

trimming, such Owners in accepting such materials or services agree that the costs thereof shall be a Special Assessment.

Section 9 - Cable Television Service Assessment. In the event the Board elects to contract for cable television service, Cable Television Service Assessments shall be levied by the Board against the Owners who have subscribed with the Association for such service. In such circumstances, the Cable Television Service Assessment shall commence as to such Owner on the first day of the month following the month in which he so subscribes and shall continue against such Owner and any subsequent transferee of his Residence until the first day of the month following the month in which any such Owner or transferee notifies the Board in writing that he no longer wishes to subscribe to such service, or the month in which the Board elects to cancel the Association's contract for cable television service.

Section 10 - Date of Commencement of Regular Assessments. The Regular Assessments shall commence on the date the deed to each Residence is recorded in the Orange County Recorder's Office for that Residence. It is provided, further, that in the event the amount budgeted to meet Common Expenses for the then current year proves to be excessive in light of the actual Common Expenses, the Board in its discretion may either reduce the amount of the Regular Assessment or may abate collection of Regular Assessments as it deems appropriate.

Section 11 - No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation, a claim that (i) the Association is not properly exercising its duties and powers as provided in this Declaration; (ii) a Member has made or elects to make no use of the Community Facilities; or (iii) any construction or maintenance performed pursuant to the Section entitled "Assumption of Maintenance Obligations" of the Article entitled "Repair and Maintenance" of this Declaration shall in any way postpone Assessments or entitle a Member to claim any such offset or reduction.

Section 12 - Homestead Waiver. Each Owner, to the extent permitted by law, does hereby waive, to the extent of any liens created pursuant to this Declaration, whether such liens are now in existence or are created at any time in the future, the benefit of any homestead or exemption laws of the State of California now in effect, or in effect from time to time hereafter.

Section 13 - Reserves. The Regular Assessments shall include reasonable amounts as determined by the Board collected as reserves for the future periodic maintenance, repair or replacement of all or a portion of the Community Facilities, or any other purpose as determined by the Board. All amounts collected as reserves, whether pursuant to this Section or otherwise, shall be deposited by the Board in a separate bank account to be held in trust for the purposes for which they are collected and are to be segregated from and not commingled with any other funds of the Association. Such reserves shall be deemed a contribution to the capital account of the Association by the Members.

ARTICLE IV NONPAYMENT OF ASSESSMENTS

Section 1 - Delinquency. Any Assessment provided for in this Declaration which is not paid when due shall be delinquent on said date (the "delinquency date"). If any such Assessment is not paid within thirty (30) days after delivery of notice of such delinquency from the Association, a late charge and interest will be imposed pursuant to California law. The Association may, at its option, and without waiving the right to judicially foreclose its lien against the Residence, pursue any available remedies, including, without limitation, bringing an action at law against the Member personally obligated to pay the same, and/or upon compliance with the notice provisions set forth in the Section entitled "Notice of Lien" of this Article to foreclose the lien against the Residence. If action is commenced, there shall be added to the amount of such Assessment the late charge, interest, the costs of such action, and attorneys' fees incurred in connection with such action; and in the event a judgment is obtained, such judgment shall include said late charge, interest and a reasonable attorney's fee, together with the costs of action. Each Member vests in the Association or its assigns, the right and power to bring all actions at law or lien foreclosure against such Member of

other Members for the collection of such delinquent Assessments.

Section 2 - Notice of Lien. No action shall be brought to foreclose said Assessment Lien or to proceed under the power of sale herein provided until thirty (30) days after the date a notice of claim of lien is deposited in the United States mail, certified or registered, postage prepaid, to the Owner of said Residence, and a copy thereof is recorded by the Association in the office of the County Recorder in which County the properties are located; said notice of claim of lien must recite a good and sufficient legal description of any such Residence, the record Owner or reputed Owner thereof, the amount claimed (which shall include interest and late charges on the unpaid Assessment at the rate then authorized by California law, , plus reasonable attorneys' fees and expenses of collection in connection with the debt secured by said lien, and the name and address of the claimant.

Section 3 - Foreclosure Sale. Said Assessment lien may be enforced by sale by the Association, its attorney or any other person authorized by the Board to make the sale after failure of the Owner to make the payments specified in the notice of claim of lien within said thirty (30) day period. Any such sale provided for above is to be conducted in accordance with the provisions of Sections 2934, 2924b, 2924c, 2924f, 2924g and 2924h of the Civil Code of the State of California as said statutes may from time to time be amended, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted or provided by law. The Association, through its duly authorized agents, shall have the power to bid on the Residence, using Association funds, or funds borrowed for such purpose, at the sale, and to acquire and hold, lease, mortgage and convey the same.

Section 4 - Curing of Default. Upon the timely payment or other satisfaction of: (a) all delinquent Assessments specified in the notice of claim of lien, (b) all other Assessments which have become due and payable with respect to the Residence as to which such notice of claim of lien was recorded, and (c) interest, late charges, attorneys' fees and other costs of collection pursuant to this Declaration and the notice of claim of lien which have accrued, officers of the Association or any other persons designated by the Board are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting Owner of a fee, to be determined by the Association, .

ARTICLE V ARCHITECTURAL CONTROL

Section 1 - Appointment of Architectural Committee. The Architectural Committee shall consist of not less than three (3) nor more than five (5) persons as fixed from time to time by resolution of the Board. The Board shall have the right to appoint, augment, remove or replace all members of the Architectural Committee. Persons appointed by the Board to the Architectural Committee must be Members of the Association, except any consultants, experts, architects or others retained by the Association to assist the Architectural Committee are not required to be Members.

Section 2 - General Provisions.

(a) The Architectural Committee may establish reasonable procedural rules and may assess a fee for each submission of plans in connection with review of plans and may propose that the Board adopt reasonable Architectural Guidelines, Standards, and specifications including, without limitation, the number of sets of plans to be submitted (the "Architectural Standards"). The Architectural Committee may delegate its plan review responsibilities to one or more members of such Architectural Committee or to a retained Consultant. Upon such delegation, the approval or disapproval of plans and specifications by such persons shall be equivalent to approval or disapproval by the entire Architectural Committee. Unless any and all such Architectural Standards are complied with, such plans and specifications shall be deemed not submitted.

(b) The address of the Architectural Committee shall be the principal office of the Association as designated by the Board pursuant to the Bylaws. Such address shall be the place for the submittal of plans and specifications and the place where the current Architectural Standards shall be kept.