

ARTICLE IV.

PROPERTY RIGHTS IN ASSOCIATION PROPERTY

Section 4.1 Easements of Enjoyment. Each Owner of a Lot within the Property shall have a nonexclusive right and easement of use and enjoyment in and to the Association Property which shall be appurtenant to such Lot and shall pass with the title thereto, subject to the following provisions:

(a) Right of the Board to take those actions and impose those penalties provided for in the Restrictions in the event of any violation or infraction of any provisions of the Restrictions or reasonable Rules promulgated by the Board;

(b) The right of the Association to dedicate or transfer all or any part of the Association Property to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Board; provided that no such dedication or transfer shall be effective unless approved by the vote or written ballot of a majority of the voting power of each class of Members of the Association, and an instrument in writing is recorded and signed by the Secretary of the Association certifying that such dedication or transfer has been approved by the required votes;

(c) Such uniform reasonable Rules, not inconsistent with this Declaration, affecting the Association Property as may be from time to time promulgated by the Board, which rules shall be strictly complied with by the Owners and their families, tenants, contract purchasers, guests, servants and invitees. A copy of said rules, as they may be from time to time adopted, amended or repealed, may but need not be mailed or otherwise delivered to each Owner, or may be recorded. Upon such mailing, delivery or recordation, said rules shall have the same force and effect as if they were set forth in and were made a part of this Declaration. In addition, as to any Owner having actual knowledge of any given properly adopted rules, such rules shall have the same force and effect and may be enforced against such Owner.

(d) The right of the Association to limit the number and activities of the guests of Owners, tenants and/or contract purchasers to use the Association Property;

(e) The right of the Association to charge reasonable fees for use of the Association Property;

(f) Each Owner agrees by accepting conveyance of his Lot, that in using the Association Property he will comply with the provisions of the Restrictions including, but not limited to, any Rules promulgated by the Association as contemplated in Section 4.1(c), above;

(g) Such sewer, utility and/or other easements as may from time to time be granted by Declarant or by the Association over the Association Property or any portion thereof in accordance with the provisions of Article IX hereof or otherwise, and/or such nonexclusive easements, as may from time to time be granted by Declarant or the Association over all or any portion of the Association Property, which nonexclusive easements may be for ingress or egress from any sales offices or model home complexes of Declarant or for parking incidental thereto.

Section 4.2 Title to the Association Property. Declarant hereby covenants for itself, its successors and assigns, that it will convey the Association Property to the Association free and clear of all encumbrances and liens, except nondelinquent real property taxes and assessments, and covenants, conditions, restrictions, reservations, rights and rights-of-way then of record, including those set forth in this Declaration. Said conveyance shall be made to the Association prior to or concurrently with the first conveyance of any Lot in each phase of the Original Property or Additional Property to a third-party purchaser.

Section 4.3 Owner's Easement of Enjoyment - Additional Property. In the event Additional Property is annexed pursuant to the provisions of this Declaration, then subject to the limitations and restrictions set forth in Section 4.1 hereof, Declarant grants to every Owner of a Lot within the Additional Property a right and easement of enjoyment in and to all portions of the Association Property.

Section 4.4 Delegation of Use. Any Owner may delegate, in accordance with and subject to the Restrictions, his right of enjoyment of the Association Property to the members of his family, his tenants or contract purchasers and to his or their respective licensees and guests. Such right of enjoyment, however, may not be sold, conveyed, hypothecated, or otherwise dealt with separately from the Lot to which it is appurtenant; any such attempted severance shall be void and of no effect.

Section 4.5 Sale of Lots by Owners. Any Owner shall, as soon as practicable before transfer of title to its Lot or execution of a real property sales contract (as defined in California Civil Code Section 2985) therefor, provide to the prospective purchaser of such Owner's interest the following:

(a) A copy of this Declaration, the Articles, the Bylaws, the rules of the Association and/or the Architectural Committee, if any, promulgated in accordance with this Declaration, disclosure of the existence of the Sound Ordinance as set forth in Section 2.12 above and any other special disclosure required by Declarant and any governmental documents of the Association;

(b) If there is any restriction in any of the documents described in Section 4.5(a) above, limiting the occupancy, residency or use of a Lot on the basis of age in a manner different from that provided under Section 51.3 of the California Civil Code, a statement that the restriction is only enforceable to the extent permitted by said Civil Code Section 51.3 and a statement specifying the applicable provisions of said Civil Code Section 51.3;

(c) A copy of the most recent financial statement distributed by the Association pursuant to Section 8.3 below; and

(d) A true statement in writing from an authorized representative of the Association as to (i) whether, to the knowledge of the Association, the Owner or the Owner's Lot is in violation of any of the provisions of this Declaration, the Articles, Bylaws or Rules, (ii) the amount of regular and special assessments, including installment payments paid by the Owner during the current fiscal year, and (iii) the amount of any assessments levied upon such Owner's interest which are unpaid on the date of the statement, which statement shall include true information on late charges, interest and costs of collection, which, as of the date of such statement, are or may be made a lien upon the Owner's interest in its Lot pursuant to Section 6.9 below.

(e) A statement as to any change in the Association's current Regular and Special Assessments and fees which have been approved by the Board, but have not become due and payable as of the date such statement is delivered.

(f) A copy of Declarant's written environmental disclosure and the environmental monitoring obligations as described in Sections 2.33 and 2.34.

Within ten (10) days of the mailing or delivery of a written request therefor, the Association shall provide the Owner with a copy of the requested items specified in this Section 4.5 above. The Association may charge a fee for providing such items, not to exceed the Association's reasonable cost to prepare and reproduce the requested items. The Association shall not impose or collect any assessment, penalty or fee in connection with a transfer of title to a Lot except the Association's actual costs to change its records and the cost authorized in the preceding sentence.