

Recording requested by:
When recorded mail to:

CHUMASH VILLAGE HOMEOWNERS ASSOCIATION, INC.
3057 S. Higuera
San Luis Obispo, CA 93401

FIRST AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
of
CHUMASH VILLAGE HOMEOWNERS ASSOCIATION, INC.
A California Non-Profit Corporation

THIS FIRST AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, is made by CHUMASH VILLAGE HOMEOWNERS ASSOCIATION, INC.;

That certain Declaration of Establishment of Covenants, Conditions and Restrictions of Chumash Village Homeowners Association, Inc., recorded November 10, 1987 as Document No. 80995 Official Records of San Luis Obispo County, is hereby amended and restated in its entirety to read as follows:

DECLARATION

Pursuant to Sec.1350 of the California Civil Code ("the Davis Stirling Common Interest Development Act"), Sec.1468 of California Civil Code, and Sec.374 of California Code of Civil Procedure, Declarant hereby declares:

(a) That the property described herein shall be conveyed, divided, encumbered, hypothecated, leased, rented, used, occupied and improved only upon and subject to the following covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of-way, liens, charges and equitable servitudes, all of which are hereby declared, established, expressed and agreed to be for the benefit and protection of the subject property; to be for the benefit of the owners; to run with the land and be binding upon all parties; to inure to the benefit of every portion of the property; and to inure to the benefit of and be binding upon each owner, and each successor in interest of Declarant and of each owner.

(b) That each conveyance, transfer, sale, assignment, lease or sublease made of any condominium unit shall be deemed to incorporate by reference all of the provisions of this Amended and Restated Declaration (including but not limited to the covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of-way, liens, charges and equitable servitudes herein provided for); and

(c) That this Declaration shall be enforceable by each owner, and by the Association, its Board of Directors, and each person, firm, corporation or other entity duly authorized by the Association or its Board of Directors.

The covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of-way, liens, charges and equitable servitudes upon which the subject property shall be held, conveyed, divided, encumbered, hypothecated, leased, rented, used, occupied and improved are the following:

ARTICLE I

DEFINITIONS

The following words and expressions, when used in this Declaration and in any amendment thereto, shall have the respective meanings set forth below:

1. "Articles" mean the Articles of Incorporation of the Association as amended from time to time.

2. "Assessment" means an assessment made or assessed against an owner and his or her mobilehome space unit in accordance with this Declaration.

3. "Association" means the CHUMASH VILLAGE HOMEOWNERS ASSOCIATION, INC., a California Non-Profit Mutual Benefit Corporation, or its successors in interest.

4. "Board" or "Board of Directors" means the governing body of the Association.

5. "Building" means any building located on the property, with the exception of mobilehomes and other structures on the mobilehome spaces.

6. "Bylaws" mean the Bylaws of the Association as amended from time to time.

7. "Common Area" means the entire project, except all mobilehome spaces thereon.

8. "Common Expenses" means and includes the actual and estimated expenses of operating the common area and facilities, any reasonable reserve for such purposes as determined by the Board, all sums designated common expenses by or pursuant to the condominium documents, and general and special assessments payable to the Association.

9. "Common Interest" means the undivided 1/235 interest in and to the common area which is appurtenant to each mobilehome space.

10. "Condominium" means an estate in real property as defined in Civil Code Sec.1351(f), consisting of title to a mobilehome space unit and an undivided interest in the common area. Ownership of each condominium shall include (a) ownership of a mobilehome space unit, (b) an undivided 1/235 interest in the common area, (c) membership in the Association, and (d) a non-exclusive easement for ingress, egress and use over the common area.

11. "Condominium Documents" means this Declaration and any amendments thereto, the Articles and Bylaws of the Association, the Condominium Plan, and any unrecorded Rules and Regulations adopted by the Board from time to time..

12. "Condominium Plan" means the recorded document containing the narrative and diagrammatic plans of the mobilehome space units on the subject property which identify and describe each unit and the elements comprising each unit. The definitions contained in this Declaration shall apply to the Condominium Plan.

13. "Declarant" means the Association and its successors and assigns.

14. "Declaration" means this Declaration, and any amendment to it.

15. "Deed of Trust" means a security instrument by which the legal title to real property is placed in one or more trustees to secure the repayment of a sum of money or the performance of other conditions.

16. "Exclusive Use Common Area" means those portions of the common area set aside for the exclusive use of mobilehome space owners, as shown on the condominium plan.

17. "Member" means a person holding membership in the Association.

18. "Mobilehome" means a housing unit, the construction of which is subject to the provisions of Part 2 of Division 13 of the California Health and Safety Code.

19. "Mobilehome space" means any plot of land, parcel or airspace shown and designated as such on the Condominium Plan, with the exception of the Common Area and any mobilehome situated thereon. The term "mobilehome space," as used herein shall be the same as the term "unit" as used herein.

20. "Mortgage" means any security device called a mortgage, encumbering all or any portion of the subject property.

21. "Mortgagee" means the record owner of the secured interest under any mortgage.

22. "Owner" or "Owners" mean the record holder or holders of title, if more than one, of a condominium in the project. This shall include any person having a beneficial fee simple title to any unit, but shall exclude persons or entities having any interest merely as a security for the performance of an obligation.

23. "Personal Property of the Association" means all tangible and intangible personal property acquired, owned, held or controlled by the Association for the use, benefit and enjoyment of owners.

