



GRASS VALLEY

Planning Commission Meeting

Tuesday, May 20, 2025 at 6:00 PM

Council Chambers, Grass Valley City Hall | 125 East Main Street, Grass Valley, California

Telephone: (530) 274-4310 - Fax: (530) 274-4399

E-Mail: info@cityofgrassvalley.com

Web Site: www.cityofgrassvalley.com

AGENDA

Any person with a disability who requires accommodations to participate in this meeting should telephone the City Clerk's office at (530)274-4390, at least 48 hours prior to the meeting to make a request for a disability related modification or accommodation.

COMMISSIONERS

Vice Chair Ari Brouillette, Commissioner Justin Gross, Commissioner Jacob McDonald, Commissioner Sherri Speights, Commissioner Matt Wich

MEETING NOTICE

Planning Commission welcomes you to attend the meetings electronically or in person at the City Hall Council Chambers, located at 125 E. Main St., Grass Valley, CA 95945. Regular Meetings are scheduled at 6:00 p.m. on the 3rd Tuesday of each month. Your interest is encouraged and appreciated.

This meeting is being broadcast "live" on Comcast Channel 17 & 18 by Nevada County Media, on the internet at www.cityofgrassvalley.com, or on the City of Grass Valley YouTube channel at <https://www.youtube.com/@cityofgrassvalley.com>.

Members of the public are encouraged to submit public comments via voicemail at (530) 274-4390 and email to public@cityofgrassvalley.com. Comments will be reviewed and distributed before the meeting if received by 5pm. Comments received after that will be addressed during the item and/or at the end of the meeting. Commission will have the option to modify their action on items based on comments received. Action may be taken on any agenda item.

Agenda materials, staff reports, and background information related to regular agenda items are available on the City's website: www.cityofgrassvalley.com. Materials related to an item on this agenda submitted to the Commission after distribution of the agenda packet will be made available on the City of Grass Valley website at www.cityofgrassvalley.com, subject to City staff's ability to post the documents before the meeting.

Please note, individuals who disrupt, disturb, impede, or render infeasible the orderly conduct of a meeting will receive one warning that, if they do not cease such behavior, they may be removed from the meeting. The chair has authority to order individuals removed if they do not cease their disruptive behavior following this warning. No warning is required before an individual is removed if that individual engages in a use of force or makes a true threat of force. (Gov. Code, § 54957.95.)

Council Chambers are wheelchair accessible and listening devices are available. Other special accommodations may be requested to the City Clerk 72 hours in advance of the meeting by calling (530) 274-4390, we are happy to accommodate.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

AGENDA APPROVAL

ACTION MINUTES APPROVAL

1. Approval of the regular Planning Commission meeting on April 15, 2025.

PUBLIC COMMENT - *Members of the public are encouraged to submit public comments via voicemail at (530) 274-4390 and email to public@cityofgrassvalley.com. Comments will be reviewed and distributed before the meeting if received by 5pm. Comments received after that will be addressed during the item and/or at the end of the meeting. The Planning Commission will have the option to modify their action on items based on comments received. Action may be taken on any agenda item.*

PUBLIC HEARING ITEMS

2. Tentative Parcel Map for a condominium conversion of ±1.36-acre parcel with 6 existing commercial units (25PLN-0010) at 984-998 Plaza Drive / APN 035-480-023

Environmental Status: Categorical Exemption

Recommendation: That the Planning Commission approve the Tentative Parcel Map application for the condominium conversion as presented, or as may be modified at the public hearing, which includes the following actions: a. Determine the Tentative Parcel Map project Categorically Exempt pursuant to Section 15301, Class 1, of the California Environmental Quality Act (CEQA) and Guidelines, as detailed in the staff report; b. Adopt Findings of Fact for approval of the Tentative Map Application as presented in the Staff Report; c. Approve the Tentative Map for the division of a ±1.36 parcel into seven parcels as presented in accordance with the Conditions of Approval, attached to the Staff Report.

3. City-sponsored mural project at the Hwy 49 Underpass (25PLN-19) South Auburn St /Neal St /SR 49 intersection

Environmental Status: Class 1 Exemption

Recommendation: That the Planning Commission approve the mural, as presented, or as modified by the Planning Commission, which includes the following actions: 1. Determine the project Categorically Exempt pursuant to Section 15301, Class 1, of the California Environmental Quality Act (CEQA) and Guidelines, as detailed in the staff report. 2. Adopt Findings of Fact for approval of the Mural Sign Permit as presented in the Staff Report; and, 3. Approve the Mural Sign Permit in accordance with the Conditions of Approval as presented in the Staff Report.

OTHER BUSINESS

4. Review of City Council Items.

5. Future Meetings, Hearings and Study Sessions

BRIEF REPORTS BY COMMISSIONERS

ADJOURN

POSTING NOTICE

This is to certify that the above notice of a Planning Commission Meeting, scheduled for Tuesday, May 20, 2025, at 6:00 p.m., was posted at City Hall, easily accessible to the public, as of 5:00 p.m. Thursday, May 15, 2025.

Taylor Whittingslow, City Clerk



GRASS VALLEY

Planning Commission Meeting

Tuesday, April 15, 2025 at 6:00 PM

Council Chambers, Grass Valley City Hall | 125 East Main Street, Grass Valley, California

Telephone: (530) 274-4310 - Fax: (530) 274-4399

E-Mail: info@cityofgrassvalley.com

Web Site: www.cityofgrassvalley.com

MINUTES

CALL TO ORDER

Meeting called to order at 6:02PM.

PLEDGE OF ALLEGIANCE

Pledge of allegiance led by Commissioner Wich.

ROLL CALL

PRESENT

Commissioner Justin Gross

Commissioner Jacob McDonald

Commissioner Matt Wich

Vice Chairman Ari Brouillette

ABSENT

Commissioner Sherri Speights

AGENDA APPROVAL

Motion made to approve the agenda as submitted by Commissioner Gross, Seconded by Commissioner McDonald.

Voting Yea: Commissioner McDonald, Commissioner Wich, Vice Chairman Brouillette

AGENDA APPROVAL

1. Commission to elect a Chair and Vice Chair for the planning commission for the next year.

Motion made to appoint Commissioner Brouillette as Chair by Commissioner Gross, Seconded by Commissioner McDonald.

Voting Yea: Commissioner Gross, Commissioner McDonald, Commissioner Wich, Vice Chairman Brouillette

Motion made to appoint Commissioner McDonald as Vice-Chair by Commissioner Wich, Seconded by Vice Chairman Brouillette.

Voting Yea: Commissioner Gross, Commissioner McDonald, Commissioner Wich, Vice Chairman Brouillette

2. Commission to elect a Development Review Committee Member and alternative, as the Planning Commission representatives, for the next year.

Motion made to appoint Commissioner McDonald to the Development Review Committee with Commissioner Gross as the alternate by Commissioner Gross, Seconded by Vice Chairman Brouillette.

Voting Yea: Commissioner Gross, Commissioner McDonald, Commissioner Wich, Vice Chairman Brouillette

ACTION MINUTES APPROVAL

3. Approval of Minutes from the regular schedule meeting of February 15, 2025.

Motion made to approve the February 15, 2025 minutes by Commissioner Gross, Seconded by Commissioner Wich.

Voting Yea: Commissioner McDonald, Commissioner Wich, Vice Chairman Brouillette

PUBLIC COMMENT

PUBLIC HEARING ITEMS

4. Plan Revision to adopted CC&Rs (24PLN-45) 1061 E Main St / APN 035-350-036

Environmental Status: Common Sense Exemption

Recommendation: 1. That the Planning Commission approve the amendments to the Covenants, Conditions, and Restrictions (CC&Rs) for the Albert C. Presley Medical Center, or as modified at the public meeting, which includes the following actions: a. Determine the project Exempt pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) and Guidelines, as detailed in the staff report; b. Adopt Findings of Fact for approval of the Development Review Permit as presented in the Staff Report; and, c. Approve the Plan Revision for the amendments to the CC&Rs in accordance with the Conditions of Approval, attached to the Staff Report.

Senior Planner, Lucy Rollins, and the applicant, Rene Kronland, gave presentation. The commission asked questions of both the applicant and staff as well as Roger Dean, who owns a unit in the building.

Public Comment: Roger Dean

Motion made to approve the amendments to the Covenants, Conditions, and Restrictions (CC&Rs) for the Albert C. Presley Medical Center, or as modified at the public meeting, which includes the following actions: a. Determine the project Exempt pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) and Guidelines, as detailed in the staff report; b. Adopt Findings of Fact for approval of the Development Review Permit as presented in the Staff Report; and, c. Approve the Plan Revision for the amendments to the CC&Rs in accordance with the Conditions of Approval, attached to the Staff Report. by Commissioner Gross, Seconded by Commissioner McDonald.

Voting Yea: Commissioner Gross, Commissioner McDonald, Commissioner Wich, Vice Chairman Brouillette

5. A rezone and use permit application by Granite Wellness to change the zoning of a 3.31 acre parcel APN 035-330-021, from Central Business District (C-2) to the Community Business District (C-1) zoning designation, and a Use Permit for an inpatient Withdrawal Management Facility (**25PLN-01**) 159 Brentwood Drive / 035-330-021

Environmental Status: CEQA Exemption 15301

Recommendation: That the Planning Commission recommend that the City Council approve the Re-zone application by Granite Wellness from the Central Business District (C-2) to the Community Business District (C-1) zoning designation, and approve the Use Permit project as presented, or as modified at the public hearing, which includes the following actions: 1. Determination that the Zoning Map Amendment and the Conditional Use Permit is Categorically Exempt pursuant to Section 15301, Class 1, of the California Environmental Quality Act (CEQA) and Guidelines, as detailed in the staff report; and 2. Adoption of Findings of Fact for approval of the Rezone from C-2 to C-1 and the Use Permit for use of the facility as an in-patient withdrawal management facility as presented in the staff report; and 3. Adoption of an Ordinance Amending the Zoning Map as outlined in this Staff Report (Attachment 2); and 4. Approval of the Use Permit to allow a use consistent with “Medical Services - Extended Care,” pursuant to Table 2-10, Allowed Land Uses and Permit Requirements for Commercial and Industrial Zone, of the City Municipal Code in accordance with the Conditions of Approval as presented in the staff report.

