage
18 disposal system consisting of an individual septic
19 tank, or other equally sanitary structure for the storage or
20 disposal of sewage, constructed, located and connected with a
21 drain field, and all such facilities shall conform to the
22 Health and Safety Regulations of the County of El Dorado,
23 State of California.

24 Section 4. Approval by the El Dorado County Health Department
25 shall be required prior to the construction of any
26 well or septic tank on any lot within this subdivision.

27 Until the County of El Dorado adopts their own standards
28 for well construction, private wells shall be developed pursuant
29 to Bulletin No. 74, Water Well Standards, State of California,
30 Department of Water Resources, February, 1962.

1 Section 5. No boats, trucks, campers, automobiles or trailers
2 shall be stored in the open within view of public
3 streets.

4 Section 6. All hunting is Prohibited.

5 ARTICLE IX

6 GENERAL PROVISIONS

7 Section 1. The covenants and restrictions of this Declaration
8 shall run with and bind the land, and shall inure
9 to the benefit of and be enforceable by the Association, or
10 by the owner of any land subject to this Declaration, for
11 a term of thirty-five (35) years from the date of recording
12 of this Declaration, after which time said covenants shall be
13 automatically extended for successive periods of ten (10) years
14 unless an instrument signed by the then owners of three-fourths
15 (3/4) of the lots or plots in said subdivision has been recorded,
16 agreeing to change said covenants and restrictions in whole or
17 in part, provided, however, that no such agreement as to change
18 or changes shall be effective unless made and recorded one (1)
19 year in advance of the effective date of such change, and
20 unless written notice of the proposed change or changes is
21 sent to every owner at least ninety (90) days in advance of any
22 action taken by the owner desiring to make such change or changes.

23 Section 2. Any notice required to be sent to any member or owner
24 under the provisions of this Declaration shall be deemed to have
25 been properly sent when mailed, postpaid, to the last known
26 address of the person who appears as a member or as an owner
27 on the records of the Association at the time of such mailing.

28 Section 3. Enforcement of these Covenants and Restrictions
29 shall be by any proceeding at law or in equity against
30 any person or persons violating or attempting to violate any
31

1 covenant or restriction herein contained, either to restrain
2 violation thereof or to recover damages therefor, and against
3 the land to enforce any lien created by these covenants; and
4 failure by the Association or by any owner to enforce any
5 covenant or restriction herein contained shall not be deemed
6 to be a waiver of the right to do so thereafter.

7 Section 4. Invalidation of any one of these covenants or
8 restrictions by judgment or by court order shall in no way
9 affect any of the other provisions herein contained which such
10 other provisions shall remain in full force and effect.

11 Section 5. No lot, plot or building in this subdivision shall
12 be used for the keeping or breeding of fowl, or
13 animals of any kind for commercial purposes.

14 A reasonable and usual number of household pets may be kept
15 for the pleasure of the occupants of the premises where kept,
16 but the same shall not be kept in numbers or under condition
17 objectionable to other residents in the subdivision. No lot
18 owner shall have more than two dogs or more than two cats
19 over the age of four months.

20 Dogs will not be permitted to run at large in Swansboro
21 Country. They must be controlled on a leash unless contained
22 on owners property.

23 Section 6. Nothing contained in this Declaration shall impair
24 or defeat or render invalid the lien of any mortgage
25 or deed of trust made in good faith and for value, but title
26 to any property taken subject to this Declaration whether
27 obtained through sale or through foreclosure of any mortgage
28 or deed of trust or in lieu of foreclosure of such mortgage
29 or deed of trust shall thereafter be held subject to all of the
30 terms and provisions herein contained.

31 Section 7. Each grantee of a conveyance or purchaser under a
32 contract or agreement of sale, by accepting a deed

1 or contract of sale or agreement of purchase, accepts the same
2 subject to all of the covenants, conditions, restrictions,
3 easements and agreements set forth in this Declaration and
4 agrees to be bound by all of the same. Damages for breach of
5 any of the covenants, restrictions or agreements set forth
6 in this Declaration are hereby declared not to be adequate
7 compensation, but such breach and the continuation thereof may
8 be enjoined or abated by appropriate proceedings by the Developer,
9 The Association, or by an owner or owners of any other lot
10 or lots, or plots in said Subdivision. If suit be instituted
11 to enforce any of the provisions of this Declaration, the owner
12 or owners against whom such suit is instituted hereby agree to
13 pay costs and reasonable attorney's fees incurred by any person
14 or persons or corporation, including the Association, duly auth-
15 orized to prosecute such suit.

16 Section 8. Failure by the Developer or any other person or
17 persons entitled so to do to enforce any covenants,
18 condition, restriction or agreement herein contained, upon
19 violation thereof, shall not estop, prevent or be deemed to be
20 a waiver of the right of enforcement thereafter.

21 Section 9. The covenants, conditions, restrictions, easements
22 and agreements set forth in this Declaration may be waived,
23 modified, changed, altered, cancelled or terminated as to the
24 whole of said subdivision or any part or portion thereof with
25 the written consent of the owners of seventy-five per cent
26 (75%) of the lots and plots in subdivision. No such waiver,
27 modification, change, alteration, cancellation or termination
28 shall be effective until a proper instrument in writing shall
29 have been executed and recorded in the office of the County
30 Recorder of the County of El Dorado.

1 IN WITNESS WHEREOF, W & D Investment Company, Inc., a
2 California corporation, the owner in fee of all of the lands
3 described and subdivided as "SWANSBORO COUNTRY UNIT NO. 7"
4 has caused this instrument to be executed this DAY
5 of May, 1975, by its officers thereunto duly authorized.

7 W & D INVESTMENT COMPANY, INC.
8 a California corporation

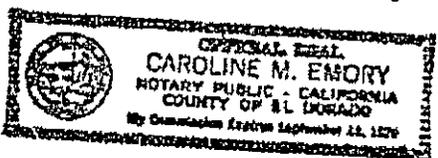
9
10 BY Richard H. Dyer
11 Richard H. Dyer, President

12
13 BY Robert M. Brillisour
14 Robert M. Brillisour, Vice President

15 STATE OF CALIFORNIA)
16 (ss
17 COUNTY OF EL DORADO)

18 On this 16th day of May, 1975, before me, the undersigned,
19 a Notary Public in and for the County of El Dorado, State of
20 California, personally appeared Richard H. Dyer and Robert M.
21 Brillisour, known to me to be the President and Vice President
22 respectively, of W & D Investment Company, Inc., the corporation
23 that executed the within instrument and known to me to be the
24 persons who executed the within instrument on behalf of the
25 corporation therein named and acknowledged to me that such
26 corporation executed the same.

27
28 Caroline M. Emory
29 Notary Public in and for the County and
30 State



SCPOA

CCR'S Unit 8

Dated Sept. 1, 1981

First Amendment dated Dec. 28, 1981

MAIL TO
INTER-COUNTY TITLE CO.

DECLARATION OF COVENANTS AND RESTRICTIONS

This Declaration is made this 1st day of September
1981, by SWANSBORO COUNTRY, INCORPORATED, a California
corporation, hereinafter referred to as "Developer",

Witnesseth:

WHEREAS, Developer is the owner of certain real
property situated in the County of El Dorado, State of
California, in and near SWANSBORO COUNTRY, described as
follows:

"Lots 718, 719, 720, 721, 723, 724, 722,
726, 727, 728, 729, 730, 739, 732, 733, 734,
735, 736, 737, 738, of Swansboro Country
Unit No. 8 as said lots are shown on the Official
Map of Swansboro Country Unit 8 filed in the
Office of the County Recorder of the County of
El Dorado on September 18, 1981 in Subdivision
Map Book E, Subdivision Map No. 141."