24. "Project" and "Property" mean Chumash Village Mobilehome Park, located at 3057 S. Higuera Street, San Luis Obispo, and described as Lot 1, Tract 1476, in the City of San Luis Obispo, County of San Luis Obispo, California, according to the map thereof, recorded June 29, 1987 in Book 13, Page 98 of Maps.

25. "Unit" means a mobilehome space as herein defined.

ARTICLE II

DESCRIPTION OF PROJECT, DIVISION OF PROPERTY,
AND CREATION OF PROPERTY RIGHTS

1. Division of Property. The subject property is hereby divided into the following separate freehold estates:

(a) Mobilehome space units: Each mobilehome space unit as separately shown, numbered and designated in the condominium plan consists of airspace. Units do not include central services, pipes, ducts, conduits, wires, or other utility installations outside of the mobilehome. Each mobilehome space unit includes utility installations located within its boundaries that the unit owner has exclusive use of.

A unit does not include those areas and those things which are defined as "Common Area" in Article I, ¶7 except for exclusive use common areas assigned to that unit. Each unit is subject to such encroachments as are contained in the mobilehome. In interpreting deeds and plans, the then-existing physical boundaries of a unit shall be conclusively presumed to be its boundaries rather than the boundaries expressed in the condominium plan.

(b) Common Areas: The remaining portion of the property referred to herein as "common area" shall include, without limitation, all elements set forth in Article I, ¶7. Each unit owner shall have, as appurtenant to his unit, a 1/235 undivided interest in the common area. Ownership of each condominium unit shall include a unit, and such undivided interest in the common area, exclusive use common area assigned to that unit, and membership in the Association. The common interest appurtenant to each unit is declared to be permanent in character and cannot be altered without the consent of all the unit owners affected. Such common interest cannot be separated from the unit to which it is appurtenant. Each unit owner may use the common areas in accordance with the purposes for which they are intended without hindering the exercise of or encroaching upon the rights of any other unit owners.

(c) Undivided Interests: The foregoing undivided interests are herein established and are to be conveyed with the respective units as indicated above, cannot be changed (except as set forth herein), and Declarant covenants and agrees that the undivided interests in the common area and the fee title to the respective units conveyed therewith shall not be separated or separately conveyed, and each such undivided interest shall be deemed to be conveyed or encumbered with its respective unit even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to the unit.

2. Partition Prohibited: The common area shall remain undivided as set forth above. Except as provided by California Civil Code Sec.1359, no owner shall bring any action for partition, it being

agreed that this restriction is necessary in order to preserve the rights of owners with respect to operation and management of the condominium project.

ARTICLE III

USE RESTRICTIONS

In addition to the covenants contained herein, the use and occupancy of the property and each unit is subject to the following:

1. Residential Use: No mobilehome unit shall be occupied or used except for single family residential purposes by the owners, their tenants, and social guests, and no trade or business shall be conducted therein (except for uses allowed as home occupations under applicable rules of the City of San Luis Obispo).

2. Common Area: The common area shall be used only for the purposes for which the same are originally constructed.

3. Maintenance: Mobilehomes and other structures, including private yards, driveways, walkways, and landscaping not otherwise maintained by the Association, shall at all times be maintained by the owner or occupant in good condition and repair, and in a clean, neat and orderly condition.

4. Nuisances: No noxious, illegal or offensive activities shall be carried on within any unit or on any part of the property, nor shall anything be done thereon which may be or may become an annoyance or a nuisance or which may in any way interfere with the quiet enjoyment of each of the owners of his respective unit, or which shall increase the rate of insurance for the project, or cause any insurance policy to be canceled or cause a refusal to renew the same, or which will impair the structural integrity of any building.

5. Vehicle Parking Restrictions: All vehicles shall be parked in designated parking spaces, or as permitted by the rules and regulations. Other than golf carts, there shall be no parking or storage of recreational vehicles, including motor homes, campers, boats, travel trailers, and similar vehicles except within the common outdoor storage area and in accordance with applicable rules of the Association. No owner shall construct, repair, service or maintain any motor vehicle on any portion of the common area or exclusive use area, except for emergency repairs to the vehicle. No long term storage of inoperable vehicles shall be permitted anywhere on the property.

6. Signs: No signs shall be displayed to the public view on a unit or any portion of the property, except such signs and in such locations as are approved by the Board, and except for the placement of signs of reasonable dimensions advertising the unit for sale or rent per Civil Code Sec.712.

7. Animals: Animals may be kept in or on a mobilehome unit only as expressly permitted by the rules and regulations. No animals may be kept which are annoying or a nuisance to other owners. No pets shall be allowed in the common area except as expressly permitted by the rules and regulations. After reasonable effort, the Association or any owner is authorized to cause an animal to be removed from the project by an appropriate governmental agency or by the Association or by an owner if it is found unleashed or otherwise not under the control of its owner. Owners are expressly responsible for injury or damage caused by their pets, and are required to clean up after pets.

8. Garbage and Refuse Disposal: Rubbish, trash and garbage shall be placed at the curb for collection and shall be kept in sanitary containers. All equipment, garbage cans, woodpiles, or storage piles shall be maintained in accordance with the rules and regulations.

9. Renting; Leasing: A mobilehome plus mobilehome space combination may be rented or leased only as permitted by the rules and regulations. Leases must be made expressly subject to the provisions, covenants, restrictions, reservations and charges of this document; the Owner shall retain the power to evict upon the tenant's breach of same.

No mobilehome or mobilehome space shall be leased, subleased, occupied, rented, sublet, or used for or in connection with a timesharing agreement, plan, program, or arrangement, including without limitation, any vacation license, travel club, extended vacation, or other membership or time interval ownership arrangement.