City Planner, Amy Wolfson, and the CEO of Granite Wellness, Victoria Blacksmith, gave presentation.

Public Comment: Matthew Coulter

Motion made to approve the Re-zone application by Granite Wellness from the Central Business District (C-2) to the Community Business District (C-1) zoning designation, and approve the Use Permit project as presented, or as modified at the public hearing, which includes the following actions: 1. Determination that the Zoning Map Amendment and the Conditional Use Permit is Categorically Exempt pursuant to Section 15301, Class 1, of the California Environmental Quality Act (CEQA) and Guidelines, as detailed in the staff report; and 2. Adoption of Findings of Fact for approval of the Rezone from C-2 to C-1 and the Use Permit for use of the facility as an in-patient withdrawal management facility as presented in the staff report; and 3. Adoption of an Ordinance Amending the Zoning Map as outlined in this Staff Report (Attachment 2); and 4. Approval of the Use Permit to allow a use consistent with “Medical Services - Extended Care,” pursuant to Table 2-10, Allowed Land Uses and Permit Requirements for Commercial and Industrial Zone, of the City Municipal Code in accordance with the Conditions of Approval as presented in the staff report. by Commissioner Wich, Seconded by Commissioner McDonald.

Voting Yea: Commissioner McDonald, Commissioner Wich, Vice Chairman Brouillette
Voting Abstaining: Commissioner Gross

6. Sign Exception Permit for third wall sign (25PLN-06) 2085 Nevada City Hwy / APN 035-600-016

Environmental Status: Categorical Exemption

Recommendation: That the Planning Commission approve the “Sherwin-Williams Paints” sign as presented, or as modified at the public meeting, which includes the following actions: a. Determine the project Categorically Exempt pursuant to Section 15301, Class 1, of the California Environmental Quality Act (CEQA) and Guidelines, as detailed in the staff report; b. Adopt Findings of Fact for approval of the Development Review Permit as presented in the Staff Report; and, c. Approve the Sign Exception

Permit for the “Sherwin-Williams Paints” sign in accordance with the Conditions of Approval, attached to the Staff Report.

Staff gave presentation to the Commission regarding the items and the comments provided by the Development Review Committee.

Public Comment: Matthew Coulter

Voting Nay: Commissioner Gross, Commissioner McDonald, Commissioner Wich, Vice Chairman Brouillette

7. Sign Exception Permit for wall signs exceeding height standards on a Priority 2 structure (25PLN-07) 122 East Main St / APN 008-343-004

Environmental Status: Categorical Exemption

Recommendation: That the Planning Commission approve the “Texas Tommy’s” and address signs as presented, or as modified at the public meeting, which includes the following actions: a. Determine the project Categorical Exempt pursuant to Section 15301, Class 1, of the California Environmental Quality Act (CEQA) and Guidelines, as detailed in the staff report; b. Adopt Findings of Fact for approval of the Sign Exception Permit as presented in the Staff Report; and, c. Approve the Sign Exception Permit for the “Texas Tommy’s” and address signs in accordance with the Conditions of Approval, attached to the Staff Report.

Commissioner Brouillette recused himself.

City staff presented the sign designs to the Commission, noting the recommendations provided by the Historical Commission and the Development Review Committee. The Commission discussed the various options with Staff and with the applicants via Zoom.

Motion made to approve the “Texas Tommy’s” and address signs as presented, or as modified at the public meeting, which includes the following actions: a. Determine the project Categorical Exempt pursuant to Section 15301, Class 1, of the California Environmental Quality Act (CEQA) and Guidelines, as detailed in the staff report; b. Adopt Findings of Fact for approval of the Sign Exception Permit as presented in the Staff Report; and, c. Approve the Sign Exception Permit for the “Texas Tommy’s” and address signs in accordance with the Conditions of Approval, attached to the Staff Report. by Commissioner Gross, Seconded by Commissioner Wich.

Voting Yea: Commissioner Gross, Commissioner McDonald, Commissioner Wich
Voting Abstaining: Vice Chairman Brouillette

OTHER BUSINESS

8. Review of City Council Items.
9. Future Meetings, Hearings and Study Sessions

BRIEF REPORTS BY COMMISSIONERS

Chairman Brouillette spoke about the 7 Mile Bicycle ride sponsored by the Bicycle Thief on Saturday April 19th. Commissioner McDonald spoke about the restoration of 1871 Church in Smartsville.

ADJOURN

Meeting adjourned at 8:02PM.

Ari Brouillette, Chair

Taylor Whittingslow, City Clerk

Adopted on:_____

**PLANNING COMMISSION
STAFF REPORT
May 20, 2025**

Prepared by: Lucy Rollins, Senior Planner

DATA SUMMARY:

Application Number: 25PLN-10
Subject: Tentative Parcel Map for a condominium conversion of ±1.36-acre parcel with 6 existing commercial units at 984-998 Plaza Drive to six parcels parcel for individual ownership and one common area parcel
Location/APN: 984-998 Plaza Drive / 035-480-023
Owner: Lance Amaral
Applicant: Brian Valli, Andrew Cassano
Zoning/General Plan: Central Business District (C-2) / Commercial (C)
Entitlements: Tentative Parcel Map
Environmental Status: Categorical Exemption

RECOMMENDATION:

1. That the Planning Commission approve the Tentative Parcel Map application for the condominium conversion as presented, or as may be modified at the public hearing, which includes the following actions:
 - a. Determine the Tentative Parcel Map project Categorical Exempt pursuant to Section 15301, Class 1, of the California Environmental Quality Act (CEQA) and Guidelines, as detailed in the staff report;
 - b. Adopt Findings of Fact for approval of the Tentative Map Application as presented in the Staff Report;
 - c. Approve the Tentative Map for the division of a ±1.36 parcel into seven parcels as presented in accordance with the Conditions of Approval, attached to the Staff Report.

BACKGROUND:

This property was originally developed in the County and subsequently annexed to the City in 2002. The existing parcel was originally part of a larger parcel subdivided in 1990, with the resultant parcel labeled Parcel 3 of that map. The property is built out with a commercial building with six suites for retail and office uses.

PROJECT DESCRIPTION:

The proposed tentative map involves the subdivision of a ±1.36-acre into seven parcels, including six commercial condominiums ranging in size from 1,065 square feet to 4,650 square feet, with the parking area and landscaping as a seventh “remainder” parcel and common area. The tentative map is subject to the standards contained in Article 8 of Chapter 17 of the City Municipal Code (subdivision ordinance) and the California Subdivision Map Act. The submitted Tentative Map application is consistent with the requirements of City’s subdivision ordinance. There is no additional development proposed at this time. The site is served by NID water and City sewer.

SITE DESCRIPTION AND ENVIRONMENTAL SETTING:

The project site is entirely developed with a building with six suites, parking lot, and associated landscaping. The land to the east is under construction with a hotel and open space and commercial uses occupy land to the west, south, and north.

GENERAL PLAN AND ZONING:

General Plan: The Grass Valley 2020 General Plan identifies the site as Commercial (COM). The intent of the Commercial General Plan designation includes all types of commercial retail and service establishments on the highway and along major streets.

Zoning: The C-2 Zoning designation applies to existing auto-oriented areas. The C-2 zone permits a full range of retail and restaurant uses.

ENVIRONMENTAL DETERMINATION:

The proposed project qualifies for a Categorical Exemption pursuant to Section 15301, Class 1, of the California Environmental Quality Act (CEQA) and Guidelines. A Class 1 Categorical Exemption includes division of existing commercial buildings into common-interest ownership where no physical changes occur. The proposed tentative map is intended to allow individual sale and ownership of existing suites in an existing structure and will not include any changes to or expansion of the commercial property.

FINDINGS:

1. That the proposed condominium conversion is consistent with the general plan, and any applicable specific plan, and that none of the findings for denial in Subsection C of Section 17.81.060 GVMC can be made. The findings shall apply to each proposed parcel as well as the entire subdivision, including any parcel identified as a designated remainder in compliance with Map Act Section 66424.6
2. The Planning Commission reviewed the project in compliance with the California Environmental Quality Act and recommends that the Planning Commission find the project qualifies for a Class 1, Categorical Exemption (Existing Facilities) in accordance with the California Environmental Quality Act and CEQA Guidelines.

RECOMMENDED CONDITIONS:

1. The approval date for this tentative map is May 20, 2025 pursuant to Section 17.81.080 GVMC. This project is approved for a period of three (3) years and shall expire on May 21, 2028, unless the Tentative Parcel Map has been filed with the County Recorder's Office or the applicant requests a time extension that is approved by the Grass Valley Planning Commission pursuant to the Development Code or unless otherwise provided for by the Subdivision Map Act.
2. It shall be the applicant's responsibility to file a Notice of Exemption, which can be prepared by staff at the applicant's request.
3. The applicant agrees to defend, indemnify, and hold harmless the City in any action or proceeding brought against the City to void or annul this discretionary land use approval.
4. Prior to recording the final/parcel map, the applicant must apply for NID service for each newly created parcel and pay applicable connection fees, per NID Rules and Regulations.
5. Prior to recording the final/parcel map, the applicant shall submit to the City Engineer for review and approval a Final/Parcel Map prepared by a Licensed Surveyor, or Registered Civil Engineer licensed to survey in the State of California, in accordance with the City's Subdivision Ordinance and the California Subdivision Map Act; and shall pay all appropriate fees for map check and recording.
6. Prior to recording the final/parcel map, the subdivider shall provide the Engineering Division an acceptable method, such as a property owners association, tenant agreement, and/or CC&R's to maintain common areas. Common areas can include residential areas, landscape areas, ingress/egress accesses, monitoring wells, roadways and utilities, detention facilities and open space areas not accepted by the City. Documentation may be reviewed by the City Planner (for non-residential), City Engineer, and City Attorney (if determined necessary). CC&R's must include a statement that they cannot be modified without the approval of the City of Grass Valley.
7. One of the following must be met for parcel separation pursuant to the California 2022 Building Standards Codes as modified and adopted by the City of Grass Valley and Nevada County:
 - a. Condominium conversions are required to meet the California Building Code (CBC) requirements for exterior walls on property lines per table 601 and 705.5. These tables require (minimum) 1-hour walls on both sides of the new property line(s), OR
 - b. Dedicated access easements and contractual agreements that permit the owners of portions of the building located on either side of the lot line to access the other side(s) for the purposes of maintaining fire and life safety

systems necessary for the operation of the building shall be provided for review and approval.