WHEREAS, Developer desires to create thereon, a
residential community with common facilities for the
benefit of said community, which residential community
shall harmoniously interact with the existing SWANSBORO
COUNTRY residential community; and

WHEREAS, Developer desires to provide for the
preservation of the values in said community, the maintenance
of said facilities, and the interaction with the said
existing residential community, and to these ends, desires
to subject the real property hereinabove described, together
with such additions thereto as may hereafter be made, to the
covenants, conditions, restrictions, easements, and agreements

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hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Developer has deemed it desirable for the efficient preservation of the values of said community, to create an agency or entity to which should be delegated and assigned the power of maintaining and administering the common properties and facilities and maintaining, repairing, improving, and providing for, and financing, subsequent stages of construction of the public roads shown upon and dedicated by the Official Map hereinbefore mentioned and the installing, maintaining, and replacing of street name signs and traffic control signs on the said public roads shown upon and dedicated by the Official Map of said subdivision hereinbefore mentioned and administering and enforcing the covenants and restrictions and collecting and dispersing the assessments and charges hereinafter created; and,

WHEREAS, Developer has incorporated under the laws of the State of California, as a nonprofit mutual benefit corporation, the SWANSBORO COUNTRY UNITS 8 AND 9 ASSOCIATION, INCORPORATED, for the purpose of exercising the functions hereinbefore set forth; and,

WHEREAS, the Developer further deems it desirable that said association be merged into the existing property owners association of SWANSBORO COUNTRY;

NOW THEREFORE, the developer declares the real property hereinbefore described and such additions thereto as may hereafter be made pursuant to these Declarations is, and

shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I
DEFINITIONS

Section 1. The following words when used in this Declaration or any Supplemental Declaration shall have the following meanings:

- (a) "Association" shall mean and refer to Swansboro Country Units 8 and 9 Association, Incorporated.
- (b) "The Properties" shall mean and refer to all such existing properties, and additions thereto, as are subject to this Declaration or any Supplemental Declaration under the provisions of Article II hereof.
- (c) "Common areas" shall mean and refer to those areas of land shown on any recorded subdivision map of the properties and intended to be devoted to the common use and enjoyment of the owners of the properties.
- (d) "Lot" shall mean any numbered lot designated and shown on any recorded subdivision map of the properties with the exception of the common areas as hereinbefore defined.
- (e) "Plot" shall mean any parcel of land surrounding one residential building and appurtenant buildings

where composed of one or more lots or a lot and a fraction of another lot or lots thereby creating one homesite, which such parcel shall be monumented to identify the exterior boundaries of said homesite.

- (f) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot or plot situate upon the property, but shall not mean or refer to any lienholder unless or until such lienholder has acquired title due to foreclosure or any proceeding in lieu of foreclosure.
- (g) "Members" shall mean and refer to all those owners who are members of the Association as provided in Article III, Section 1 hereof.

ARTICLE II

PROPERTIES SUBJECT TO THIS DECLARATION ADDITIONS THERETO

Section 1. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in the County of El Dorado, State of California and is more particularly described as follows:

"Lots 718, 719, 720, 721, 722, 723, 724, 726, 727, 728, 729, 730, 732, 733, 734, 735, 736, 737, 738, 739, of Swansboro Country Unit No. 8 as said lots are shown on the Official Map of Swansboro Country Unit 8 filed in the Office of the County Recorder of the County of El Dorado on _____, 1981, in Subdivision Map Book _____, Subdivision Map No. _____.

All of which real property shall hereinafter be referred to as existing property.

Section 2. Additional land may become subject to this Declaration in the following manner:

- (a) Upon approval in writing of the Association pursuant to a vote of 66 2/3% of the total votes residing in Association members, the owner of any property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association may file of record a Supplementary Declaration of Covenants and Restrictions, as described in subsection (a) hereof.
- (b) Upon a merger or consolidation of the Association with another association as provided in the Articles of Incorporation and By-Laws of the Association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may by operation of law be added to the properties, rights and obligations of the Association as the surviving corporation pursuant to a merger. The surviving or consolidated Association may administer the covenants and restrictions established by this Declaration within the

the existing property together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration within the existing properties except as hereinafter provided.

ARTICLE

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Every person who is, or entity which is a record owner of a fee, or undivided fee interest, in any lot or plot which is subject by covenants of record to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds or which holds such interest merely as security for the performance of an obligation shall not be a member.

Section 2. The Association shall have but one class of voting membership. Members shall be entitled to one vote for each lot and one vote and fraction of a vote for the number of lots in which they hold the interest required for membership by Section 1. When more than one person holds such interest or interests in any lot, or lots, all such persons shall be members and the vote for such lot or lots, and fraction or fractions of a lot or lots, shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one such lot.

Section 3. The voting rights shall not vest until the first annual assessment referred to in Section V, infra, has been levied by the Association.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON AREA

Section 1. Subject to the provisions of Section 3, every member shall have a right and easement of enjoyment in and to the common areas and such easements shall be appurtenant to and shall pass with the title to every lot or plot.

Section 2. The Developer shall convey title to the common areas to the Association prior to the closing of sale of the first subdivision lot and all improvements to be accomplished by the Developer shall be completed prior to the close of sale of the first subdivision lot or the Developer shall post a good and sufficient completion bond to insure such completion thereof.

Section 3. The rights and easements of enjoyment created hereby shall be subject to the following:

- (a) The right of the Association in accordance with its Articles and By-Laws to borrow money for the purpose of improving the common areas and in aid thereof to mortgage the property, provided that no such encumbrance may be placed on the common areas without the affirmative vote of two-thirds of the membership, other

than the developer.

- (b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosures; and,
- (c) The right of the Association, as provided by its Articles of Incorporation and By-Laws to suspend the enjoyment rights of any member for any period during which an assessment remains unpaid, and for any period, not to exceed thirty (30) days, for infraction of its published rules and regulations, provided that no such suspension shall be effective unless and until said member has been afforded the opportunity of a hearing, notice and the conduct of which shall be in accordance with the requirements of Section 7341 of the California Corporations Code.
- (d) The right of the Association to dedicate or transfer all or any part of the common areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members, provided that no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by members entitled to cast three-fourths of the vote of the membership has been recorded agreeing to such

dedication, transfer, purpose or conditions and unless written notice of the proposed agreement and action thereunder is sent to every member at least ninety (90) days in advance of any action taken.

ARTICLE V

COVENANT FOR ASSESSMENTS

Section 1. The Developer, for each lot or plot owned by anyone in the properties, hereby covenants and each owner of any lot or plot by acceptance of a deed thereof, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association:

- (a) Annual assessments or charges or dues;
- (b) Special assessments for annual upkeep, capital improvements, and maintenance costs of the common areas; special assessments for maintenance, repair and replacement of the fences on the roads known as "Mosquito Road" and as "Rock Creek Road"; special assessments to maintain, repair, improve, finance and pay for subsequent stages of construction of the public roads shown upon and dedicated by the Official Map of Swansboro Country Unit No. 9 and special assessments for the purpose of installing, maintaining and

replacing street name signs and traffic control signs on the public roads shown upon and dedicated by the Official Map of Swansboro Centry Unit No. ; all such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and the cost of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien on the property against which each such assessment is made. Each such assessment, together with such interest thereon and the cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person or owner who was the owner of such property at the time when the assessment fell due.

Section 2. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, welfare, safety, comfort and recreation of the residents in the properties and in particular for the improvement and maintenance of the common areas and, for the purpose set forth in subparagraph (b) of foregoing Section 1 hereof.

Section 3. Until the year beginning January ____, the annual assessment shall be one hundred fifty dollars per year per lot payable annually, and from and after January ____, the

annual assessment may be increased or decreased by vote of the members, as hereinafter provided, for the next succeeding three years and at the end of each such period of three years, for each succeeding period of three (3) years. Developer shall pay annual assessments with regard to each unsold lot owned by the Developer.

Section 4. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement on the common area, including the necessary fixtures and personal property related thereto, or for the purpose of defraying in whole or in part, the costs of maintenance, repair, and replacement of the fences on the road known as "Mosquito Road" and "Rock Creek Road" and the cost of maintaining, repairing, improving, financing, and paying for subsequent stages of construction of the public roads shown upon and dedicated by the Official Map of Swansboro Country Units 8 and 9, and for the purpose of installing, maintaining, and repairing the streets, name signs and traffic control signs on the public roads shown on and dedicated by the Official Map of Swansboro Country Units 8 and 9; provided, that any such special assessments shall have the assent of the majority of the

voting power of the members of the Association, either in writing or by vote at a meeting called for this purpose, notice of which shall be sent to all members at least thirty (30) days in advance setting forth the purpose of the meeting. The Developer shall pay special assessments with regard to each unsold lot owned by Developer.