10. Architectural Control: No building, fence, wall, balcony, screen, patio cover, tent, awning, carport cover, clothesline, improvements, or structure of any kind shall be commenced, erected, or maintained upon any unit, nor shall any alteration or improvement of any kind be made to existing improvements, until the same has been approved in writing by the Board. Plans and specifications showing the nature, kind, shape, size, materials and location of such improvements, alterations, etc., shall be submitted to the Board or Architectural Control Committee for approval and compliance with Title 25 of the California Health and Safety Code.

Neither the Association nor the members thereof shall be liable in damages to anyone submitting plans or specifications to them for approval or to any owner of property affected by these restrictions by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications, which have been submitted to the Board. Every person who submits plans or specifications to the Board for approval agrees, by submission of such plans and specifications, that he will not bring any action or suit against the Association or any of the members thereof to recover any such damages.

11. Liability of Owners for Damage to Common Area: The owner of a unit shall be liable to the Association for damages to the common area or improvements thereon caused by the owner or any occupant of his unit or guest, except for that portion of the damage which is covered by insurance.

12. Drainage: No owner shall alter or change any boundary fences nor erect any structure which will obstruct or impede the natural flow of drainage waters through the respective outdoor areas of the project, or permit excess drainage to or across a neighbor's mobilehome space.

13. Alteration of Common Area: No modification, alteration or addition to any portion of the common area or common facilities from their respective existing state shall be made or done, except upon strict compliance with the restrictions and limitations of the following provisions:

A. No owner shall, at his own expense or otherwise, make or cause to be made, modifications, alterations or additions, or remove plantings, structures or furnishings, without written approval of the Board.

B. The Board may at any time, and from time to time:

(1) Reconstruct or replace an improvement upon the common area in accordance with the original design, finish or standard of construction of such improvement, or, if not in accordance with such original design, finish or standard of construction, with the approval (by vote or written consent) of owners representing 51% (fifty-one percent) of the total voting power of the Association.

(2) Replace and/or plant trees, shrubs and ground cover upon any portion of the common area, and

(3) Place and maintain on the common area and common facilities such signs as may be deemed necessary or appropriate for identification, regulation of traffic and parking, regulation of the common area, and for the health, welfare and safety of the residents.

14. Common Area Obstructions: The common area shall be used only for the purposes intended, and no vehicles or other personal property shall be left, stored or parked thereon except in areas specifically designated for that purpose by the Board. The Board shall have the power to remove personal property from the common area, including towing away vehicles left parked in a common area or restricted parking area, and charge the cost to the owner of the property.

15. Use of Recreational Facilities by Owners: Common area recreational facilities are for the use of owners or their tenants and their respective guests only. Owners who do not reside in the park and who have rented or leased their unit are not permitted to use the recreational facilities; in such cases the facilities may be used only

by the occupying tenants. Owners shall be responsible for their tenants' or guests violations of rules and for damage to the common area.

16. Requirements for Mobilehome Placement: No mobilehome may be placed on any mobilehome space until the location and the mobilehome are approved in writing by the Board. Each mobilehome must have complete sanitary facilities, including a toilet, wash basin, tub or shower, kitchen, and kitchen sink, and must be connected to sewage outlets in conformity with State and local health requirements.

17. Minimum Age Requirements: This project is a senior citizens project. (California Civil Code Sec.51.3 and Federal Fair Housing Act under HUD). At least one resident in each mobilehome space must be 55 years or older (the senior citizen), and every other resident (a qualified permanent resident) must be at least 45 years or older, except for the spouse or co-habitant of the senior citizen or a person who resides with and provides the primary physical or economic support for the senior citizen. A person is a co-habitant of the senior citizen if the person and the senior citizen live together as husband and wife. If the senior citizen dies, is hospitalized, or is absent from the project for a prolonged period, or if the marriage between the senior citizen and his or her spouse is dissolved, a qualified permanent resident may continue to reside in the mobilehome without regard to the age restriction that applied to that person, provided that such person otherwise has the legal right to continue to reside therein. Nothing herein shall prohibit temporary residence by a person less than 45 years of age for a specified period not to exceed 60 days in any one calendar year. This provision shall not apply to any person under the minimum age who was a permanent resident prior to conversion to resident ownership and condominium status. The Association is specifically empowered to take legal action to enforce this provision.

ARTICLE IV

ASSOCIATION, ADMINISTRATION, MEMBERSHIP AND VOTING RIGHTS

1. Board to Manage Common Area: Management of the common area shall be vested in the Board in accordance with this Declaration and the Bylaws. Owners of all the mobilehome units covenant and agree that administration of the project shall be in accordance with the provisions of this Declaration and the Bylaws and the rules of the Association.

2. Membership: Every person or entity who becomes a record owner of a fee or undivided fee interest in a unit, including Declarant as to each unit owned, shall be a member of the Association. If a unit is sold under a recorded contract of sale to a purchaser who resides in the unit, the resident purchaser, rather than the fee owner, will be considered "Owner." Membership shall be appurtenant to and may not be separated from ownership of a unit.

3. Transferred Membership: Membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the sale or encumbrance of the unit to which it is appurtenant, and then only to the purchaser, in the case of a sale. A mortgagee does not have membership rights until it becomes an owner by foreclosure or deed in lieu thereof. Any attempt to make a prohibited transfer is void.

4. Voting Rights: Each member shall be entitled to one (1) vote for each unit owned. When more than one person holds title to a unit, all such persons shall be members, and the single vote for each unit shall be exercised as they shall agree, but in no event shall more than one vote be cast with respect to any one unit.