8. Project shall be in compliance with the vegetation management requirements of the City of Grass Valley Municipal Code Section 8.16.200 and its subsections.
9. Project shall be in compliance with California Fire Code section 907.2.11.2 for smoke alarm requirements.
10. Project shall be in compliance with California Fire Code sections 915.2.1-915.5.3 for all Carbon monoxide detector requirements.
11. Project shall be in compliance with California Fire Code section 906 for all Portable Fire extinguisher requirements.

ATTACHMENTS:

1. Aerial Map
2. Vicinity Map
3. Tentative Map
4. Application Materials

ATTACHMENTS

984-998 Plaza Drive Condominium Conversion

25PLN-0010

1. Aerial Map
2. Vicinity Map
3. Tentative Map
4. Application Materials

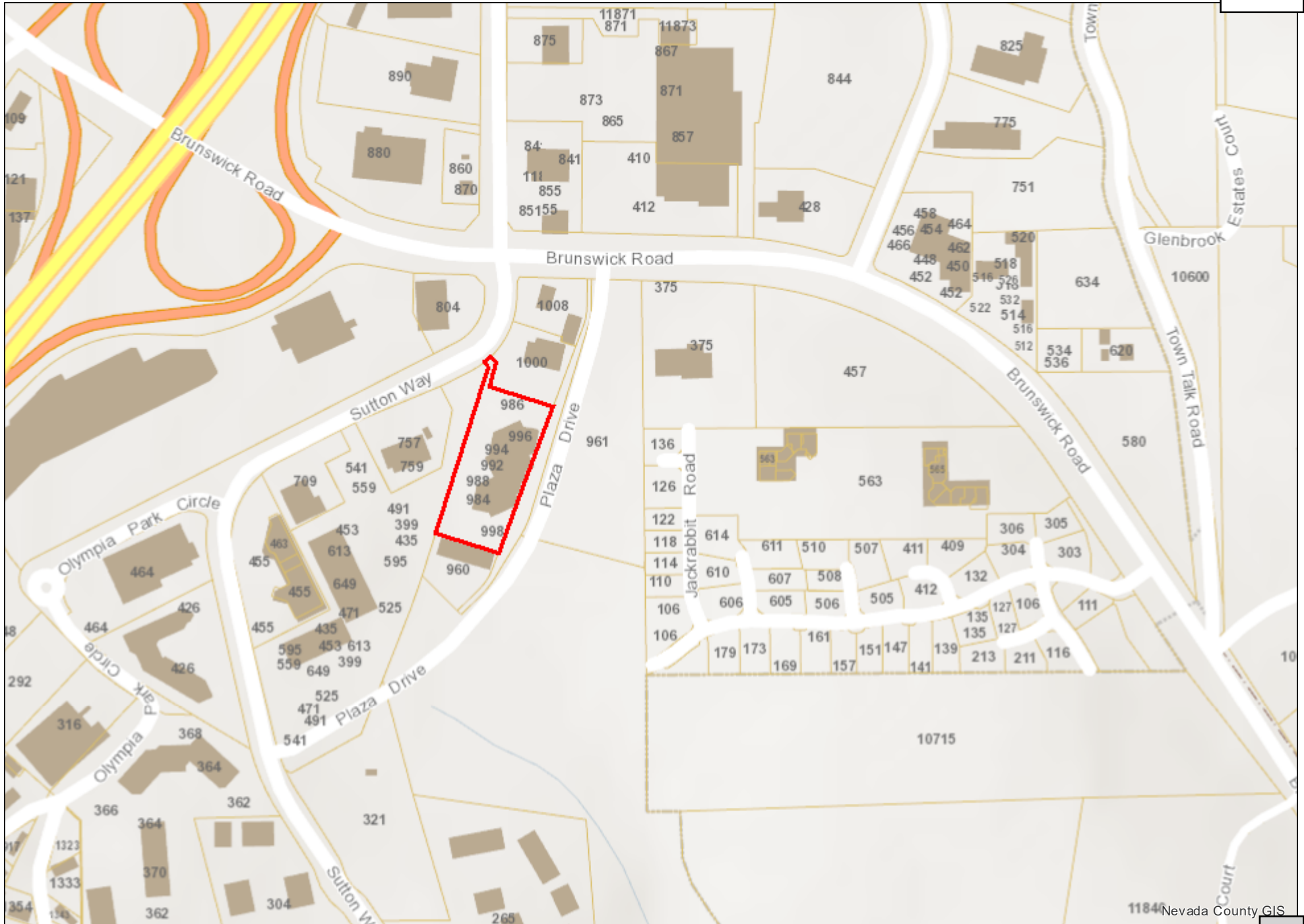
Olympia Plaza Suites - Aerial Map

Item # 2.



Olympia Plaza Suites - Vicinity Map

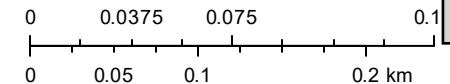
Item # 2.