Section 5. Subject to the limitations of Section 3 hereof and for the periods therein specified, the Association may change the maximum and basis of the assessments fixed by Section 3 hereof prospectively for any such period, provided that any such change shall have the assent of a majority of the vote of voting power of the members of the Association; provided further, that the limitations of Section 3 hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation and under its By-Laws and Under Article II, Section 2 hereof.

Section 6. The quorum required for any action authorized by Section 4 and by Section 5 hereof shall be as follows: At the first meeting called, as provided in Sections 4 and 5 hereof, the presence at the meeting of members of proxies entitled to cast a majority of all votes of the membership shall constitute a quorum. In the event a quorum is not present, the meeting may be adjourned, and the adjourned meeting, the members present in person or by proxy shall constitute a quorum.

Section 7. The annual assessments provided for herein shall commence on the first day of the month following the effective date of the merger referred to hereinabove. The first annual assessment shall be made for the balance of the calendar year and shall become due and payable on the date fixed for commencement. The assessments for any year, after the first year, shall become due and payable on the first day of March of said year. The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided for in Section 3 hereof as the remaining number of months in that year bears to twelve. The same reduction in the amount of the assessment shall apply to the first assessment levied against any property which is hereafter added to the properties now subject to assessment at a time other than the beginning of any assessment period. The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

Section 8. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each lot or plot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any owner. Written notice of the assessment shall thereupon be sent to every owner subject thereto.

The Association shall, upon demand, at any time, furnish to any owner liable for said assessment, a certificate in writing signed by an officer of the Association setting forth whether or not said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. If the assessments are not paid on the date when due, then such assessments shall become delinquent and shall, together with such interest thereon and costs of collection thereof as are hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear from the date of delinquency at the rate of seven per cent (7%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the cost of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest

on the assessment as above provided and a reasonable attorney's fee, to be fixed by the Court, together with the costs of the action.

Section 10. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust now or hereafter placed upon the property subject to the assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 11. All property which is subject to this Declaration shall be exempted therefrom to the extent of any easement therein dedicated and accepted by any local public authority and devoted to public use, and also all properties exempted from taxation by the laws of the State of California.

ARTICLE VI

BUILDING RESTRICTIONS

Section 1. Uses and improvements.

- (a) An Architectural Control Committee has been created by the Declarants consisting of the officers of Swansboro Country, Inc.

The said committee shall be and is hereby authorized to pass upon, approve, or reject any plan or specifications for structures to be erected on the lots or plots in said subdivision, or for permanent surfaced access onto the airport runway from said lots or plots in said subdivision. But nothing herein contained shall be construed as authorizing or empowering the committee to change or waive any restrictions provided for herein except where expressly authorized to do so. The committee may act by any two of its members and any authorization, approval or waiver made by the committee must be in writing, signed by two members thereof. Where permanent surfaced access is proposed for gateways or driveways connecting with Mosquito Road, the Architectural Control Committee shall not approve plans or specifications for such access until said plans and specifications have been approved by the Public Works Director and an encroachment permit has been obtained.

- (a) No buildings other than one detached single family private residence, a private garage for the use of the occupants of such residence, a private hanger for the use of the occupants of such residence, and other usual and appropriate out buildings and structures incident and appurtenant to a

private residence shall be erected or maintained on any lot or plot in this subdivision and no use whatsoever, except in connection with its use and improvement as a site and grounds for such buildings, shall be made of any lot or plot therein. The term "private residence" is intended to exclude every other form of dwelling for the occupance of more than one family and is intended to exclude boarding houses, lodging houses, sanitariums and hospitals, but is not intended to exclude a "guest house" incident to a private residence for the entertainment of social guests, nor servants' quarters for servants or other employees employed on the premises.

- (c) No form of business, commercial, manufacturing or storage enterprise or activity of exploration for or production of minerals, stone, gravel, oil, gas and other natural resources shall be conducted or maintained on any lot or plot in this subdivision, including the common areas.

Section 2. The principal residence building on any lot or plot shall cover a ground floor area of not less than 1200 square feet. "Ground floor area" shall exclude any attached garage, hanger, open porch, terrace, steps, and like appurtenances not enclosed by the bearing walls of the residence building.

Section 3. Easements, as shown upon the recorded map of the subdivision, are reserved for the construction, maintenance and operation therein or thereon of pipes, conduits, ditches and appurtenances for the purpose of facilities. No interference shall be made with the free use of such easements for the purposes for which they are intended.

Section 4. No billboards or other advertising devices shall be erected or placed upon any lot or plot in this subdivision, except as follows: The name and profession of any professional person may be displayed upon any dwelling house on a sign not exceeding 200 square inches in area. No more than one "For Sale", "For Lease", or "For Rent" sign, plus one builder's sign during construction of a residence shall be displayed upon any lot or plot, and such sign shall be customary and reasonable in size; provided, however, that in the course of developing or improving the subdivision and lots, the Developer or his agent or builders may erect and display larger signs.

Section 5. No structure or building other than a completed residence shall be used or occupied as a dwelling place on any lot or plot in this subdivision, No tents, trailers or other temporary habitations shall be used..

Section 6. Any residence or other building in this subdivision, the construction of which has been started, shall be completed without delay and within one year, except when such delay is caused by weather conditions, strikes, actual inability of the owner to procure delivery of necessary materials, or

by interference by other persons or forces beyond the control of the owner. Financial inability of the owner or his contractor to secure labor or materials or to discharge liens or attachments shall not be deemed a cause beyond the control of the owner.

In the event of cessation of construction of any building for a period of 120 days where such cessation is not excused by the provisions hereof, the existence of such incompleated buildings shall be deemed to be a nuisance and the Developer or any other owner of property subject to this Declaration shall have the right to enter upon said uncompleted property and remove the same or carry such construction work to completion, and the expense incurred in connection with the removal or completion of such building shall become a lien upon the land and improvements thereon upon which such building is situate, which said lien may be foreclosed either as a mechanic's lien or as a mortgage or deed of trust made on real property.

Section 10. During the construction of a dwelling and its appurtenances on any lot, it shall be mandatory that as little of the natural vegetation be removed as is practical. Following said construction, it shall be mandatory that any soil upon which the native vegetation was removed and which is exposed to rainfall be replanted or reseeded.

ARTICLE VII

BUILDING DESIGN AND MATERIALS

Section 1. Any building placed, erected or maintained

upon any lot or plot shall be entirely constructed thereon and the same shall not, nor shall any part thereof, be moved or placed thereon from elsewhere.

Section 2. All buildings erected within this subdivision shall be of new materials, provided, however, that the provisions of this paragraph shall not prevent the use of used brick or any other material which is in general use in the construction of dwelling houses.

Section 3. No reflective metals or other materials which may cause glare shall be used on any exterior surface of any building and in the event metal is used on any exterior surface of any building such metal shall be painted for the purpose of preventing glare.

ARTICLE VIII

GROUNDS

Section 1. All incinerators used for the purpose of burning trash shall be of concrete or metal with one or more vent screens of one-quarter inch mesh or finer, placed on the bare ground area not less than ten feet in radius from each such incinerator.

Section 2. All new fences, changes to existing fences, and entrance gates to existing whiterail fences along Rock Creek Road, must be approved by the Board of Directors of the Homeowners Association.

Section 3. Each dwelling shall be provided with a sewage disposal system consisting of an individual septic tank, or other equally sanitary structure for the storage or disposal

of sewage, constructed, located and connected with a drain field, and all such facilities shall conform to the Health and Safety Regulations of the County of El Dorado, State of California.

Section 4. Approval by the El Dorado County Health Department shall be required prior to the construction of any well or septic tank on any lot within this subdivision

Until the County of El Dorado adopts their own standards for well construction, private wells shall be developed pursuant to Bulletin No. 74, Water Well Standards, State of California, Department of Water Resources, February, 1962.

Section 5. No boats, trucks, campers, automobiles or trailers shall be stored in the open within view of public streets.

Section 6. All hunting is prohibited and no firearms shall be discharged.

Section 7. No outside lights shall be placed on poles in excess of eight feet (8) in height and the design, wattage and placement of outside lights shall be subject to the approval or rejection of the Architectural Control Committee.

Section 8. No outdoor clotheslines.