5. Liability of Board Members or Manager: No member of the Board, nor any agent, representative, or employee of the Association, shall be personally liable to any owner or to any other party for any damage, loss or prejudice suffered or claimed on account of any act or omission of the Association, provided that such Board member or other person has, upon the basis of information in his possession acted in good faith.

6. Bylaws: Except as hereby provided, matters relating to membership and voting rights in the Association, and operation of the Association, shall be provided in the Bylaws.

ARTICLE V

MAINTENANCE AND ASSESSMENTS

1. Creation of Lien and Personal Obligation of Assessments: Each owner of a unit by acceptance of a deed for it, whether or not it is expressed in the deed, is deemed to covenant and agree to pay the Association: (a) monthly assessments or charges, and (b) **special assessments** as herein provided. These assessments shall be established and collected as provided in this Declaration. The monthly and **special assessments**, together with interest, costs, late payment charges, and reasonable attorney's fees incurred in collection efforts, shall be a charge on the unit and shall be a continuing lien upon the unit against which each such assessment is made. The lien shall become effective upon recordation of a notice of assessment as herein provided.

Assessments, together with interest, costs, and reasonable attorney's fees incurred in a collection effort, shall also be the personal obligation of the person who owned the unit when the assessment fell due. No owner of a unit may exempt himself from liability for his contribution towards the common expenses by waiver of the use or enjoyment of any of the common area or by abandonment of his unit.

2. Purpose of Assessments: Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of all residents in the entire project; for the improvement and maintenance of the common area; for the common good of the project; and to carry out the obligations of the Association as stated in this Declaration.

3. Annual Assessment; Reserve Funds: The Board shall determine the annual assessments due, but may not, without the vote or written consent of a majority of owners constituting a quorum at a meeting or election of the Association, impose a regular annual assessment which is more than twenty percent (20%) greater than the regular annual assessment for the immediately preceding fiscal year, except for extraordinary expenses as defined in Sec. 4A of this Article.

As part of the regular annual assessments for maintenance authorized above, the Board shall annually fix the amount to be contributed pro rata by each member to reserve funds for the purpose of defraying, in whole or in part, the cost or estimated cost of any reconstruction, repair or replacement of improvements, including fixtures and personal property. Such determination shall be made after consideration of the need for funds and the Association's capital position. The Board shall fix the method of payment of such assessments. Separate records shall be maintained for all funds deposited to the Reserve Trust Account.

Amounts received by the Association as contributions, dues, or assessments shall be held in separate trust accounts as follows:

- A. Operating trust account, for current expenses;
- B. Reserve trust account for reconstruction, repair, replacement and improvement, including fixtures and personal property.

4. Special Assessments: If at any time during the course of a fiscal year the Board shall deem the amount of the annual assessment to be inadequate, the Board shall have the power to levy special assessments, except: (a) where the special assessment is a remedy utilized to reimburse the Association for costs incurred in bringing a member into compliance with this Declaration; or (b) to raise funds for rebuilding or major repairs of common area structures.

A monetary penalty imposed by the Association as a disciplinary measure for failure of a member to comply with this Declaration, or as a means of reimbursing the Association for costs incurred in the repair of damage to the common area for which the member was allegedly responsible, or in bringing the member and his unit into compliance with this Declaration, shall not be an assessment which may become a lien against the unit enforceable by a sale thereof, per Civil Code 2924 et seq. This exception shall not apply to charges imposed against an owner as late payment penalties or delinquent assessments and/or

charges to reimburse the Association for loss of interest and for attorney's fees or costs reasonably incurred in efforts to collect delinquent assessments.

In any fiscal year, the Board may not, without the vote or written approval of a majority of owners, constituting a quorum casting a majority of votes at a meeting or election of the Association, levy **special assessments** to defray the costs of any action or undertaking on behalf of the Association which in the aggregate exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year, except for extraordinary expenses as defined in ¶5 below.

5. **Extraordinary Expenses:**

A. An extraordinary expense required by order of a court.

B. An extraordinary expense necessary to repair or maintain the common area or other improvements for which the Association is responsible where a threat to personal safety on the property is discovered.

C. An extraordinary expense necessary to repair or maintain the common area that could not have been reasonably foreseen by the Board in preparing and distributing the proforma operating budget. However, prior to the imposition or collection of an assessment under this section, the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process. The resolution shall be distributed to the members with the notice of assessment.

6. Notice and Quorum for Any Action Authorized Under Paragraphs 3, 4 and 5: Any action authorized under ¶ 3, 4 and 5 of this Article which requires a vote of the membership shall be taken either by signed and dated ballot, or at a meeting called for that purpose, written notice of which shall be personally delivered or mailed, postage prepaid, to all members not less than ten (10) nor more than ninety (90) days in advance of the meeting, specifying the place, day and hour of the meeting, and, in the case of a special meeting, the nature of the business to be undertaken. If more than 50% of members are present in person or by proxy, but such vote is less than the requisite majority of members, members who were not present in person or by proxy may give their assent in writing, provided the same is obtained by the appropriate officers.

7. Division of Assessments: Assessments, both regular and special, shall be charged and divided among the owners equally.

8. Due Dates: The Board shall determine and fix the amount of the assessment against each unit and send written notice thereof to every owner at least forty-five (45) days before fiscal year beginning. The due dates shall be established by the Board. The Association

shall, upon demand, for a reasonable charge, furnish a certificate signed by an agent of the Association setting forth whether the assessments on a specified unit have been paid. Such a certificate shall be conclusive evidence of such payment.