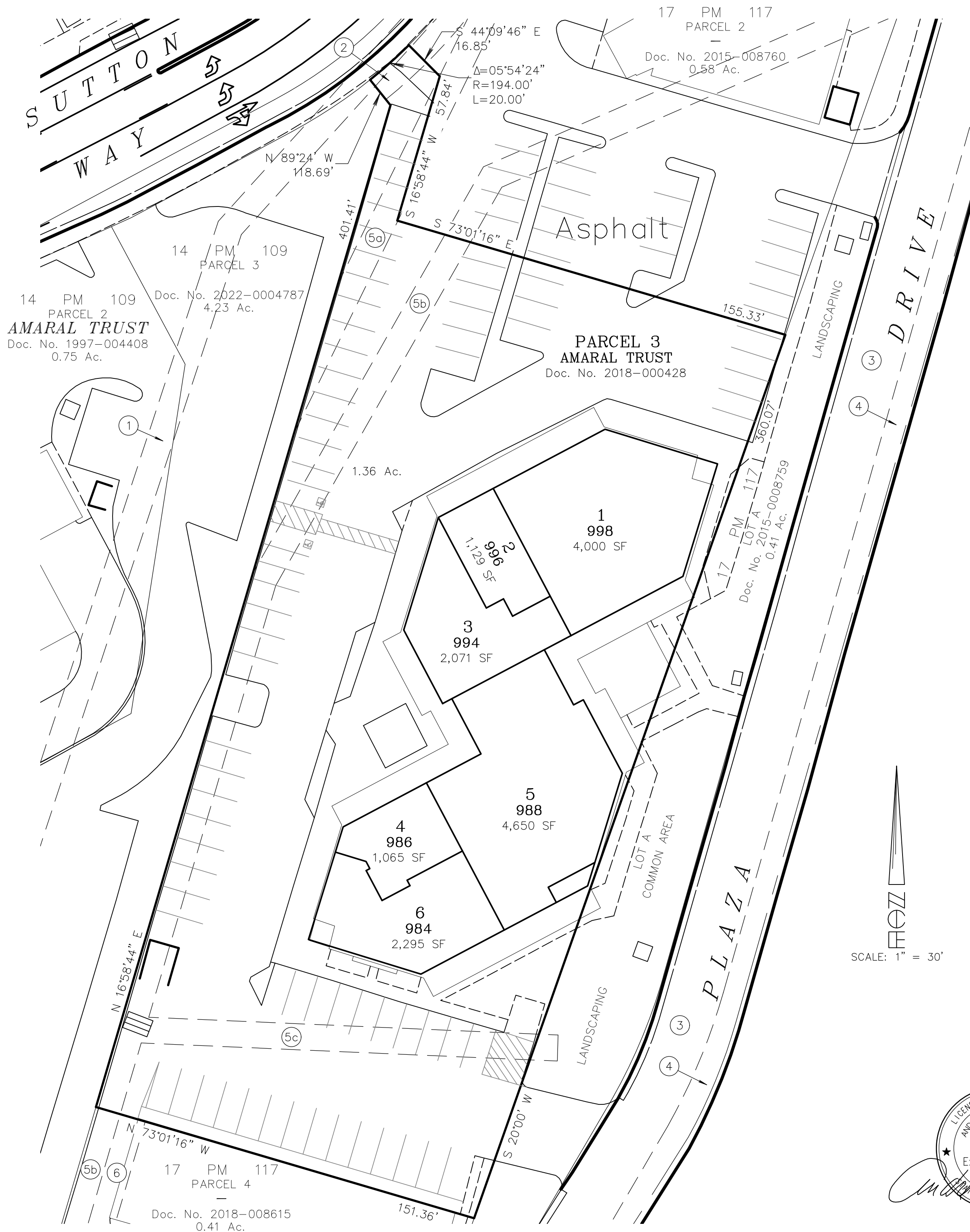
May 14, 2025

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Scale:
1:4,514



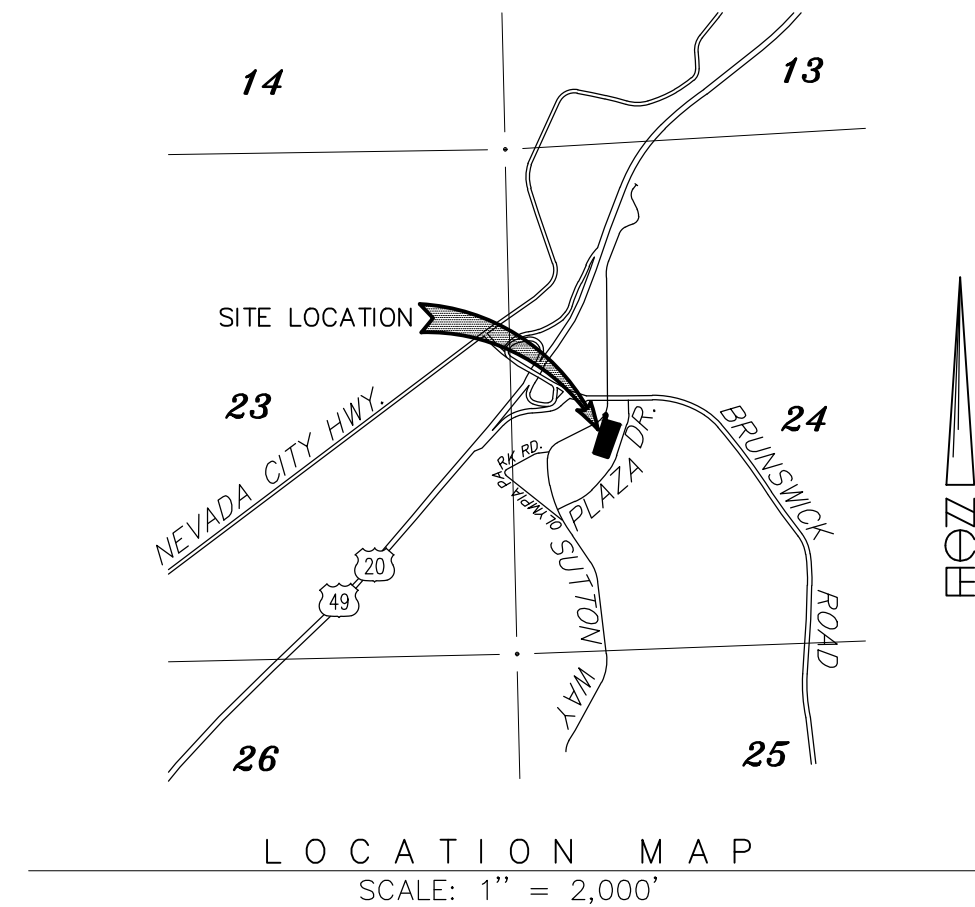
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EASEMENT TABLE

- 1 10' SEWER EASEMENT FOR CITY OF GRASS VALLEY PER 475 O.R. 273
- 2 10' P.U.E. FOR ALL UTILITY PROVIDERS PER 1095 O.R. 366
- 3 24' ACCESS & UTILITY EASEMENT FOR PARCELS 1-4 & ADJOINING LANDS PER DOC. 87-13356
- 4 CENTERLINE 20' MID EASEMENT FOR WATERLINE PER DOC. 83-23889
- 5a APPROXIMATE LOCATION OF EXISTING UNDERGROUND DRAINS AND IMPLIED SERVICE EASEMENTS FOR PARCELS 1, 2, & 3
- 5b APPROXIMATE LOCATION OF EXISTING UNDERGROUND DRAINS AND IMPLIED SERVICE EASEMENTS FOR PARCELS 2, 3, & 4, & ADJOINING LANDS
- 5c APPROXIMATE LOCATION OF EXISTING UNDERGROUND DRAINS AND IMPLIED SERVICE EASEMENT FOR PARCEL 3 & LOT A
- 6 APPROXIMATE LOCATION OF EXISTING UNDERGROUND SEWERS AND IMPLIED SERVICE EASEMENT FOR PARCELS 1, 2, 3, & 4 & ADJOINING LANDS

T. 16 N., R. 8 E., M.D.B.&M.



OWNER / APPLICANT :

AMARAL TRUST
18815 WILDFLOWER DRIVE
PENN VALLEY, CA 95946

PREPARED BY :

ANDREW R. CASSANO, L.S. 4370
NEVADA CITY ENGINEERING, INC.
505-B COYOTE STREET
NEVADA CITY, CA 95959
(530) 265-6911

NOTES :

- 1. PROPERTY PROFILE
SITE ADDRESS: 984, 986, 988, 992, 994, 996, 998 PLAZA DRIVE GRASS VALLEY, CA 95945
A.P.N.: 035-480-023
AREA: 1.36 Ac.
GENERAL PLAN DESIGNATION: C-COMMERCIAL
ZONING: C2
FLOOR AREA: 14310 SF
PARKING: 72 SPACES
- 2. COMMUNITY SERVICE INFORMATION
SCHOOL DISTRICTS: GRASS VALLEY SCHOOL DISTRICT & NEVADA JOINT UNION HIGH SCHOOL DISTRICT
FIRE PROTECTION: CITY OF GRASS VALLEY
TELEPHONE: AT&T
POWER: PACIFIC GAS AND ELECTRIC
SEWAGE DISPOSAL: CITY OF GRASS VALLEY
WATER: NEVADA IRRIGATION DISTRICT (N.I.D.)
- 3. ALL BUILDINGS AND SUITES ARE EXISTING - NO NEW CONSTRUCTION IS PROPOSED
- 4. SITE PARKING WILL BE MANAGED BY THE PROPERTY OWNERS ASSOCIATION
- 5. THE SQUARE FOOTAGE NUMBERS SHOWN ARE FOR THE GROUND FLOOR OF THE PROPOSED UNITS.
- 6. THE OCCUPANCY CLASSIFICATION FOR THE PROJECT BUILDING BOTH NOW AND AFTER THE CONDO CONVERSION IS B-BUSINESS.

DEVELOPMENT PERMIT
TENTATIVE COMMERCIAL CONDOMINIUM CONVERSION PARCEL MAP
FOR

OLYMPIA PLAZA SUITES

BEING
PARCEL 3, BOOK 17 PARCEL MAPS PAGE 117

WITHIN THE INCORPORATED TERRITORY OF
CITY OF GRASS VALLEY
NEVADA COUNTY, CALIFORNIA

SCALE: 1" = 30' APRIL, 2025
NEVADA CITY ENGINEERING, INC.
505 COYOTE STREET * P.O. BOX 1437 * NEVADA CITY * CALIFORNIA



<u>Architect</u>	<u>Engineer</u>
Name: N/A	Name: Andrew Cassano - Nevada City Engineering
Address:	Address: 505 Coyote Street, Suite B Nevada City, CA 95959
Phone: ()	Phone: (530) 265-6911
E-mail:	E-mail: andy@nevadacityengineering.com

- a. Project Name Olympia Plaza Suites
- b. Project Address 984, 986, 988, 992, 994, 996 & 998 Plaza Drive, Grass Valley, CA 95945
- c. Assessor's Parcel No(s) 035-480-023
(include APN page(s))
- d. Lot Size See tentative map

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears to be a standard notebook page or a sheet of stationery.

4. **Cortese List:** Is the proposed property located on a site which is included on the Hazardous Waste and Substances List (Cortese List)? Y ____ N ✓

The Cortese List is available for review at the Community Development Department counter. If the property is on the List, please contact the Planning Division to determine appropriate notification procedures prior to submitting your application for processing (Government Code Section 65962.5).

5. **Indemnification:** The City has determined that City, its employees, agents and officials should, to the fullest extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, expense, attorney's fees, litigation expenses, court costs or any other costs arising out of or in any way related to the issuance of this permit, or the activities conducted pursuant to this permit. Accordingly, to the fullest extent permitted by law, the applicant shall defend, indemnify and hold harmless City, its employees, agents and officials, from and against any liability, claims, suits, actions, arbitration proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including, but not limited to, actual attorney's fees, litigation expenses and court costs of any kind without restriction or limitation, incurred in relation to, as a consequence of, arising out of or in any way attributable to, actually, allegedly or impliedly, in whole or in part, the issuance of this permit, or the activities conducted pursuant to this permit. Applicant shall pay such obligations as they are incurred by City, its employees, agents and officials, and in the event of any claim or lawsuit, shall submit a deposit in such amount as the City reasonably determines necessary to protect the City from exposure to fees, costs or liability with respect to such claim or lawsuit.
6. **Appeal:** Permits shall not be issued until such time as the appeal period has lapsed. A determination or final action shall become effective on the 16th day following the date by the appropriate review authority, where no appeal of the review authority's action has been filed in compliance with Chapter 17.91 of the City's Development Code.

The 15-day period (also known as the "appeal" period in compliance with Chapter 17.91) begins the first full day after the date of decision that the City Hall is open for business, and extends to the close of business (5:00 p.m.) on the 15th day, or the very next day that the City Hall is open for business.

I hereby certify, to the best of my knowledge, that the above statements are correct.

Property Owner/*Representative Signature: 
DocuSigned by:
7B7CF81E59FC413...

**Property owner must provide a consent letter allowing representative to sign on their behalf.*

Applicant Signature: 

--OFFICE USE ONLY--	
Application No.:	Date Filed:
Fees Paid by:	Amount Paid:
Other Related Application(s):	

Agent Authorization Letter

I, Lance Amaral owner of the property located at 984, 986, 988, 992, 994, 996, & 998 Plaza Drive, Grass Valley, CA, Assessor's Parcel Number 035-480-023, do hereby authorize:

Nevada City Engineering, Inc.
505 Coyote Street, Suite B
Nevada City, CA 95959

AND

Brian Valli
Post Office Box 1657
Nevada City, CA 95959

To act as my agent/representative for the work, which shall be performed at the address above.

Description of the work to be performed:

Convert existing commercial rental spaces, located within a single building,
to individual commercial condominiums.

3/10/2025

Date

DocuSigned by:

Lance Amaral

7B7CF81E55FCA43

Signature

TENTATIVE PARCEL/ SUBDIVISION MAP



Item # 2.

SUPPLEMENTAL APPLICATION INFORMATION

This document will provide necessary information about the proposed project. It will also be used to evaluate potential environmental impacts created by the project. Please be as accurate and complete as possible in answering the questions. Further environmental information could be required from the applicant to evaluate the project.

**PLEASE PRINT CLEARLY OR TYPE
USE A SEPARATE SHEET, IF NECESSARY, TO EXPLAIN THE FOLLOWING:**

I. Project Characteristics:

A. Describe all existing buildings and uses on the property: This site contains a single retail building containing several existing businesses.

B. Describe surrounding land uses:

North: Shopping Center

South: Motel under construction

East: A credit union and gas station

West: A tire shop

C. Describe existing public or private utilities on the property: All utilities are currently on site and working as this building is already in use by a variety of businesses.

D. Subdivision phasing: If the project is a portion of an overall larger project, describe future phases or extension. Show all proposed phases on site plan: N/A

E. List any proposed exceptions to the City's Subdivision Standards contained in Section 17.080.100 of the City's Development Code: N/A

APPLICATION CHECKLIST

The following list includes all the items you must submit for a complete application. Some specific types of information may not apply to your project. If you are not sure, ask Planning Division Staff. Planning Staff will use a copy of this list to check your application for completeness after it is submitted. If your application is not complete, a copy of the list will be returned to you marked according to the legend.