ARTICLE IX

GENERAL PROVISIONS

Section 1. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure

to the benefit of and be enforceable by the Association, or by the owner of any land subject to this Declaration, for a term of thirty-five (35) years from the date of recording of this Declaration, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then owners of three-fourths (3/4) of the lots or plots in said subdivision has been recorded, agreeing to change said covenants and restrictions in whole or in part, provided, however, that no such agreement as to change or changes shall be effective unless made and recorded one (1) year in advance of the effective date of such change, and unless written notice of the proposed change or changes is sent to every owner at least ninety (90) days in advance of any action taken by the owner desiring to make such change or changes.

Section 2. Any notice required to be sent to any member or owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid to the last known address of the person who appears as a member or as a owner on the records of the Association at the time of such mailing.

Section 3. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction herein contained, either

to restrain violation thereof or to recover damages therefor, and against the land to enforce any lien created by these covenants; and failure by the Association or by any owner to enforce any covenant or restriction herein contained shall not be deemed to be a waiver of the right to do so thereafter.

Section 4. Invalidation of any one of these covenants or restrictions by judgment or by court order shall in no way affect any of the other provisions herein contained which such other provisions shall remain in full force and effect.

Section 5. No lot, plot or building in this subdivision shall be used for the keeping or breeding of fowl, or animals of any kind for commercial purposes. A reasonable and usual number of household pets may be kept for the pleasure of the occupants of the premises where kept, but the same shall not be kept in numbers or under condition objectionable to other residents in the subdivision. No lot owner shall have more than two dogs or more than two cats over the age of four months. Dogs will not be permitted to run at large in Swansboro Country. They must be controlled on a leash unless contained on owners property.

Section 6. Nothing contained in this Declaration shall impair or defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but title to any property taken subject to this Declaration whether obtained through sale or through foreclosure of any mortgage or deed of trust shall thereafter be held subject

to all of the terms and provisions herein contained.

Section 7. Each grantee of a conveyance or purchaser under a contract or agreement of sale, by accepting a deed or contract of sale or agreement of purchase, accepts the same subject to all of the covenants, conditions, restrictions, easements and agreements set forth in this Declaration and agrees to be bound by all of the same. Damages for breach of any of the covenants, restrictions or agreements set forth in this Declaration are hereby declared not to be adequate compensation, but such breach and the continuation thereof may be enjoined or abated by appropriate proceedings by the Developer, the Association, or by an owner or owners of any other lot or lots, or plots in said Subdivision. If suit be instituted to enforce any of the provisions of this Declaration, the owner or owners against whom such suit is instituted hereby agree to pay costs and reasonable attorney's fees incurred by any person or persons or corporation, including the Association, duly authorized to prosecute such suit.

Section 8. Failure by the Developer or any other person or persons entitled so to do to enforce any covenants, condition, restriction or agreement herein contained, upon violation thereof, shall not estop, prevent or be deemed to be a waiver of the right of enforcement thereafter.

Section 9. The covenants, conditions, restrictions, easements and agreements set forth in this Declaration may be waived, modified, changed, altered, cancelled or terminated

Mail to
Inter-County Title Co.
P.O. Box 1048
Placerville, CA 95667

129433

FIRST AMENDMENT TO DECLARATION OF COVENANTS
AND RESTRICTIONS

This Declaration made this 28th day of December 1981 by SWANSBORO COUNTRY, INCORPORATED, a California corporation, herein-after referred to as "Developer" is an amendment to the Declaration of Covenants and Restrictions recorded in the Office of the County Recorder of El Dorado County on September 18, 1981 at Book 2014, Page 647.

The real property which is and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration is located in the County of El Dorado, State of California, and is more particularly described as follows:

Lots 718, 719, 720, 721, 722, 723, 724, 726, 727, 728, 729, 730, 732, 733, 734, 735, 736, 737, and 739 of SWANSBORO COUNTRY UNIT NUMBER 8 as said lots are shown on the Official Map of SWANSBORO COUNTRY UNIT 8 filed in the Office of the County Recorder of the County of El Dorado on September 18, 1981 in Subdivision Map Book F, Page 141.

1. Article 1, Section 1(c) of the Declaration is hereby amended to delete the entire subsection and to add the following subsection:

"(c) 'Common Areas' shall mean and refer to those areas of land shown on any recorded subdivision map of the properties and intended to be devoted to the common use and enjoyment of the owners of the properties. The common areas for Unit 8 shall include Peycos Road as shown on the Official Map of Swansboro Country Unit 8 of the County Recorder of the County of El Dorado on September 18, 1981 in Subdivision Map Book F, Page 141."

2. Article II, Section 1 of the Declaration is hereby amended to insert the recording information in the property description referred to therein. The section as amended reads as follows:

Lots 718, 719, 720, 721, 722, 723, 724, 726, 727, 728, 729, 730, 732, 733, 734, 735, 736, 737, 738, 739, of Swansboro Country Unit No. 8 as said lots are shown on the Official Map of Swansboro Country Unit No. 8 filed in the Office of the County Recorder of the County of El Dorado on September 18, 1981, in Subdivision Map Book F, Page 141.

3. Article II, Section 2(a) is hereby amended to insert the phrase "other than the subdivider" after the terms "members" on Line 3 of said subsection and to omit the phrase "as described in subsection (a) hereof" which appears on Line 8 of the subsection. The subsection, as amended reads as follows:

"(a) Upon approval in writing of the association pursuant to a vote of 66 2/3 percent of the total votes residing in the Association members other than the subdivider, the owner of any property who desires to add it to the scheme of this declaration and subject it to the jurisdiction of the Association may file of record a supplementary declaration of covenants and restrictions."

4. Article IV, Section 3(c) is amended to set forth the requirements of Section 7341(c) of the California Corporations Code. The section, as amended, provides as follows:

"(c) The right of the Association, as provided by its Articles of Incorporation and By-Laws to suspend the enjoyment of

rights of any member for any period during which the assessment remains unpaid, and for any period, not to exceed thirty (30) days, for infraction of its published rules and regulations, provided that no such suspension shall be effective unless and until the provisions of Section 7341 of the Corporations Code have been complied with and the following conditions have been met:

- i. The members shall receive fifteen (15) days notice prior to the suspension setting forth, with particularity, the reason for the proposed suspension;
- ii. The member shall receive an opportunity to be heard, orally or in writing, not less than five (5) days before the effective date of the suspension by a person or committee authorized by the Association to decide that the proposed suspension not take place."

5. Article IV, Section 3(d) is hereby amended to insert the phrase "other than the Developer" after the term "membership" which appears on the last line of Page 8 of the Declaration. Said section, as amended, reads as follows:

(d) The right of the Association to dedicate or transfer all or any part of the common areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members, provided that no such dedication or transfer, the determination as to the purposes or as to the conditions thereof shall be effective unless an instrument signed by the members entitled to case three-fourths of the vote of the membership other than the Developer has been recorded agreeing to such dedication, transfer, purpose, or conditions, and unless written notice of the proposed agreement an action thereunder is sent to every member at least ninety (90) days in advance of any action taken.

6. Article V, Section 1(b) is amended to insert the numeral 8 in place of the numeral 9 as it appears in the term "official map of Swansboro Country Unit No. 9" on Page 9 of the Declaration and to insert the numeral 8 after the word "Swansboro Country Unit No. _____" which appears on Page 10 of the Declaration. Said section, as amended, reads as follows:

"(b) Special assessments for annual upkeep, capital improvements, maintenance costs of the common areas; special assessments for maintenance, repair, and replacement of fences on the roads known as "Mosquito Road" and as "Rock Creek Road"; special assessments to maintain, repair, improve, finance and pay for subsequent stages of the construction of the public roads shown upon and dedicated by the Official Map of Swansboro Country Unit No. 8 and special assessments for the purpose of installing, maintaining and replacing street name signs and traffic control signs on the public roads shown upon and dedicated by the Official Map of Swansboro Country Unit No. 8; all such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and the cost of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien on the property against which each such assessment is made. Each such assessment, together with such interest thereon and the cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person or owner who was the owner of such property at the time when the assessment fell due."

7. Article V, Section 3, is hereby amended to include the date, 1983. Said section shall read as follows:

"Until the year beginning January, 1983, the annual assessment shall be \$150.00 per year, per lot payable annually, and from and after January, 1983, the annual assessment may be increased or decreased by a vote of the members, as hereinafter provided, for the next succeeding three years and at the end of each period of three years for each succeeding period of three years. Developer shall pay annual assessments with regard to each unsold lot owned by the Developer."