9. Late Payment of Assessments: Any assessment not paid within fifteen (15) days after the due date shall be subject to a ten dollar (\$10.00) late payment charge.

10. Transfer of Unit by Sale or Foreclosure: Sale or transfer of any unit shall not affect the assessment lien. However, liens for regular and special assessments shall be subordinate to the lien of any first mortgage or deed of trust against that unit, and the sale or transfer of any unit as the result of the exercise of a power of sale or judicial foreclosure involving default under such first mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such unit from liability for any assessment thereafter becoming due or from the lien for those assessments.

In any transfer of a unit, the seller shall remain liable to the Association for all unpaid assessments against the unit up to the date of transfer. The buyer shall be entitled to a statement from the Association, dated as of the date of transfer, setting forth the amount of the unpaid assessments against the seller due to the Association, and the unit so transferred shall not be subject to a lien for unpaid assessments in excess of the amount set forth in the statement, but the buyer shall be liable for any such assessments that become due after the date of transfer.

11. Priorities; Enforcement; Remedies: No action shall be brought to foreclose the lien or to proceed under the power of sale less than thirty (30) days after the date that Notice of Delinquent Assessment, executed by a duly authorized representative of the Association, is recorded with the San Luis Obispo County Recorder. This notice shall state the amount claimed (which may include interest and costs of collection, including reasonable attorney's fees), a legal description of the unit being assessed, the name of the record owner or reputed owner thereof, and the name and address of the Association as claimant. A copy of said notice shall be deposited in the United States mail, certified or registered, postage prepaid, to the owner of the unit.

When a Notice of Delinquent Assessment has been recorded in the San Luis Obispo County Recorder's office, such assessment shall constitute a lien on the respective unit and shall be prior and superior to all other liens, except (A) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (B) the lien or charge of any first mortgage or deed of trust then of record made in good faith and for value.

An assessment lien may be enforced in any manner permitted by law, including sale by the court, sale by trustee designated in the Notice of Delinquent Assessment, or sale by a substituted trustee. Such sale shall be conducted in accordance with Civil Code Secs.2924-2924h, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted by law.

The Association, acting on its own behalf, shall have the power to bid for the unit at a foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. During the period a unit is owned by the Association following foreclosure:

A. No right to vote shall be exercised on behalf of the unit;

B. No assessment shall be assessed or levied on the unit;
and

After acquiring title to the unit at foreclosure sale, the Association may execute, acknowledge and record a deed conveying title to the unit. Such deed shall be binding upon the owners, successors, and all other parties.

The Board may temporarily suspend the voting rights of a member who is in default in payment of any assessment, after notice and hearing as prescribed in Corporations Code Sec.7341. In any such action the member shall be entitled to fifteen (15) days prior written notice of the suspension and the reasons therefor; and must be given an opportunity to be heard (either orally or in writing) with respect to the alleged violation not less than five (5) days before the effective date of the action.

ARTICLE VI

DUTIES AND POWERS OF THE BOARD

The Board of Directors is solely responsible for the day to day operation of the Association.

1. Duties: In addition to the duties enumerated in the Bylaws, or elsewhere provided for in this Declaration, and without limiting the generality thereof, the Board shall perform the following duties:

A. Property Acceptance: Accept delivery and take possession of all unencumbered real and personal property on the common area subject to its rights and duties contained herein.

B. Maintenance of Common Area: The Board shall maintain, repair, restore, operate and manage the common area and facilities, buildings, improvements, furnishings, equipment and landscaping, including walls, fences, and property that may be acquired by the Association. Maintenance shall include painting, maintaining,

cleaning, repairing and replacing of common areas, including onsite streets and street lighting, guest parking, recreation areas, clubhouse, laundries and storage areas, easements, walkways, drainageways, parking areas and recreation facilities. The responsibility of the Board for maintenance and repair shall not extend to repairs or replacements arising out of or caused by the willful or negligent act or neglect of an owner, or its guests, tenants or invitees, the cost of which is not covered by insurance. The cost of such repairs or replacements shall be the responsibility of such owner.

C. Insurance: The Board shall maintain such policy or policies of insurance as are required by this Declaration.

D. Discharge of Liens: The Board shall discharge by payment, if necessary, any lien against the common area, and may assess the costs thereof to the member or members responsible for the existence of the lien, after notice and hearing under Corporations Code Sec.7341 pursuant to the procedure in Article V, Section 10-C.

E. Assessments: The Board shall fix, levy, collect and enforce assessments as set forth in this Declaration.

F. Payment of Expenses: The Board shall pay all expenses and obligations incurred by the Association in the conduct of its business, including, without limitation, all licenses, taxes or governmental charges levied or imposed against the property of the Association.

G. Financial Statements: The Board shall cause financial statements for the Association to be prepared and copies shall be distributed to owners as prescribed in the Bylaws.

H. Enforcement: The Board shall enforce this Declaration.

2. Powers: In addition to the powers enumerated in its Articles of Association and Bylaws, or elsewhere provided for herein, and without limiting the generality thereof, the Board shall have the following powers:

A. Easements: The Board shall have the authority to grant easements where necessary for utilities over the common area to serve the common areas and the units.

B. Manager: The Board shall have the authority to employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, provided that any contract with a firm or person appointed as a manager or managing agent shall not exceed a one (1) year term, shall provide for the right of the Association to terminate the same at each annual meeting of the members, and to terminate the same for cause on five (5) days written notice.