A. Application Checklist:

- ☐ One completed copy of Universal Application form.
- ☐ One completed copy of the Environmental Review Checklist (if applicable).
- ☐ Preliminary Title Report dated no later than 6 months prior to the application filing date.
- ☐ The appropriate non-refundable filing fee.

B. Tentative Map:

- ☐ One electronic copy of the tentative map (min. size 18" x 26") showing the following:
 - ☐ The map number, name if any, date of preparation, north arrow scale, and if based on a survey, the date of the survey.
 - ☐ Name and address of the person or entity which prepared the map and the applicable registration or license number.
 - ☐ Names and addresses of the subdivider and all parties having a record title interest in the property being subdivided.
 - ☐ The boundaries of the subdivision, defined by legal description with sufficient information to locate the property and to determine its position with respect to adjacent named or numbered subdivision, if any.
 - ☐ Topographic information with a reference to the source of the information. Contour lines shall have the following intervals:
 - ☐ Two-foot contour interval for ground slope between level and five percent.
 - ☐ Five-foot contour interval for ground slope exceeding five percent. Contours of adjacent land shall also be shown whenever the surface features of such land, affects the design or development of the proposed subdivision.
 - ☐ Approximate location and general description, of any trees over eight inches in diameter at the trunk, with notations as to their proposed retention or removal.

- ☐ Location and outline to scale of all structures which are to be retained within the subdivision and all structures outside the subdivision and within 10 feet of the boundary lines; notations concerning all structures which are to be removed.
- ☐ Locations, widths and purposes of all existing and proposed easements for utilities, drainage and other public purposes, shown by dashed lines, within and adjacent to the subdivision (including proposed building setback lines, if known).
- ☐ Location of all existing and proposed utilities including size of water lines and the size and grade of sewer lines, locations of manholes, fire hydrants, street trees and street lights.
- ☐ Location, width and directions of flow of all watercourses and flood-control areas within and adjacent to the property involved; the proposed method of providing storm water drainage.
- ☐ Location of all potentially hazardous areas, including areas subject to inundation, landslide, settlement, soil contamination of mining sites or excessive noise, and the means of mitigating the hazards.
- ☐ Locations, widths and names of designations of all existing or proposed streets, alleys, paths and other right-of-way, whether public or private; private easements within and adjacent to the subdivision; the radius of each centerline curve; a cross-section of each street; any planned line for street widening or for any other public project in and adjacent to the subdivision; private streets shall be clearly indicated.
- ☐ Lines and approximate dimensions of all lots, and the number assigned to each lot; the total number of lots; the approximate area of the average lot; lots shall be numbered consecutively. Also note all existing lot lines.
- ☐ Boundaries, acreage and use of existing and proposed public areas in and adjacent to the subdivision. If land is to be offered for dedication for park, recreation or open space purposes or for purpose of providing public access to any public waterway, river or stream, it shall be so designated.
- ☐ Locations of any existing or abandoned wells, septic leaching fields, springs, water impoundments and similar features to the extent they affect the proposed use of the property.
- ☐ The following supplementary material shall be filed with the tentative map:
- ☐ Vicinity map of appropriate scale showing sufficient adjoining territory to clearly indicate surrounding streets; other land in the subdivider's ownership, and features which have a bearing on the proposed subdivision.
- ☐ Statement of proposed improvements and landscape modifications, including the estimated time of completion in relation to subdivision of the property.

- ☐ Description of proposed public or commonly held areas and draft open space easement agreements, if applicable.
- ☐ Proposed building pads and footprints.
- ☐ Upon the City Engineer's determination, an engineering geology report shall be submitted for review and comment by the City Engineer, prepared by a registered engineering geologist.
- ☐ Upon the City Engineer's determination, a soils engineering report, prepared by a civil engineer, registered in the State of California, and based upon adequate test boring, shall be required. If the soils engineering report indicates soil problems which, if not corrected, could lead to structural defects, a soils investigation of each lot in the sub-division may be required.
- ☐ Soils engineering report including data regarding the nature, distribution and strength of existing soils, conclusions and recommendations for grading procedures and design criteria for corrective measures, when necessary and opinions and recommendations conveying adequacy of sites for development.

C. FOR SUBDIVISION MAPS WITH 5 LOTS OR MORE

- ☐ Preliminary grading plan showing the location of all retaining walls, lot pad elevations, and cut and fill slopes, exceeding 3 feet in height.
- ☐ Proposed phasing lines, if separate final maps are to be filed.
- ☐ Preliminary improvement plan, showing all public utilities in relation to existing and proposed topography.

D. FOR SUBDIVISION MAPS WITH 20 OR MORE LOTS

- ☐ **Develop "neighborhoods."** Each new residential subdivision shall be designed to integrate with adjacent development to ensure edges between existing and new development that provide for compatible densities, intensities, and design, as determined by the review authority. Subdivisions in City expansion areas shall be designed so that individual, separately developed projects work together to create distinct neighborhoods, instead of disjointed or isolated enclaves.
- ☐ **Integrate open space.** New subdivisions adjacent to planned or existing parks or other public open spaces (e.g. creeks, riparian areas), or the landscaped grounds of schools or other public facilities shall maximize visibility and pedestrian access to these areas. Where these facilities are not already planned, the subdivision shall be designed to provide usable public open spaces in the form of parks, linear bicycle and pedestrian trails, squares, and greens, as appropriate.
- ☐ **Edges. "Gated communities,"** and other residential developments designed to appear or that function as walled-off areas, disconnected and isolated from the rest of the community, are prohibited. The security and noise attenuation objectives that may lead

to consideration of walls and fences should instead be met by creative design that controls the height and length of walls, develops breaks and variations in relief, and uses landscaping, along with natural topography changes, for screening.

- ☐ **Scale.** New residential subdivisions, and groups of subdivisions that, in effect, collectively create a new neighborhood, shall be designed to provide a “walkable” scale, that places all homes within ¼ mile of neighborhood shopping opportunities, a neighborhood park, or a public or a public facility that can serve as a “center” for the neighborhood. Where feasible, each neighborhood shall have a center that includes all three facilities.
- ☐ **Site planning.** Residential subdivision and multi-family project site planning shall emphasize the needs of pedestrian and cyclists.

1. **Pedestrian orientation.** Subdivision design shall emphasize pedestrian connectivity within each project, to adjacent neighborhoods, nearby schools and parks, and to transit stops within ¼ mile of planned residential areas. All streets and walkways shall be designed to provide safe and pleasant conditions for pedestrians, including the disabled, and cyclists, as determined by the review authority.
2. **Block length.** The length of block faces between intersections streets shall be as short as possible, no more than 400 feet where feasible, to provide pedestrian connectivity.
3. **Access to open areas.** Single-loaded streets (those with residential development on one side and open space on the other) shall be used to provide public access to, and visibility of natural open spaces, public parks, and neighborhood schools, as well as a means for buffering homes from parks and schools.

Where single loaded streets are not feasible or desirable, other methods that provide similar access and visibility may be used, including private streets, bike and pedestrian paths, or the placement of private common open space or recreation facilities adjacent to the public open space.

4. **Alleys.** Alleys may be provided for garage access, otherwise individual lots shall be wide enough to accommodate a sign yard driveway to a detached garage at the rear of the lot, so that appearance of the street frontage is not dominated by garages and pavement.
5. **Traffic calming.** A subdivision shall incorporate traffic calming measures in compliance with the City’s improvement Standards as determined by the review authority to be appropriate.

☐ **Open space and natural features.**

1. Natural amenities (including view, mature trees, creeks, riparian corridors, rock outcrops, and similar features) shall be preserved and incorporated into proposed development to the greatest extent feasible.

2. Development adjacent to parks or other public open spaces shall be designed to provide maximum visibility of these areas.
3. Development on hillsides shall generally follow the natural terrain contour. Stepped building pads, larger lot sizes, and setbacks shall be used to preserve the general shape of natural land forms and to minimize grade differentials with adjacent streets and with adjoining properties.
4. Public access and visibility to creeks, and the separation of residences and other uses from creeks shall be provided through the use of single-loaded frontage roads in combination with multi-use trails. Pedestrian access to and along creeks and riparian corridors may need to be restricted to flatter areas (e.g. beyond top of bank, natural benches) where grading needs and erosion potential are minimal, and where sensitive environmental resources require protection.

**Olympia Plaza Suites
Commercial Condominiums
PROJECT DESCRIPTION**

This project proposes to convert existing commercial rental spaces, located within a single building, to individual commercial condominiums that can be sold and owned separately. The project is located on Nevada County Assessor's Parcel 035-480-023. The individual suites already have separate street addresses, including 984, 986, 988, 992, 994, 996, and 998 Plaza Drive, Grass Valley, CA 95945.

The site is fully developed with no physical changes proposed. The site includes a handsome existing building, parking, and landscaping. The site was developed in the early 1980's under Nevada County's jurisdiction and was later annexed to Grass Valley as a part of the overall Glenbrook Area Annexation. During the annexation process, all developed commercial sites were accepted by the City in an "as-is" condition.

The property is designated at C-Commercial on the Grass Valley General Plan and is zoned C-2 Central Business Zone. All existing and proposed uses are consistent with the General Plan and Zoning.

The project is part of a larger property owners' association that includes the adjoining tire shop, savings and loan, and gas station. The Association provides for the mutual use and maintenance of the parking, driveway, utilities, and drainage systems. The Association collects annual assessments for these purposes.

This project will be a part of the existing Association but will form a subgroup property owners' association to spread existing assessments to each suite and to cover any additional maintenance costs that are unique to the condominium project.

Following City approval of the tentative parcel map, the project will be implemented with the preparation and filing of the following documents:

- Recorded parcel plan showing one parcel that will be the common area to the project, including a note that the various condominium documents are recorded separately.
- Project diagrammatics that show and define the spatial locations of each condominium, sufficient to define the title area of each condominium unit.

- Implementing documents, including formation of the subgroup of the Owners' Association, relationship to the existing Association, budget projections and assessments for each unit going forward, with provisions for cost adjustments over time.