8. Article V, Section 4, is hereby amended to insert the phrase "in excess of 5% of the budgeted gross expense of the Association for that fiscal year" after the term "special assessment: which appears on the last line of Page 11 of the Declaration and to insert the phrase "other than the Developer" after the term "Association" which appears on line 1 of Page 12 of the Declaration. The section, as amended, reads as follows:

"In addition to the annual assessments authorized by Section 3 thereof, the Association may levy in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement on the common area, including the necessary fixtures and personal property related thereto, or for the purpose of defraying, in whole or in part, the costs of maintenance, repair, and replacement of the fences on the road known as "Mosquito Road" and "Rock Creek Road" and the cost of maintaining, repairing, improving, financing, and paying for subsequent stages of construction of the public roads shown upon and dedicated by the Official Map of Swansboro Country Units 8 and 9, and for the purpose of installing, maintaining, and repairing the streets, name signs, and traffic control signs on the public roads shown on and dedicated by the Official Map of Swansboro

Country Units 8 and 9; provided, that any such special assessments in excess of 5% of the budgeted gross expenses of the Association for that fiscal year shall have the assent of the majority of the voting power of the members of the Association, other than the Developer, either in writing or by vote at a meeting called for this purpose, notice of which shall be sent to all members at least thirty (30) days in advance setting forth the purpose of the meeting. The Developer shall pay special assessments with regard to each unsold lot owned by Developer."

9. The final paragraph of the Declaration is amended to insert the number "8" in the phrase "SWANSBORO COUNTRY UNIT NO. _____."

IN WITNESS WHEREOF, Swansboro Country, Inc., a California corporation, the owner in fee of all of the lands described and subdivided as "Swansboro Country Unit No. 8" has caused this instrument to be executed this 28th day of December, 1981, by its officers thereunto duly authorized.

SWANSBORO COUNTRY, INC.
A California Corporation

By Deborah L. Harris
DEBORAH L. HARRIS,
President

See jurat on next page.

SCPOA

CCR'S Unit 9

Dated Sept. 1, 1981

First Amendment dated Dec. 28, 1981

Supplementary dated May 7, 1984

MAIL TO
INTER-COUNTY TITLE CO.

OFFICIAL RECORDS
EL DORADO COUNTY-CALIF.
RECORD REQUESTED BY
INTER-COUNTY TITLE CO.

2800 Sep 18 9 07 AM 1981
DOROTHY CARR
COUNTY RECORDER

DECLARATION OF COVENANTS AND RESTRICTIONS

This Declaration is made this 1st day of September
1981, by SWANSBORO COUNTRY, INCORPORATED, a California
corporation, hereinafter referred to as "Developer",

Witnesseth:

WHEREAS, Developer is the owner of certain real
property situated in the County of El Dorado, State of
California, in and near SWANSBORO COUNTRY, described as
follows:

"Lots 740, 741, 742, 743, 744, 745,
746, 747, 748, 749, 750 of Swansboro Country
Unit No. 9 as said lots are shown on the
Official Map of Swansboro Country of the County
Recorder of the County of El Dorado on September 18,
1981 in Subdivision Map Book F, Subdivision
Map No. 142."

WHEREAS, Developer desires to create thereon,
residential community with common facilities for the
benefit of said community, which residential community
shall harmoniously interact with the existing SWANSBORO
COUNTRY residential community; and

WHEREAS, Developer desires to provide for the
preservation of the values in said community, the maintenance
of said, facilities, and the interaction with the said
existing residential community, and to these ends, desires
to subject the real property hereinabove described, together
with such additions thereto as may hereafter be made, to the
covenants, conditions, restrictions, easements, and agreements

35510

BOOK 2014 PAGE 674

hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Developer has deemed it desirable for the efficient preservation of the values of said community, to create an agency or entity to which should be delegated and assigned the power of maintaining and administering the common properties and facilities and maintaining, repairing, improving, and providing for, and financing, subsequent stages of construction of the public roads shown upon and dedicated by the Official Map hereinbefore mentioned and the installing, maintaining, and replacing of street name signs and traffic control signs on the said public roads shown upon and dedicated by the Official Map of said subdivision hereinbefore mentioned and administering and enforcing the covenants and restrictions and collecting and dispersing the assessments and charges hereinafter created; and

WHEREAS, Developer has incorporated under the laws of the State of California, as a nonprofit mutual benefit corporation, the SWANSBORO COUNTRY UNITS 8 AND 9 ASSOCIATION, INCORPORATED, for the purpose of exercising the functions hereinbefore set forth; and

WHEREAS, the Developer further deems it desirable that said association be merged into the existing property owners association of SWANSBORO COUNTRY;

WHEREAS, the Developer further deems it desirable that said association be merged into the existing property owners association of SWANSBORO COUNTRY;

NOW THEREFORE, the Developer declares the real property hereinbefore described and such additions thereto as may hereafter be made pursuant to these Declarations, is, and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I
DEFINITIONS

Section 1. The following words when used in this Declaration or any Supplemental Declaration shall have the following meanings:

- (a) "Association" shall mean and refer to Swansboro Country Units 8 and 9 Association, Incorporated.
- (b) "The Properties" shall mean and refer to all such existing properties, and additions thereto, as are subject to this Declaration or any Supplemental Declaration under the provisions of Article II hereof.
- (c) "Common Areas" shall mean and refer to those areas of land shown on any recorded subdivision map of the properties and intended to be devoted to the common use and enjoyment of the owners of the properties.
- (d) "Lot" shall mean any numbered lot designated and shown on any recorded subdivision map of the

properties with the exception of the common areas as hereinbefore defined.

- (e) "Plot" shall mean any parcel of land surrounding one residential building and appurtenant buildings where composed of one or more lots or a lot and a fraction of another lot or lots thereby creating one homeside, which such parcel shall be monumented to identify the exterior boundaries of said homesite.
- (f) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot or plot situate upon the property, but shall not mean or refer to any lienholder unless or until such lienholder has acquired title due to foreclosure or any proceeding in lieu of foreclosure.
- (g) "Members" shall mean and refer to all those owners who are members of the Association as provided in Article III, Section 1 hereof.

ARTICLE II

PROPERTIES SUBJECT TO THIS DECLARATION ADDITIONS THERETO

Section 1. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in the County of El Dorado,

State of California, and is more particularly described as follows:

"Lots 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750 of Swansboro Country Unit No. 9 as said lots are shown on the Official Map of Swansboro Country of the County Recorder of the County of El Dorado on _____, 1981 in Subdivision Map Book _____, Subdivision Map No. _____.

All of which real property shall hereinafter be referred to as existing property.

Section 2. Additional land may become subject to this Declaration in the following manner:

- (a) Upon approval in writing of the Association pursuant to a vote of 66 2/3 of the total votes residing in Association members, the owner of any property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association may file of record a Supplementary Declaration of Covenants and Restrictions, as described in subsection (a) hereof.
- (b) Upon a merger or consolidation of the Association with another association as provided in Articles of Incorporation and By-Laws of the Association, its properties, rights and obligations may by operation of law, be transferred to another surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may by operation of law be added to the properties,

rights and obligations of the Association as the surviving corporation pursuant to a merger. The surviving or consolidated Association may administer the covenants and restrictions established by this Declaration within the existing property together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration within the existing properties except as hereinafter provided.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Every person who is or entity which is a record owner of a fee, or undivided fee interest, in any lot or plot which is subject by covenants or record to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds or which holds such interest merely as security for the performance of an obligation shall not be a member.

Section 2. The Association shall have but one class of voting membership. Members shall be entitled to one vote for each lot and one vote and fraction of a vote for the number of lots in which they hold the interest required for membership by

Section 1. When more than one person holds such interest or interest in any lot, or lots, all such persons shall be members and the vote for such lot, or lots, and fraction or fractions of a lot or lots, shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one such lot.

Section 3. The voting rights shall not vest until the first annual assessment referred to in Section V, infra, has been levied by the Association.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON AREA

Section 1. Subject to the provisions of Section 3, every member shall have a right and easement of enjoyment in and to the common areas and such easements shall be appurtenant to and shall pass with the title to every lot or plot.

Section 2. The Developer shall convey title to the common areas to the Association prior to the closing of sale of the first subdivision lot and all improvements to be accomplished by the Developer shall be completed prior to the close of sale of the first subdivision lot or the Developer shall post a good and sufficient completion bond to insure such completion thereof.