C. Adoption of Rules: The Board may adopt reasonable rules not inconsistent with this Declaration relating to the use of the common area and all facilities thereon, and the conduct of owners and their tenants and guests with respect to the property and other owners.

D. Access: For the purpose of performing authorized maintenance or for any other purpose reasonably related to performance by the Association or the Board of their respective responsibilities, the Board's agents or employees shall have the right, after reasonable notice to the owner thereof (except in emergencies), to enter any mobilehome unit or to enter any portion of the common area at reasonable hours.

E. Assessments: The Board shall have the power to levy and collect assessments in accordance with the provisions of this Declaration.

F. Enforcement: The Board shall have the authority to enforce this Declaration.

G. Acquisition of Property: The Board shall have the power to acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Association.

H. Loans: The Board shall have the power to borrow money, and only with the assent (by vote or written consent) of fifty-one (51%) percent of the voting power of the Association to mortgage, pledge, execute a deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to rights of mortgagees as prescribed in Article IX, Section 3.

I. Dedication: The Board shall have the power to dedicate, sell or transfer all or any part of the common area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by fifty-one (51%) percent of the voting power of the Association, agreeing to such dedication, sale or transfer and recorded in the records of the San Luis Obispo County Recorder's office.

J. Contracts: The Board shall have the power to contract for goods and/or services for the common area, facilities and interests of the Association.

K. Delegation: The Board shall have the power to delegate its authority and powers to committees, officers, or employees of the Association.

L. Officers: The Board shall elect officers prescribed in the Bylaws.

ARTICLE VII

OTHER EASEMENTS

Utility Easements: The property shall be subject to existing easements for installation, maintenance, repair, and replacement of utilities, including but not limited to, easements for sewer, water, electricity, gas, telephone, cable television and community antenna services. In addition, each unit is and shall be subject to the following easements:

A. If any connection, line, pipe, conduit or other facility to a unit traverses any other unit, the owner of the other unit shall have the right to enter, or to authorize the utility company to enter, each unit so traversed for the purpose of maintaining, servicing, repairing or replacing the facility; and

B. If any connection, line, conduit or other facility serves more than one unit, each owner shall have the equal right to receive, utilize and enjoy the service, provided he pays the established charge for such service.

ARTICLE VIII

INSURANCE, DESTRUCTION AND CONDEMNATION

1. Insurance:

A. In the event of damage to or destruction of a common area structure, it shall be reconstructed as soon as reasonably practicable, and substantially in accord with the original plans and specifications.

B. The Association shall obtain and maintain a master policy of insurance covering all of the personal property and supplies of the Association, and the real property and improvements of the project, including the common area and fixtures and building service equipment, and protecting the interests of the Association and its members. The Policy shall include, without limitation, fire and extended coverage and special form, insuring one hundred percent (100%) of current replacement cost of all improvements, comprehensive general liability insurance insuring the Association and each owner for his liability for the common area, and a fidelity bond covering officers, directors and employees in an amount determined by the Board, but in no event less than a sum equal to three (3) months' aggregate assessments on all units plus reserve funds. The Board shall require all contractors to have liability insurance, naming the Association as additional insured.

Insurance policies shall contain "severability of interest provisions," "cross liability endorsement," and waiver of subrogation as to the Association, officers, directors, members, guests, agents and employees.

The master policy shall be issued in the name of the Association for the use and benefit of the owners.

Minimum limits on the liability insurance policy shall be \$3,000,000 (three million dollars) single limit and shall include personal injury, bodily injury, property damage and liability for non-owned automobiles.

Insurance premiums for the master policy shall be a common expense included in the monthly assessments levied by the Association.

C. It is the responsibility of each owner to insure his mobilehome, personal property and improvements, and to carry public liability insurance for his unit, if he desires.

D. Insurance policies shall be reviewed at least annually by the Board to ascertain whether coverage is sufficient to make necessary repairs and replacement of property which might be damaged or destroyed.

2. **Damage or Destruction:** If any of the project improvements are materially damaged or destroyed by fire or other casualty (materially damaged is defined for the purposes of this section as any damage for which the cost of repair or reconstruction is more than fifty percent (50%) of the full replacement value of the improvements), the project shall be repaired or reconstructed in accordance with the original as-built plans and specifications, unless the owners vote not to undertake such repair or reconstruction in a special election held in accordance with the following procedures:

A. In the event any portion of the project improvements are materially damaged or destroyed (as defined above), a special election shall be held, after not less than thirty (30) days written notice to all owners and their first mortgagees. Such election shall be held in a suitable location to be specified in the written notice.

B. The project shall be repaired or reconstructed in accordance with the original as-built plans and specifications as hereinafter provided, unless: (1) in such special election at least seventy-five percent (75%) of the total voting power of the Association votes against such repair or reconstruction; or (2) the available insurance proceeds plus reserves of the Association are inadequate to pay the cost of repair or reconstruction and a special assessment in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year is required to provide such funds, and such assessment fails to pass by majority vote.

C. In the event the requisite number of votes are not cast against such repair or reconstruction, and if a special assessment in excess of five percent (5%) (if required) passes, all of the insurance proceeds payable on account of such damage or destruction shall be made available for such repair or reconstruction and shall be deposited with

a commercial lending institution experienced in the disbursement of construction loan funds (the "Depository"). The Depository shall be appointed by the Board. Such funds shall be disbursed in accordance with the normal construction loan practices for the Depository, which are reasonably acceptable to the Association. The restoration or reconstruction shall be substantially in accordance with the original as-built plans and specifications for the building, modified as may be required by applicable building codes and regulations in force at the time of such repair or reconstruction, or in accordance with such other plans and specifications as may be approved by the Association, and the respective first mortgagees.