Inasmuch as no physical changes will occur to the building or site, the condominium project is categorically exempt from the California Environmental Quality Act (CEQA) under Section 15301 of the CEQA guidelines, which includes "existing facilities." Further, the condominium conversion does not rise to the level of being a "Project" under Section 21065 of the Public Resources Code.

See the accompanying tentative parcel map for additional information regarding the project. Please direct project description questions to:

Andrew R. Cassano
Professional Land Surveyor
Town and Regional Planner
NEVADA CITY ENGINEERING, INC.
505 Coyote Street, Suite B
Nevada City, CA 95959
(530) 265-6911 office
(530) 913-8485 cellular

For owner and sales information, please contact:

Brian Valli
Property Manager
Post Office Box 1657
Nevada City, CA 95959
(530) 575-5502



West side



West side



Tire shop, south of site



Tire shop front, south of site



Speedway station store



Speedway station pumps



Southerly side of building



Southeast side



South elevation



Small dumpster enclosure



Sierra Credit Union



Plaza Drive



Plaza Drive, side



Plaza Drive, north side



Plaza & Timberwood intersection



Parking on west side



Parking along west side



North side elevation



Motel site across Plaza Drive



Main dumpster enclosure



Adjoining motel construction



Adjoining Brunswick Plaza



West side

Preliminary Report Top Sheet

◆ HELP US STAY ON TOP OF YOUR TRANSACTION ◆

IF ANY OF THESE QUESTIONS ARE ANSWERED “YES”, OR IF YOU HAVE QUESTIONS ABOUT THE BELOW, PLEASE CONTACT YOUR ESCROW OFFICER IMMEDIATELY

- ◆ Have any of the principals recently filed bankruptcy?
- ◆ Do any of the principals plan to use a power of attorney?
- ◆ Are any of the principals going through a divorce? (if so, is there an attorney involved?)
- ◆ Is anyone currently vested in title deceased? Has a new Tax I.D. Number been established?
- ◆ Do any of the principals NOT have a valid photo identification?
- ◆ Is there construction work in progress or incomplete construction?
 - Any construction completed in the last year?
 - Any construction completed in the last 4 months?
- ◆ Is there a mobile or manufactured home on the property?
- ◆ Are the sellers a non-resident alien or a foreign out of country seller?
- ◆ Is the property an investment property or not considered seller's principal residence?
- ◆ Will a new entity be formed? (i.e. Partnership, LLC, Corporation)
- ◆ If your principals are currently vested or are taking title in their trust, have bank accounts been established in the name of the Trust?
- ◆ Will any of the principals be participating in a 1031 Exchange?
- ◆ Are any of the principals not able to sign with a Placer Title Company? If so, an approved notary will be required.

THANK YOU FOR CHOOSING

Placer Title Company



Escrow Number: P-653579

WIRE FRAUD ADVISORY

Parties to a real estate transaction are often targets for wire fraud and financial confidence schemes, unfortunately with many losing tens or hundreds of thousands of dollars because they relied (without verification) on “revised” or “new” wire instructions appearing to come from a trusted party to the transaction.

IF YOU INTEND TO WIRE FUNDS IN CONJUNCTION WITH THIS REAL ESTATE TRANSACTION, WE STRONGLY RECOMMEND THAT YOU VERBALLY VERIFY THOSE INSTRUCTIONS THROUGH A KNOWN, TRUSTED PHONE NUMBER PRIOR TO SENDING FUNDS.

In addition, the following self-protection strategies are recommended to minimize exposure to possible wire fraud.

- **DO NOT RELY** on emails purporting to change wire instructions. Placer Title Company will never change its wire instructions in the course of a transaction. If you receive a random or unsolicited email from anyone requesting funds to be wired, and attaching “new,” “alternate,” “updated,” “revised” and/or “different” wire instructions, contact your escrow officer immediately (at a verifiable number in the manner noted below) and before wiring any money.
- **VERIFY** the wire instructions you do receive by calling the party who sent the instructions to you. However, **DO NOT** use the phone number provided in the email containing the instructions, and **DO NOT** send a reply email to verify, since the email address may be incorrect, fraudulent or being intercepted by the fraudster. Rather, use phone numbers you have called before and/or can independently verify through other sources (company website or internet search).
- **USE COMPLEX PASSWORDS** that are at least ten (10) characters long and contain a combination of mixed case, numbers, and symbols. You should also change your password often and not reuse the same password for other online accounts.
- **ENABLE MULTI-FACTOR AUTHENTICATION** for all email accounts. Your email provider may have specific instructions on how to implement this feature.
- **CHECK FOR AUTO-FORWARDING** on your email account and disable it. This is one of the most “silent” ways a fraudster can monitor your email account because every email that comes in is automatically forwarded to them, even if you change your password.

This Notice is not intended to provide legal or professional advice, nor is it an exclusive list of self-protection strategies. Customers are encouraged to always be aware of such schemes, and to contact their escrow officer if ever in doubt.



PLACER TITLE COMPANY
A MOTHER LODE COMPANY

Placer Title Company
9087 Foothills Blvd, Suite 700
Roseville, CA 95747
Phone: (916) 624-8141
Fax: (916) 200-0410

Order No.: P-653579
Reference:
Escrow Officer: Gail Hale
Email: ghale@placertitle.com
Email Loan Docs To: 1601edocs@placertitle.com

Proposed Insured:
Proposed Loan Amount:

Proposed Underwriter: Old Republic National Title Insurance Company

Property Address: CONDOMINIUM CONVERSION, 984 Plaza Drive, Unit 4, Grass Valley, CA 95945

PRELIMINARY REPORT

In response to the above referenced application for a policy of title insurance, Placer Title Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said Policy or Policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated: December 30, 2024 at 7:30AM
Title Officer: Scott Martin

Order Number: P-653579

The form of policy of title insurance contemplated by this report is:

Parcel Map Guarantee

The estate or interest in the land hereinafter described or referred to covered by this report is:

Fee Simple

Title to said estate or interest at the date hereof is vested in:

Laurence V. Amaral, Trustee of the Gloria A. Amaral Marital Deduction Trust u/d/t dated June 30, 1995

The land referred to in this report is described as follows:

See Exhibit "A" Attached for Legal Description

Order Number: P-653579

Exhibit "A"

Legal Description

The land described herein is situated in the State of California, County of Nevada, City of Grass Valley, described as follows:

Parcel 3 as shown on Map No. G7-1 for Frank V. Amaral, et ux, filed for record in the Office of the Nevada County Recorder on May 18, 1907, in Book 17 of Parcel Maps, at Page 117.

EXCEPTING THEREFROM all that portion thereof beneath 200 feet of the surface thereof, as conveyed by the Deed dated August 10, 1936, recorded September 25, 1936, in Book 35 of Official Records, at Page 56, executed by Frank A. Thurston, et al, to D. E. McLaughlin.

ALSO EXCEPTING THEREFROM all that portion thereof 100 feet below the surface, as conveyed by Deed recorded January 11, 1940, in Book 60 of Official Records, at Page 22, executed by George A. Legg and Mabel B. Legg to D.E. McLaughlin.

APN: 035-480-023-000

Order Number: P-653579

EXCEPTIONS

At the date hereof, exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:

1. Taxes, special and general, assessment districts and service areas for the Fiscal Year 2024-2025:

1st Installment:	\$8,573.20	Paid
2nd Installment:	\$8,573.20	Due
Parcel Number:	035-480-023-000	
Code Area:	001056	
Land Value:	\$97,953.00	
Imp. Value:	\$1,444,745.00	
Total Value:	\$1,542,698.00	
Exemption Amount:	\$0.00	

Note: First Installment is due November 1 and delinquent December 10. Second Installment is due February 1 and delinquent April 10.

2. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5, (commencing with Section 75) of the Revenue and Taxation Code, of the State of California.
3. Taxes that may be due Nevada Irrigation District are collected with the county taxes. There are possible standby charges and connection fees or other charges of the said irrigation district not shown in this report.
4. The land described herein lies within the proposed boundary of the California Home Finance Authority Community Facilities District No. 2014-1 (Clean Energy), as disclosed by that certain Assessment Map, recorded December 26, 2017, as [\(instrument\) 2017-28760](#), and is subject to any future assessment thereof

Said document references a PROPOSED boundary area and parcels will be annexed only after the legislative body of the appropriate unincorporated or incorporated territory has adopted a resolution consenting to annexation.

There are no assessments due as of the date herein.

5. An easement over said land for public utility and incidental purposes, as granted to County of Nevada, in deed recorded February 28, 1978, [Book 932, Page 109](#), Official Records.

Affects: Most Northwesterly 10 feet of Parcel 3 of Parcel Map, Book 17 Page 117.

No representation is made as to the current ownership of said easement.

6. Offer of Dedication to the County of Nevada for purposes hereinafter stated, executed by Grass Valley Plaza Co., recorded November 21, 1979, [Book 1095, Page 366](#), Official Records.

A. Purpose: Any and all public utility uses
 Affects: Most Northwesterly 10 feet of Parcel 3 of Parcel Map, Book 17 Page 117

B. Purpose: Installation and maintenance of storm drain facilities 20 feet in width.
 Affects: Westerly portion of Parcel 1 and Northwesterly 10 feet of Parcel 2 of Parcel Map, Book 17 Page 117

7. Terms, provisions, covenants, conditions, restrictions and easements, provided in the Covenants, Conditions and Restrictions, but omitting any covenant, condition or restriction, if any, based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, unless and only to the extent that the covenant, condition or restriction (a) is exempt under Title 42 of the United States Code, or (b) relates to handicap, but does not discriminate against handicapped persons, in document recorded December 27, 1979, [Book 1103, Page 484](#), Official Records.

Contains: Mortgagee Protection Clause
 Contains: No Reversionary Clause

Note: Section 12956.1 of the Government Code provides the following:

"If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, 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."

Said Covenants, Conditions and Restrictions were modified in part by instrument recorded October 22, 1993, [\(instrument\) 93-37603](#), Official Records.

8. An easement over said land for access, parking and incidental purposes, as granted to Pacific Southwest Realty Company, in deed recorded December 27, 1979, [Book 1103, Page 484](#), Official Records.

Affects: Exact location is not disclosed of record.

No representation is made as to the current ownership of said easement.

9. Terms, conditions and provisions contained in the Parking Lot Maintenance Agreement, recorded December 27, 1979, as [Book 1103, Page 484](#), Official Records.