Section 3. The rights and easements of enjoyment created hereby shall be subject to the following:

- (a) The right of the Association in accordance with its Articles and By-Laws to borrow money

for the purpose of improving the common areas and in aid thereof to mortgage the property, provided that no such encumbrance may be placed on the common areas without the affirmative vote of two-thirds of the membership, other than the Developer.

- (b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosures; and
- (c) The right of the Association as provided by its Articles of Incorporation and By-Laws to suspend the enjoyment rights of any member for any period during which an assessment remains unpaid, and for any period, not to exceed thirty (30) days, for any infraction of its published rules and regulations, provided that no such suspension shall be effective unless and until said member has been afforded the opportunity of a hearing, notice and the conduct of which shall be in accordance with the requirements of Section 7341 of the California Corporations Code.
- (d) The right of the Association to dedicate or transfer all or any part of the common areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members, provided that no such dedication or transfer, determination as to the purposes or as

to the conditions thereof, shall be effective unless an instrument signed by members entitled to cast three-fourths of the vote of the membership has been recorded agreeing to such dedication, transfer, purpose or conditions and unless written notice of the proposed agreement and action thereunder is sent to every member at least ninety (90) days in advance of any action taken.

ARTICLE V

COVENANT FOR ASSESSMENTS

Section 1. The Developer, for each lot or plot owned by anyone in the properties, hereby covenants and each owner of any lot or plot by acceptance of a deed thereof, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association:

- (a) Annual assessments or charges or dues;
- (b) Special assessments for annual upkeep, capital, improvements and maintenance costs of the common areas; special assessments for maintenance, repair, and replacement of the fences on the roads known as "Mosquito Road" and as "Rock Creek Road"; special assessments to maintain, repair, improve, finance, and pay for subsequent stages of construction of the public roads shown upon and dedicated by the Official Map of Swansboro

Country Unit No. 9 and special assessments for the purpose of installing, maintaining and replacing street name signs and traffic control signs on the public roads shown upon and dedicated by the Official Map of Swansboro Country Unit No. ; all such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and the cost of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien on the property against which each such assessment is made. Each such assessment, together with such interest thereon and the cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person or owner who was the owner of such property at the time when the assessment fell due.

Section 2. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, welfare, safety, comfort and recreation of the residents in the properties and in particular for the improvement and maintenance of the common areas and, for the purpose set forth in subparagraph (b) of foregoing Section 1 hereof.

Section 3. Until the year beginning January, _____ the annual assessment shall be one hundred fifty dollars per year per lot payable annually, and from and after January _____, the annual assessment may be increased or decreased by vote of the members, as hereinafter provided, for the next succeeding three years and at the end of such such period of three years, for each succeeding period of three (3) years. Developer shall pay annual assessments with regard to each unsold lot owned by the Developer.

Section 4. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement on the common area, including the necessary fixtures and personal property related thereto, or for the purpose of defraying, in whole or in part, the costs of maintenance, repair, and replacement of the fences on the road known as "Mosquito Road" and "Rock Creek Road" and the cost of maintaining, repairing, improving, financing, and paying for subsequent stages of construction of the public roads shown upon and dedicated by the Official Map of Swansboro Country Units 8 and 9, and for the purpose of installing, maintaining, and repairing the streets, name signs and traffic control signs on the public roads shown on and dedicated by the Official Map of

Swansboro Country Units 8 and 9, and for the purpose of installing, maintaining, and repairing the streets, name signs and traffic control signs on the public roads shown on and dedicated by the Official Map of Swansboro Country Units 8 and 9; provided, that any such special assessments shall have the assent of the majority of the voting power of the members of the Association, either in writing or by vote at a meeting called for this purpose, notice of which shall be sent to all members at least thirty (30) days in advance setting forth the purpose of the meeting. The Developer shall pay special assessments with regard to each unsold lot owned by Developer.

Section 5. Subject to the limitations of Section 3 hereof and for the periods therein specified, the Association may change the maximum and basis of the assessments fixed by Section 3 hereof prospectively for any such period, provided that any such change shall have the assent of a majority of the vote of voting power of the members of the Association; provided further, that the limitations of Section 3 hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation and under its By-Laws and under Article II, Section 2 hereof.

Section 6. The quorum required for any action authorized by Section 4 and by Section 5 hereof shall be as follows: At the first meeting called, as provided in Sections 4 and 5 hereof, the presence at the meeting of members or of proxies entitled to cast a majority of all votes of the membership shall constitute a quorum. In the event a quorum is not present, the meeting may be adjourned, and the adjourned meeting, the members present in person or by proxy, shall constitute a quorum.

Section 7. The annual assessments provided for herein shall commence on the first day of the month of the following effective date of the merger referred to hereinabove. The first annual assessment shall be made for the balance of the calendar year and shall become due and payable on the date fixed for commencement. The assessments for any year, after the first year, shall become due and payable on the first day of March of said year. The amount of the annual assessment which may be levied for the balance remaining in the first year of assessment shall be an amount which bears the same relationship to the annual assessment provided for in Section 3 hereof as the remaining number of months in that year bears to twelve. The same reduction in the amount of the assessment shall apply to the first assessment levied against any property which is hereafter added to the properties now subject to assessment at a time other than the beginning of any assessment period. The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

Section 8. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each lot or plot for each assessment period and shall, at that time, prepare a roster of the properties and assessment applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any owner. Written notice of the assessment shall thereupon be sent to every owner subject thereto.

The Association shall, upon demand, at any time, furnish to any owner liable for said assessment, a certificate in writing signed by an officer of the Association setting forth whether or not said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. If the assessments are not paid on the date when due then such assessments shall become delinquent and shall, together with such interest thereon and costs of collection thereof as are hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of seven percent (7%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the cost of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee, to be fixed by the court, together with the costs of the action.

Section 10. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust now or hereafter placed upon the property subject to the assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or a transfer of such property pursuant to a decree of foreclosure or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

ARTICLE VI

BUILDING RESTRICTIONS

Section 1. Uses and improvements.

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- (a) An Architectural Control Committee has been created by the Declarants consisting of the officers of Swansboro Country, Inc. The said committee shall be and is hereby authorized to pass upon, approve, or reject any plan or specifications for structures to be erected on the lots or plots in said subdivision, or for permanent surfaced access from said lots or plots in said subdivision. But nothing herein contained shall be construed as authorizing or empowering the committee to change or waive any restrictions provided for herein except where expressly authorized to do so. The committee may act by any two of its members and any authorization, approval or waiver made by the committee must be in writing, signed by two members thereof. Where permanent surfaced access is proposed for gateways or driveways connecting with Mosquito Road, the Architectural Control Committee shall not approve plans or specifications for such access until said plans and specifications have been approved by the Public Works Director and an encroachment permit has been obtained.
- (b) No buildings other than one detached single family private residence, a private garage for the use of

The occupants of such residence, and other usual and appropriate out buildings and structures incident and appurtenant to a private residence shall be erected or maintained on any lot or plot in this subdivision and no use whatsoever, except in connection with its use and improvement as a site and grounds for such buildings, shall be made of any lot or plot therein. The term "private residence" is intended to exclude every other form of dwelling for the occupancy of more than one family and is intended to exclude boarding houses, lodging houses, sanitariums and hospitals, but is not intended to exclude a "guest house" incident to a private residence for the entertainment of social guests, nor servants' quarters for servants or other employees employed on the premises.

- (c) No form of business, commercial, manufacturing or storage enterprise or activity of exploration for or production of minerals, stone, gravel, oil, gas and other natural resources shall be conducted or maintained on any lot or plot in this subdivision, including the common areas.

Section 2. The principal residence building on any lot or plot shall cover a ground floor area of not less than 4,000 square feet. "Ground floor area" shall exclude any attached

garage, open porch, terrace, steps, and like appurtenances not enclosed by the bearing walls of the residence building.

Section 3. Easements, as shown upon the recorded map of the subdivision, are reserved for the construction, maintenance and operation therein or thereon of pipes, conduits, ditches and appurtenances for the purpose of facilities. No interference shall be made with the free use of such easements for the purposes for which they are intended.