D. In the event the owners elect not to repair or reconstruct a building, or elect not to approve a special assessment to provide funds for rebuilding as provided above, the provisions of Civil Code Sec. 1357 (regarding partition and sale) shall be deemed satisfied, and the insurance proceeds payable on account of such damage or destruction shall be disbursed as follows:

First, to the cost of removing remaining or destroyed portions of the project improvements and complying with all other applicable requirements of governmental agencies; and

Second, to the owners in equal 1/235 shares.

E. In the event there is any damage or destruction to the project improvements which is not material, as that term is defined above, the damaged improvements shall be repaired and reconstructed (without the necessity of any special election) in accordance with the applicable provisions of this section.

F. An election to terminate the legal status of the project after substantial destruction or a substantial taking on condemnation of the project property shall require approval by first mortgagees of units which have fifty-one percent (51%) of the votes of units subject to mortgages.

3. The Association shall represent the owners in condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of common area, or part thereof. In the event of a taking or acquisition of part or all of the common area by a condemning authority, the award or proceeds of settlement shall be payable to the Association, or a trustee appointed by the Association, for use and benefit of owners as their interests may appear. In the event of an award for the taking of any unit by eminent domain, the owner of such unit shall be entitled to receive the award for such taking and, after acceptance thereof, he and his mortgagee shall be divested of all interest in the project if such owner vacates his unit as a result of such taking. The remaining portion of the project shall be resurveyed, if necessary, and the Declaration shall be amended to reflect such taking and to readjust proportionately the

percentage of undivided interest of the remaining owners. In the event of taking by eminent domain of any part of the common area, the Association shall participate in the negotiations, and shall propose the method of division of the proceeds of condemnation, where units are not valued separately by the condemning authority or by the court. Proceeds of condemnation shall be distributed equally among owners.

ARTICLE IX

GENERAL PROVISIONS

1. Enforcement: The Board, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, and in such action shall be entitled to recover reasonable attorney's fees as ordered by the court. Failure by the Board or by any other to enforce a covenant or restriction in this Declaration shall in no event be deemed a waiver of the right to do so thereafter.

2. Invalidity of Any Provision: Should any provision or portion hereof be declared invalid or in conflict with any law of the jurisdiction where this project is situated, the validity of all other provisions and portions shall remain unaffected and in full force and effect.

3. Mortgage Protection Provisions: No breach of any of these covenants, conditions and restrictions, nor the enforcement of any lien provision, shall render invalid the lien of any mortgage or deed of trust on any unit made in good faith and for value. These covenants, conditions and restrictions shall be binding upon and effective against an owner whose title is derived through foreclosure or trustee's sale, or otherwise.

Except upon the prior written approval of at least fifty-one percent (51%) of all first mortgagees in existence on the units based on one (1) vote for each mortgagee, neither the Association nor the members shall be entitled to amend a material provision of this Declaration, or the Bylaws or the Articles. For purposes of determining what provisions are material in this Declaration and in the Bylaws or the Articles, such terms shall include provisions relating to: (a) voting rights, (b) assessments, assessment liens, or subordination of assessment liens, (c) reserves for maintenance, repair and replacement of common area, (d) responsibility for maintenance and repairs, (e) interest in and rights to use common area, (f) unit boundaries, (g) annexation or withdrawal of property to or from the project, (h) insurance or fidelity bonds, (i) leasing of units, (j) restrictions on owner's right to sell or transfer units, (k) restoration or repair of common area, (l) action to terminate legal status of project, (m) provisions which expressly benefit mortgage holders, insurers or guarantors.

* No portion of the common area may be abandoned, partitioned, sold,

alienated, subdivided, released, transferred, hypothecated or otherwise encumbered, without the prior approval of fifty-one percent (51%) of first mortgagees; provided, however, the granting of easements for public utilities and other public purposes consistent with the intended use of the common area shall not require such approval.

A first mortgagee of any unit or the common area, upon written request to the Association is entitled to the following:

A. Copies of Project Documents: The Association shall make available to first mortgagees current copies of the Declaration, Bylaws, Articles or other rules concerning the project, and the books, records and financial statements of the Association. "Available" means available for inspection and copying, upon request, during normal business hours or under other reasonable circumstances.

B. Audited Statement: The holders of fifty-one percent (51%) or more of first mortgages shall be entitled, upon written request, to have an audited financial statement for the immediately preceding fiscal year prepared at their expense, if one is not otherwise available. Such statement shall be furnished within a reasonable time following such request.

C. Notice of Action: Upon written request to the Association, identifying the name and address of the mortgagee and the unit number or address, a mortgagee will be entitled to timely written notice of: (1) Condemnation or casualty loss which affects a material portion of the project or a unit on which a first mortgage is held, insured, or guaranteed by an eligible mortgagee, insurer or guarantor; (2) default in performance of obligations under the project documents or delinquency in payment of assessments or charges owed by an owner of a unit subject to a first mortgage held, insured or guaranteed by an eligible mortgagee, insurer or guarantor, which remains uncured for a period of sixty (60) days; (3) lapse, cancellation or material modification of insurance policies or fidelity bond maintained by the Association; (4) proposed action which would require the consent of a specified percentage of eligible mortgage holders as specified in this Section. The Association shall discharge its obligation to notify eligible mortgagees, insurers or guarantors by sending written notices to such parties at the address given on the current request for notice, in the manner prescribed by Sec.C7 of this Article.