10. An easement over said land for vehicular ingress and egress over two-way aiseways and incidental purposes, as granted to Regal Stations, in deed recorded March 24, 1986, [\(instrument\) 86-6179](#), Official Records.

Affects: Exact location is not disclosed of record.

No representation is made as to the current ownership of said easement.

11. Easements and/or notes as shown on the Parcel Map filed May 18, 1987, in [\(book\) 17 of Parcel Maps, at \(page\) 117](#), which include:

A. Purpose: Public Utilities
 Affects: Most Northwesterly 10 feet

12. Terms, provisions, covenants, conditions, restrictions and easements, provided in the Covenants, Conditions and Restrictions, but omitting any covenant, condition or restriction, if any, based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, unless and only to the extent that the covenant, condition or restriction (a) is exempt under Title 42 of the United States Code, or (b) relates to handicap, but does not discriminate against handicapped persons, in document recorded May 18, 1987, [\(instrument\) 87-13355](#), Official Records.

Contains: Mortgagee Protection Clause

Contains: No Reversionary Clause

Note: Section 12956.1 of the Government Code provides the following:

"If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, 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."

Grant of Easement for ingress and egress and for the passage and parking of motor vehicles into, out of, on, over and across all parking areas, driveways and service areas from time to time established within the Common Area and for water drainage systems or structures, water mains, sewers, water sprinkler system lines, telephones or electrical conduits or systems, gas mains and other public utilities and service easements.

Affects: Common Area

Said Covenants, Conditions and Restrictions were modified in part by instrument recorded April 22, 2015, [\(instrument\) 2015-8755](#), Official Records.

13. Unrecorded Lease, on the conditions and provisions contained therein,
 Lessor: Terra Alta Development Co.
 Lessee: Michael Paul Trapani, D.V.M.
 Disclosed by: Assignment of LEase
 Recorded: April 24, 1991, [Instrument No. 91-10862](#), Official Records.

Assignment of Lessor's Interest,

Assigned to: Laurence V. Amaral and Gloria A. Amaral, Co-Trustees u/d/t Dated June 30, 1995 f/b/o The Amaral Family

Recorded: December 29 1995, [Instrument No. 95-33677](#), Official Records.

14. Deed of Trust to secure an indebtedness of \$800,000.00, dated March 1, 2002, recorded March 4, 2002, [\(instrument\) 2002-8513](#), Official Records.

Trustor: Laurence V. Amaral and Gloria A. Amaral, Co-Trustees U/D/T dated June 30, 1995 F/B/O The Amaral Family

Trustee: Placer Title Company

Beneficiary: Frank V. Amaral and Gertrude Lavonne Amaral, Co-Trustees Under Declaration of Trust dated July 8, 1988, F/B/O The Amaral Family

Loan No.: (None Shown)

15. Terms, conditions and provisions contained in the Reimbursement Agreement Relating To Brunswick Road/Sutton Way Improvements, recorded September 9, 2008, as [\(instrument\) 2009-2548](#), Official Records.

16. An easement over said land for drainage and incidental purposes, in deed recorded April 22, 2015, [\(instrument\) 2015-8756](#), Official Records.

Affects: Subject to the terms contained therein. As shown on map attached to document.

No representation is made as to the current ownership of said easement.

17. An easement over said land for drainage and incidental purposes, in deed recorded April 22, 2015, [\(instrument\) 2015-8757](#), Official Records.

Affects: Subject to the terms contained therein. As shown on map attached to document.

No representation is made as to the current ownership of said easement.

18. An easement over said land for sewer lines and incidental purposes, in deed recorded April 22, 2015, [\(instrument\) 2015-8758](#), Official Records.

Affects: Subject to the terms contained therein. As shown on map attached to document.

No representation is made as to the current ownership of said easement.

19. Rights of tenants in possession, including any unrecorded leases and/or subleases affecting the herein described property.

20. Terms, provisions and conditions of that certain trust agreement referred to in the vesting herein. We will require that a completed, signed and notarized trust certification pursuant to Section 18100.5 of the Probate Code be submitted prior to closing. If trustee is deceased, incompetent or has resigned, both a trust certification, signed by successor trustee and copies of the entire trust including any amendments must be submitted for review prior to closing.

***** SPECIAL INFORMATION *****

*** CHAIN OF TITLE REPORT:

According to the public records, no deeds conveying the property described in this report have been recorded within a period of 2 years prior to the date of this report, except as shown herein: NONE

*** LENDER'S SUPPLEMENTAL ADDRESS REPORT:

The above numbered report is hereby modified and/or supplemented to reflect the following additional items relating to the issuance of an American Land Title Association Loan Form Policy:

Placer Title Company states that the herein described property is commercial and that the property address is:

CONDOMINIUM CONVERSION, 984 Plaza Drive, Unit 4, Grass Valley, CA 95945

***NOTICE REGARDING MAPS

Any maps provided herewith are for reference only. The property and/or easements shown are but approximations, and no assurances are given as to accuracy, reliability, dimensions or acreage. This will not limit the coverage provided by a CLTA 116, 116.1 or 116.03 endorsement if issued to the policy.

***** NOTICE REGARDING FUNDS DEPOSITED IN ESCROW:**

IMPORTANT NOTICE- ACCEPTABLE TYPE OF FUNDS

Please be advised that in accordance with the provisions of the California Insurance Code, Section 12413.1, any funds deposited for the closing must be deposited into the escrow depository and cleared prior to disbursement. Funds deposited by wire transfer may be disbursed upon receipt. Funds deposit via cashier's checks drawn on a California based bank may be disbursed the next business day. If funds are deposited with the Company by other methods, recording and/or disbursement may be delayed.

IMPORTANT NOTE: PLEASE BE ADVISED THAT ESCROW HOLDER DOES NOT ACCEPT CASH, MONEY ORDERS, ACH TRANSFERS, OR FOREIGN CHECKS.

PLEASE CONTACT ESCROW REGARDING QUESTIONS ON TYPE OF FUNDS REQUIRED IN ORDER TO FACILITATE THE PROMPT CLOSING OF THIS TRANSACTION.

NOTE: If you intend to remit multiple cashier's checks to close your escrow (which may or may not include gift funds or third party funds) IRS cash reporting under IRS Code 8300 may be required. For this reason, you may wish to consider wiring funds in lieu of remitting cashier's checks.

***** DISCLOSURE OF DISCOUNTS *****

You may be entitled to a discount on your title premiums and/or escrow fees if you meet any of the following conditions:

1. You are an employee of the title insurer or Placer Title Company and the property is your primary residence; or
2. The transaction is a loan, the purpose of which is to rebuild the improvements on the property as a result of a governmentally declared disaster; or
3. The property is being purchased or encumbered by a religious, charitable or nonprofit organization for its use within the normal activities for which such entity was intended.

Please advise the company if you believe any of the above discounts apply.

***** LENDER'S NOTE *****

In accordance with Executive Order 13224, and the USA Patriot Act, **PLACER TITLE COMPANY** compares the names of parties to the proposed transaction to the Specially Designated Nationals and Blocked Persons (SDN List) maintained by the United States Office of Foreign Asset Control.

***** BUYER'S NOTE *****

If an ALTA Residential Owner's Policy is requested and if the property described herein is determined to be eligible for this policy, the following Exceptions From Coverage will appear in the policy:

1. Taxes or assessments which are not shown as liens by the public records or by the records of any taxing authority.
2. (a) Water rights, claims or title to water; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) unpatented mining claims; whether or not the matters exception under (a), (b) or (c) are shown by the public records.
3. Any rights, interest or claims of parties in possession of the land which are not shown by the public records.
4. Any easements or liens not shown by the public records. This exception does not limit the lien coverage in Item 8 of the Covered Title Risks.
5. Any facts about the land which a correct survey would disclose and which are not shown by the public records. This exception does not limit the forced removal coverage in Item 12 of the Covered Title Risks.

CLTA PRELIMINARY REPORT FORM
Attachment One (Rev 11-09-18)
CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
 Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the public records at Date of Policy.

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE OWNER'S POLICY (02-04-22)

EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land; ii. the character, dimensions, or location of any improvement on the Land; iii. the subdivision of land; or iv. environmental remediation or protection.
- b. any governmental forfeiture, police, regulatory, or national security power.
- c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b. Exclusion 1 does not modify or limit the coverage provided under Covered Risk 5 or 6.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed, or agreed to by the Insured Claimant;
 - b. not Known to the Company, not recorded in the Public Records at the Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - c. resulting in no loss or damage to the Insured Claimant;
 - d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 9 or 10); or
 - e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser had been given for the Title at the Date of Policy.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transaction vesting the Title as shown in Schedule A is a:
 - a. fraudulent conveyance or fraudulent transfer;
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or ii. for any other reason not stated in Covered Risk 9.b.
5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 8.
6. Any lien on the Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 6 does not modify or limit the coverage provided under Covered Risk 2.b.
7. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

EXCEPTIONS FROM COVERAGE

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This policy treats any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document are excepted from coverage.

This policy does not insure against loss or damage and the Company will not pay costs, attorneys' fees, or expenses resulting from the terms and conditions of any lease or easement identified in Schedule A, and the following matters:

PART I

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records at Date of Policy but that could be (a) ascertained by an inspection of the Land, or (b) asserted by persons or parties in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records at Date of Policy.
4. Any encroachment, encumbrance, violation, variation, easement, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records at Date of Policy.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor, material or equipment unless such lien is shown by the Public Records at Date of Policy.
7. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records or are shown in Schedule B.

PART II

(Variable exceptions such as taxes, easements, CC&R's, etc., are inserted here)

CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (07-01-2021)

EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy and We will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to: i. the occupancy, use, or enjoyment of the Land; ii. the character, dimensions, or location of any improvement on the Land; iii. the subdivision of land; or iv. environmental remediation or protection.
 - b. any governmental forfeiture, police, or regulatory, or national security power.
 - c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
- Exclusion 1 does not modify or limit the coverage provided under Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23, or 27.
2. Any power to take the Land by condemnation. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 17.
 3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed, or agreed to by You;
 - b. not Known to Us, not recorded in the Public Records at the Date of Policy, but Known to You and not disclosed in writing to Us by You prior to the date You became an Insured under this policy;
 - c. resulting in no loss or damage to You;
 - d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 5, 8.f., 25, 26, 27, 28, or 32); or

e. resulting in loss or damage that would not have been sustained if You paid consideration sufficient to qualify You as a bona fide purchaser of the Title at the Date of Policy.