Section 4. No billboards or other advertising devices shall be erected or placed upon any lot or plot in this subdivision, except as follows: The name and profession of any professional person may be displayed upon any dwelling house on a sign not exceeding 200 square inches in area. No more than one "For Sale", "For Lease", or "For Rent" sign, plus one builder's sign during construction of a residence shall be displayed upon any lot or plot, and such sign shall be customary and reasonable in size; provided, however, that in the course of developing or improving the subdivision and lots, the Developer or his agent or builders may erect and display larger signs.

Section 5. No structure or building other than a completed residence shall be used or occupied as a dwelling place on any lot or plot in this subdivision, No tents, trailers or other temporary habitations shall be used.

Section 6. Any residence or other building in this subdivision, the construction of which has been started, shall

be completed without delay and within one year, except when such delay is caused by weather conditions, strikes, actual inability of the owner to procure delivery of necessary materials, or by interference by other persons or forces beyond the control of the owner. Financial inability of the owner or his contractor to secure labor or materials or to discharge liens or attachments shall not be deemed a cause beyond the control of the owner.

In the event of cessation of construction of any building for a period of 120 days where such cessation is not excused by the provisions hereof, the existence of such incompleting buildings shall be deemed to be a nuisance and the Developer or any other owner of property subject to this Declaration shall have the right to enter upon said uncompleted property and remove the same or carry such construction work to completion, and the expense incurred in connection with the removal or completion of such building shall become a lien upon the land and improvements thereon upon which such building is situate, which said lien may be foreclosed either as a mechanic's lien or as a mortgage or deed of trust made on real property.

Section 10. During the construction of a dwelling and its appurtenances on any lot, it shall be mandatory that as little of the natural vegetation be removed as is practical. Following said construction, it shall be mandatory that any soil upon which the native vegetation was removed and which is exposed to rainfall be replanted or reseeded.

ARTICLE VII
BUILDING DESIGN AND MATERIALS

Section 1. Any building placed, erected or maintained upon any lot or plot shall be entirely constructed thereon and the same shall not, nor shall any part thereof, be moved or placed thereon from elsewhere.

Section 2. All buildings erected within this subdivision shall be of new materials, provided, however, that the provisions of this paragraph shall not prevent the use of used brick or any other material which is in general use in the construction of dwelling houses.

Section 3. No reflective metals or other materials which may cause glare shall be used on any exterior surface of any building and in the event metal is used on any exterior surface of any building such metal shall be painted for the purpose of preventing glare.

ARTICLE VIII
GROUNDS

Section 1. All incinerators used for the purpose of burning trash shall be of concrete or metal with one or more vent screens of one-quarter inch mesh or finer, placed on the bare ground area not less than ten feet in radius from each such incinerator.

Section 2. All fences must be approved by the Board of Directors of the Homeowners Association.

Section 3. Each dwelling shall be provided with a sewage disposal system consisting of an individual septic tank, or other equally sanitary structure for the storage or disposal of sewage, constructed, located and connected with a drain field, and all such facilities shall conform to the Health and Safety Regulations of the County of El Dorado, State of California.

Section 4. Approval by the El Dorado County Health Department shall be required prior to the construction of any well or septic tank on any lot within this subdivision.

Until the County of El Dorado adopts their own standards for well construction, private wells shall be developed pursuant to Bulletin No. 74, Water Well Standards, State of California, Department of Water Resources, February, 1962.

Section 5. No boats, trucks, campers, automobiles or trailers shall be stored in the open within view of public streets.

Section 6. All hunting is prohibited and no firearms shall be discharged.

Section 7. No outside lights shall be placed on poles in excess of eight feet (8) in height and the design, wattage and placement of outside lights shall be subject to the approval or rejection of the Architectural Control Committee.

ARTICLE IX

GENERAL PROVISIONS

Section 1. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure

to the benefit of and be enforceable by the Association, or by the owner of any land subject to this Declaration, for a term of thirty-five (35) years from the date of recording of this Declaration, after which time said covenants shall automatically extended for successive periods of ten (10) years unless an instrument signed by the then owners of three-fourths (3/4) of the lots or plots in said subdivision has been recorded, agreeing to change said covenants and restrictions in whole or in part, provided, however, that no such agreement as to change or changes shall be effective unless made and recorded one (1) year in advance of the effective date of such change, and unless written notice of the proposed change or changes is sent to every owner at least ninety (90) days in advance of any action taken by the owner desiring to make such change or changes.

Section 2. Any notice required to be sent to any member or owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid to the last known address of the person who appears as a member or as an owner on the records of the Association at the time of such mailing.

Section 3. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction herein contained, either to restrain violation thereof or to recover damages therefor, and against

the land to enforce any lien created by these covenants; and failure by the Association or by any owner to enforce any covenant or restriction herein contained shall not be deemed to be a waiver of the right to do so thereafter.

Section 4. Invalidation of any one of these covenants or restrictions by judgment or by court order shall in no way affect any of the other provisions herein contained which such other provisions shall remain in full force and effect.

Section 5. No lot, plot or building in this subdivision shall be used for the keeping or breeding of fowl, or animals of any kind for commercial purposes. A reasonable and usual number of household pets may be kept for the pleasure of the occupants of the premises where kept, but the same shall not be kept in numbers or under condition objectionable to other residents in the subdivision. No lot owner shall have more than two dogs or more than two cats over the age of four months. Dogs will not be permitted to run at large in Swansboro Country. They must be controlled on a leash unless contained on owners property.

Section 6. Nothing contained in this Declaration shall impair or defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but title to any property taken subject to this Declaration whether obtained through sale or through foreclosure of any mortgage or deed of trust shall thereafter be held subject to all of the terms and provisions herein contained.

Section 7. Each grantee of a conveyance or purchaser under a contract or agreement of sale, by accepting a deed or contract of sale or agreement of purchase, accepts the same subject to all of the covenants, conditions, restrictions, easements and agreements set forth in this Declaration and agrees to be bound by all of the same. Damages for breach of any of the covenants, restrictions or agreements set forth in this Declaration are hereby declared not to be adequate compensation, but such breach and the continuation thereof may be enjoined or abated by appropriate proceedings by the Developer, the Association, or by an owner or owners of any other lot or lots, or plots in said Subdivision. If suit be instituted to enforce any of the provisions of this Declaration, the owner or owners against whom such suit is instituted hereby agree to pay costs and reasonable attorney's fees incurred by any person or persons or corporation, including the Association, duly authorized to prosecute such suit.

Section 8. Failure by the Developer or any other person or persons entitled so to do to enforce any covenants, condition, restriction or agreement herein contained, upon violation thereof, shall not estop, prevent or be deemed to be a waiver of the right of enforcement thereafter.

Section 9. The covenants, conditions, restrictions, easements and agreements set forth in this Declaration may be waived, modified, changed, altered, cancelled or terminated as

7. 6 to
Inter-L Title Co.
P.O. Box 48
Placerville CA 95667

12, 14-4

FIRST AMENDMENT TO DECLARATION OF COVENANTS
AND RESTRICTIONS

This Declaration made this 28th day of December, 1981
by SWANSBORO COUNTRY, INCORPORATED, a California corporation,
hereinafter referred to as "Developer" is an amendment to the
Declaration of Covenants and Restrictions recorded in the Office
of the County Recorder of El Dorado County on September 18, 1981
at Book 2014, Page 674.

The real property which is and shall be held, transferred,
sold, conveyed, and occupied subject to this Declaration is
located in the County of El Dorado, State of California, and
is more particularly described as follows:

Lots 740, 741, 742, 743, 744, 745, 746, 747, 748,
749, and 750 of Swansboro Country Unit No. 9 as said
lots are shown on the Official Map of Swansboro Country
of the County Recorder of the County of El Dorado on
September 18, 1981 in Subdivision Map Book F, Page 142.

1. Article 1, Section 1(c) of the Declaration is hereby
amended to delete the entire subsection and to add the following
subsection:

"(c) 'Common areas' shall mean and refer to those areas
of land shown on any recorded subdivision map of the
properties and intended to be devoted to the common use
and enjoyment of the owners of the properties. The
common areas for Unit 9 shall include Peycos Road as shown
on the Official Map of Swansboro Country Unit 9 of the
County Recorder of the County of El Dorado on September 18,
1981 in Subdivision Map Book F, Page 142."