In the event of a proposed action by the Association requiring a prescribed vote for approval of first mortgagees, if any first mortgagee does not respond to a proposal within thirty (30) days from the date of mailing of notice of such proposal, that first mortgagee's vote shall be counted as a "yes" vote.

4. Owner's Right and Obligation to Maintain and Repair: Except for those portions of the project which the Association is required to maintain and repair, each owner shall, at his own cost and expense, maintain and repair his mobilehome space.

5. Owner's Compliance: Each owner, tenant, or occupant shall comply with the provisions of this Declaration, and to the extent they are not in conflict with the Declaration, the Articles or the Bylaws, decisions and resolutions of the Board or its duly authorized representative, as lawfully amended from time to time. Failure to comply with such provisions, decisions or resolutions, shall be grounds for an action to recover sums due, for damages and/or injunctive relief.

Agreements and determinations lawfully made by the Association in accordance with voting percentages established in this Declaration or in the Articles or Bylaws, shall be deemed binding on all owners, their successors and assigns.

7. Notices: Notices permitted or required by the Declaration, Articles or Bylaws may be delivered either personally or by mail. If delivery is by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy has been deposited in the United States mail, postage prepaid, addressed to each person at the address given by such person to the Secretary of the Board or addressed to the unit of such person, if no address has been given to the Secretary.

8. Fair Housing: No owner shall, either directly or indirectly, forbid or restrict the conveyance, encumbrance, leasing, mortgaging, or occupancy of his unit to any person of a specified race, color, religion, ancestry, or national origin. (California Civil Code Sec.51 "Unruh Civil Rights Act, a.k.a. Fair Housing Act).

9. Enforcement and Nonwaiver:

A. Right of Enforcement: Except as otherwise provided herein, the Board and/or any owner of any unit shall have the right to enforce any or all of the provisions of this Declaration upon any property within the project and the owners thereof.

B. Violations and Nuisance: Every act or omission whereby a provision of this Declaration is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action, by Declarant or the Association or owners of units.

C. Violation of Law: Violation of state, municipal or local law, ordinance or regulation pertaining to the ownership, occupation, or use of any property within the project is hereby declared to be a violation of these restrictions and subject to any or all of the enforcement procedures set forth in these restrictions.

D. No forfeiture of Rights: There shall be no power in the Association to cause forfeiture or abridgment of an owner's rights to the full use and enjoyment of his individually owned subdivision interest on account of a failure by the owner to comply with provisions of the governing instruments or of duly-enacted rules and regulations for common area and facilities, except where the loss or forfeiture is

the result of the judgment of a Court or a decision out of arbitration or on account of a foreclosure or sale under a power of sale for failure of the owner to pay assessments levied by the Association.

E. Captions: Captions and titles used in this Declaration are intended solely for convenience or reference and shall not affect that which is set forth in the provisions hereof.

F. No Right Given to the Public: Nothing contained in this Declaration shall be deemed to be a gift or dedication of any portion of the project to the general public or for any public use or purpose.

11. Interpretation: The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform plan for the development and operation of the project. This Declaration shall be construed and governed under the laws of the State of California.

12. Arbitration: Disputes between the Association and an owner shall be settled by Arbitration pursuant to the judicial arbitration rules of the California Code of Civil Procedure.

ARTICLE X

AMENDMENT

This Declaraton may be amended by the vote or written consent of fifty-one percent (51%) of the total voting power of the Association. Notwithstanding anything herein contained to the contrary, no such amendment shall be effective for any purpose unless and until it has been reduced to writing, signed by two officers of the Association, who shall certify that said amendment was made in compliance with this Article, and recorded in the office of the County Recorder of San Luis Obispo County, California.

Notwithstanding any other provisions of this Declaration, no amendment, change, modification, or termination of the conditions, covenants and restrictions of this Declaration regarding the duty of the Association to maintain the common area and facilities shall be effective for any purpose until approved in writing by the Planning Director of the City of San Luis Obispo.

EXECUTION

The undersigned is President of Chumash Village Homeowners Association, Inc., and hereby certifies and declares that (pursuant to the provisions of Article X of this Declaration) the foregoing First Amendment and Restated Declaration of Covenants, Conditions and Restrictions of Chumash Village Homeowners Association, Inc., a California Non-profit Corporation, was approved by the Members of the Association.

ARTICLE X

AMENDMENT

This Declaraton may be amended by the vote or written consent of fifty-one percent (51%) of the total voting power of the Association. Notwithstanding anything herein contained to the contrary, no such amendment shall be effective for any purpose unless and until it has been reduced to writing, signed by two officers of the Association, who shall certify that said amendment was made in compliance with this Article, and recorded in the office of the County Recorder of San Luis Obispo County, California.

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EXECUTION

The undersigned is President of Chumash Village Homeowners Association, Inc., and hereby certifies and declares that (pursuant to the provisions of Article X of this Declaration) the foregoing First Amendment and Restated Declaration of Covenants, Conditions and Restrictions of Chumash Village Homeowners Association, Inc., a California Non-profit Corporation, was approved by the Members of the Association.

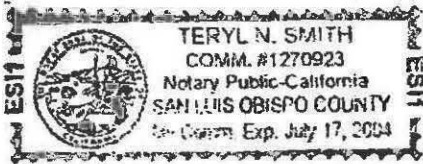


Don Gates, President

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN LUIS OBISPO)

On - December 5, 2001, before me, Teryl N. Smith
personally appeared **DON GATES**, 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.



Teryl N. Smith

END OF DOCUMENT