1073

2. Article II, Section 1 of the Declaration is hereby amended to insert the recording information in the property description referred to therein. The section as amended reads as follows:

Lots 740, 741, 742, 743, 744, 745, 746, 747, 748, 749 and 750 of Swansboro Country Unit No. 9 as said lots are shown on the Official Map of Swansboro Country of the County Recorder of the County of El Dorado on September 18, 1981 in Subdivision Map Book F, Page 142.

3. Article II, Section 2(a) is hereby amended to insert the phrase "other than the subdivider" after the terms "member" on Line 3, of said subsection and to omit the phrase "as described in subsection (a) hereof" which appears on Line 8 of the subsection. The subsection, as amended, reads as follows:

"(a) Upon approval in writing of the association pursuant to a vote of 66 2/3 percent of the total votes residing in the Association members other than the subdivider, the owner of any property who desires to add it to the scheme of this declaration and subject it to the jurisdiction of the Association may file of record a supplementary declaration of covenants and restrictions."

4. Article IV, Section 3(c), is amended to set forth the requirements of Section 7341(c) of the California Corporations Code. The section, as amended, provides as follows:

"(c) The right of the Association, as provided by its Articles of Incorporation and By-Laws to suspend the enjoyment of rights of any member for any period during

which the assessment remains unpaid, and for any period, not to exceed thirty (30) days, for infraction of its published rules and regulations, provided that no such suspension shall be effective unless and until the provisions of Section 7341 of the Corporations Code have been complied with and the following conditions have been met:

i. The members shall receive fifteen (15) days notice prior to the suspension setting forth, with particularity, the reason for the proposed suspension;

ii. The member shall receive an opportunity to be heard, orally or in writing, not less than five (5) days before the effective date of the suspension by a person or committee authorized by the Association to decide that the proposed suspension not take place."

5. Article IV, Section 3(d) is hereby amended to insert the phrase "other than the Developer" after the term "membership" which appears on line 4 of Page 9 of the Declaration. Said section, as amended, reads as follows:

"(d) The right of the Association to dedicate or transfer all or any part of the common areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members, provided that no such dedication or transfer, the determination as to the purposes or as to the conditions thereof shall be effective unless an instrument signed by the members entitled to cast three-fourths of the vote of the membership other than the Developer has been recorded agreeing to such dedication, transfer, purpose, or conditions and unless written notice of the proposed agreement an action thereunder is sent to every member at least ninety (90) days in advance of any action taken.

6. Article V, Section 1(b), is amended to insert the numeral 9 after the word "Swansboro Country Unit No. _____" which appears on Page 10, line 5 of the Declaration. Said section, as amended, reads as follows:

(b) Special assessments for annual upkeep, capital improvements, and maintenance costs of the common areas; special assessments for maintenance, repair, and replacement of fences on the roads known as "Mosquito Road" and as "Rock Creek Road"; special assessments to maintain, repair, improve, finance and pay for subsequent stages of the construction of the public roads shown upon and dedicated by the Official Map of Swansboro Country Unit No. 9 and special assessments for the purpose of installing, maintaining, and replacing street name signs and traffic control signs in the public roads shown upon and dedicated by the Official Map of Swansboro Country Unit no. 9; all such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and the cost of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien on the property against which each such assessment is made. Each such assessment, together with such interest thereon and the cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person or owner who was the owner of such property at the time when the assessment fell due."

7. Article V, Section 3, is hereby amended to include the date, 1983. Said section shall read as follows:

"Until the year beginning January, 1983, the annual assessment shall be \$150.00 per year, per lot payable annually, and from and after January, 1983, the annual assessment may be increased or decreased by a vote of the members, as hereinafter provided, for the next succeeding three years and at the end of each period of three years for each succeeding period of three years. Developer shall pay annual assessments with regard to each unsold lot owned by the Developer."

8. Article V, Section 4, is hereby amended to insert the phrase "in excess of 5% of the budgeted gross expenses of the Association for that fiscal year" after the term "special assessments" which appears on line 5 of page 12 of the Declaration

and to insert the phrase "other than the Developer" after the term Association which appears on line 7 of page 12 of the Declaration. The section, as amended, reads as follows:

"In addition to the annual assessments authorized by SECTION 3 thereof, the Association may levy in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement on the common area, including the necessary fixtures and personal property related thereto, or for the purpose of defraying in whole or in part, the costs of maintenance, repair, and replacement of the fences on the road known as "Mosquito Road" and "Rock Creek Road" and the cost of maintaining, repairing, improving, financing, and paying for subsequent stages of construction of the public roads shown upon and dedicated by the Official Map of Swansboro Country Units 8 and 9, and for the purpose of installing, maintaining, and repairing the streets, name signs, and traffic control signs on the public roads shown on and dedicated by the Official Map of Swansboro Country Units 8 and 9; provided, that any such special assessments in excess of 5% of the budgeted gross expenses of the Association for that fiscal year shall have the assent of the majority of the voting power of the members of the Association, other than the Developer, either in writing or by vote at a meeting called for this purpose, notice of which shall be sent to all members at least thirty (30) days in advance setting forth the purpose of the meeting. The Developer shall pay special assessments with regard to each individual lot owned by Developer."

o The final paragraph of the Declaration is amended to insert the number "4" in the phrase SWANSBORO COUNTRY UNIT NO. _____."

Amendment Unit 9
Page 1 of 2 pages

When Recorded Mail To:

SWANSBORO COUNTRY PROPERTY
OWNERS' ASSOCIATION, INC.
6861 Log Cabin Lane
Placerville, CA 95667

OFFICIAL RECORDS
EL DORADO COUNTY-CALIF.
RECORDS REQUESTED BY
Homeowners Assn.

MAY 8 10 14 AM 1984

CHRISTY CARR
COUNTY RECORDER

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SUPPLEMENTARY DECLARATION OF COVENANTS AND RESTRICTIONS
AS TO
SWANSBORO COUNTRY UNIT NO. 9

This Declaration made this 7th day of May, 1984, by Swansboro Country Property
Owners' Association, Inc., a California Nonprofit Mutual Benefit Corporation,
hereinafter referred to as "Association",

WITNESSETH:

Whereas, Association has determined approval by written ballot of owners of the
following described real property situated in the County of El Dorado, State of
California described as follows:

Lots 742, 743, 744, 745, 748, 749, 750, Unit 9 as said lots
are shown on the Official Map of Swansboro Country Unit 9
filed in the Office of the County Recorder of the County of
El Dorado on September 18, 1981 in Subdivision Map Book F,
Subdivision Map No. 142.

Whereas, such lots represent Seventy-three (73%) percent of member lots entitled
to cast votes and whereas, two-thirds (66 2/3%) percent of member lots entitled
to cast votes is required to amend the Declaration of Covenants and Restrictions,

Whereas, Association hereby takes and consents to the following amendment of
Article V, Section 3 of the Declaration of Covenants and Restrictions dated
September 1, 1981 and recorded September 18, 1981 on instrument No. 36540, in
Book 2014 of Official Record of El Dorado County, at Page 681, which
Declarations are hereby referred to and amended as follows:

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Article V, Section 3 of said Declaration shall be amended to read:

Until the year beginning January _____, the annual assessment
shall be one hundred fifty dollars per year per lot payable
annually and from and after January _____, the annual assessment
may be increased by vote of the members, as hereinafter provided,

for the next succeeding three (3) years and at the end of each such period of three years, for each succeeding period of three (3) years. Developer shall pay annual assessment with regard to each unsold lot owned by the Developer.

IN WITNESS WHEREOF, Swansboro Country Property Owners' Association, Inc., a California Nonprofit Mutual Benefit Corporation, has caused this instrument to be executed this 7th day of May, 1984, by its officer thereunto duly authorized.

SWANSBORO COUNTRY PROPERTY OWNERS' ASSOCIATION, INC., a California Nonprofit Mutual Benefit Corporation

Anne B. Roche
ANNE B. ROCHE, Secretary/Treasurer

State of California)
) SS.
County of El Dorado)

On May 7, 1984, before me, the undersigned, a Notary Public in and for the State of California, personally appeared Anne B. Roche known to me to be the Secretary/Treasurer of Swansboro Country Property Owners' Association, a California Nonprofit Mutual Benefit Corporation, and who is known to me to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same.

WITNESS MY HAND AND SEAL:

Virginia N. Wood

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VIRGINIA N. WOOD
NOTARY PUBLIC
SACRAMENTO COUNTY CALIFORNIA
My Commission Expires October 14, 1984
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