4. Lack of a right:

- a. to any land outside the area specifically described and referred to in Item 3 of Schedule A; and
- b. in any street, road, avenue, alley, lane, right-of-way, body of water, or waterway that abut the Land.

Exclusion 4 does not modify or limit the coverage provided under Covered Risk 11 or 21.

5. The failure of Your existing structures, or any portion of Your existing structures, to have been constructed before, on, or after the Date of Policy in accordance with applicable building codes. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 14 or 15.

6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transfer of the Title to You is a:

- a. fraudulent conveyance or fraudulent transfer;
- b. voidable transfer under the Uniform Voidable Transactions Act; or
- c. preferential transfer: i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or ii. for any other reason not stated in Covered Risk 30.

7. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.

8. Negligence by a person or an entity exercising a right to extract or develop oil, gas, minerals, groundwater, or any other subsurface substance.

9. Any lien on Your Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 9 does not modify or limit the coverage provided under Covered Risk 8.a. or 27.

10. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13)

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:

- a. building;
- b. zoning;
- c. land use;
- d. improvements on the Land;
- e. land division; and
- f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.

3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.

4. Risks:

- a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
- b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
- c. that result in no loss to You; or
- d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.

5. Failure to pay value for Your Title.

6. Lack of a right:

- a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
- b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.

7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.

9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

ALTA OWNER'S POLICY (07-01-2021)

EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to: i. the occupancy, use, or enjoyment of the Land; ii. the character, dimensions, or location of any improvement on the Land; iii. the subdivision of land; or iv. environmental remediation or protection.
 - b. any governmental forfeiture, police, regulatory, or national security power.
 - c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
- Exclusion 1 does not modify or limit the coverage provided under Covered Risk 5 or 6.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
 3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed, or agreed to by the Insured Claimant;
 - b. not Known to the Company, not recorded in the Public Records at the Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - c. resulting in no loss or damage to the Insured Claimant;
 - d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 9 or 10); or
 - e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser had been given for the Title at the Date of Policy.
 4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transaction vesting the Title as shown in Schedule A is a:
 - a. fraudulent conveyance or fraudulent transfer;
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer: i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or ii. for any other reason not stated in Covered Risk 9.b.
 5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 8.
 6. Any lien on the Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 6 does not modify or limit the coverage provided under Covered Risk 2.b.
 7. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

EXCEPTIONS FROM COVERAGE

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This policy treats any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document are excepted from coverage.

This policy does not insure against loss or damage and the Company will not pay costs, attorneys' fees, or expenses resulting from the terms and conditions of any lease or easement identified in Schedule A, and the following matters:

NOTE: The 2021 ALTA Owner's Policy may be issued to afford either Standard Coverage or Extended Coverage. In addition to variable exceptions such as taxes, easements, CC&R's, etc., the Exceptions from Coverage in a Standard Coverage policy will also include the Western Regional Standard Coverage Exceptions listed as 1 through 7 below:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or

assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.

2. Any facts, rights, interests, or claims that are not shown by the Public Records at Date of Policy but that could be (a) ascertained by an inspection of the Land or (b) asserted by persons or parties in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records at Date of Policy.
4. Any encroachment, encumbrance, violation, variation, easement, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records at Date of Policy.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor, material or equipment unless such lien is shown by the Public Records at Date of Policy.
7. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records or are shown in Schedule B

2006 ALTA OWNER'S POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions, or location of any improvement erected on the Land; (iii) the subdivision of land; or (iv) environmental protection; or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

NOTE: The 2006 ALTA Owner's Policy may be issued to afford either Standard Coverage or Extended Coverage. In addition to variable exceptions such as taxes, easements, CC&R's, etc., the Exceptions from Coverage in a Standard Coverage policy will also include the Western Regional Standard Coverage Exceptions listed below as 1 through 7 below:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records at Date of Policy but that could be (a) ascertained by an inspection of the Land, or (b) asserted by persons or parties in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records at Date of Policy.
4. Any encroachment, encumbrance, violation, variation, easement, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records at Date of Policy.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor, material or equipment unless such lien is shown by the Public Records at Date of Policy.
7. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records or are shown in Schedule B.

NOTICE FEDERAL FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT OF 1980 (FIRPTA)

Upon the sale of United States real property, by a non-resident alien, foreign corporation, partnership or trust, the Foreign Investment in Real Property Tax Act of 1980 (FIRPTA), and as revised by the Tax Reform Act of 1984 (26 USCA 897 (C)(1)(A)(1) and 26 USCA 1445), Revised by the Path Act of 2015, These changes may be reviewed in full in H.R. 2029, now known as Public Law 114-113. See Section 324 of the law for the full text of FIRPTA changes. Effective February 27, 2016, the amendments to FIRPTA contained in the PATH Act have increased the holdback rate from 10% of gross proceeds to 15% of gross proceeds of the sale, regardless of whether the actual tax due may exceed (or be less than) the amount withheld if ANY of the following conditions are met:

1. If the amount realized (generally the sales price) is \$300,000 or less, and the property will be used by the Transferee as a residence (as provided for in the current regulations), no monies need be withheld or remitted to the IRS.
 2. If the amount realized exceeds \$300,000 but does not exceed \$1,000,000, and the property will be used by the Transferee as a residence, (as provided for in the current regulations) then the withholding rate is 10% on the full amount realized (generally the sales prices)
 3. If the amount realized exceeds \$1,000,000, then the withholding rate is 15% on the entire amount, regardless of use by the Transferee. The exemption for personal use as a residence does not apply in this scenario.
- If the purchaser who is required to withhold income tax from the seller fails to do so, the purchaser is subject to fines and penalties as provided under Internal Revenue Code Section 1445.

Escrow Holder will, upon written instructions from the purchaser, withhold Federal Income Tax from the seller and will deposit said tax with the Internal Revenue Service, together with IRS Forms 8288 and 8288-A. The fee charged for this service is \$45.00 payable to the escrow holder.

CALIFORNIA WITHHOLDING

In accordance with Sections 18662 and 18668 of the Revenue and Taxation Code, a transferee (Buyer) may be required to withhold an amount equal to 3 1/3 percent of the sales price or an alternative withholding amount certified to by the seller in the case of a disposition of California real property interest by either:

1. A seller who is an individual or when the disbursement instructions authorize the proceeds to be sent to a financial intermediary or the seller,
OR
2. A corporate seller that has no permanent place of business in California.

The buyer may become subject to penalty for failure to withhold an amount equal to the greater of 10 percent of the amount required to be withheld or five hundred dollars (\$500).

However, notwithstanding any other provision included in the California statutes referenced above, no buyer will be required to withhold any amount or be subject to penalty for failure to withhold if:

1. The sales price of the California real property conveyed does not exceed one hundred thousand dollars (\$100,000.00), OR
2. The seller executes a written certificate, under the penalty of perjury, of any of the following:
 - a. The property qualifies as the seller's (or decedent's, if being sold by the decedent's estate) principal residence within the meaning of Internal Revenue Code (IRC) Section 121; or
 - b. The seller (or decedent, if being sold by the decedent's estate) last used the property as the seller's (decedent's) principal residence within the meaning of IRC Section 121 without regard to the two-year time period; or
 - c. The seller has a loss or zero gain for California income tax purposes on this sale; or
 - d. The property is being compulsorily or involuntarily converted and the seller intends to acquire property that is similar or related in service or use to qualify for non-recognition of gain for California income tax purposes under IRC Section 1033; or
 - e. If the transfer qualifies for non-recognition treatment under IRC Section 351 (transfer to a corporation controlled by the transferor) or IRC Section 721 (contribution to a partnership in exchange for a partnership interest); or
 - f. The seller is a corporation (or an LLC classified as a corporation for federal and California income tax purposes) that is either qualified through the California Secretary of State or has a permanent place of Business in California; or
 - g. The seller is a partnership (or an LLC that is not a disregarded single member LLC and is classified as a partnership for federal and California income tax purposes) with recorded title to the property in the name of the partnership of LLC; or
 - h. The seller is a tax-exempt entity under either California or federal law; or
 - i. The seller is an insurance company, individual retirement account, qualified pension/profit sharing plan, or charitable remainder trust; or
 - j. The transfer qualifies as a simultaneous like-kind exchange within the meaning of IRC Section 1031; or
 - k. The transfer qualifies as a deferred like-kind exchange within the meaning of IRC Section 1031; or
 - l. The transfer of this property will be an installment sale that you will report as such for California tax purposes and the buyer has agreed to withhold on each principal payment instead of withholding the full amount at the time of transfer.

The Seller is subject to penalty for knowingly filing a fraudulent certificate for the purpose of avoiding the withholding requirement.

NOTICE
DEPOSIT OF FUNDS AND DISBURSEMENT DISCLOSURE

Unless you elect otherwise (as described below), all funds received by (the "Company") in escrow will be deposited with other escrow funds in one or more non-interest bearing escrow accounts of the Company in a financial institution selected by the Company. The depositor acknowledges that the deposit of funds in a non-interest bearing demand account by Escrow Holder may result in said company receiving a range of economic benefits from the bank in the form of services, credits, considerations, or other things of value. The depositor hereby specifically waives any claim to such economic benefits payable to Escrow Holder resulting from non-interest bearing deposits. Unless you direct the Company to open an interest-bearing account (as described below), the Company shall have no obligation to account to you in any manner for the value of, or to compensate any party for, any benefit received by the Company and/or its affiliated company. Any such benefits shall be deemed additional compensation of the Company for its services in connection with the escrow.

If you elect, funds deposited by you prior to the close of escrow may be placed in an individual interest-bearing account arrangement that the Company has established with one of its financial institutions. You do not have an opportunity to earn interest on the funds deposited by a lender. If you elect to earn interest through this special account arrangement, the Company will charge you an additional fee of \$50.00 for the establishment and maintenance of the account. This fee compensates the Company for the costs associated with opening and managing the interest-bearing account, preparing correspondence/documentation, transferring funds, maintaining appropriate records for audit/reconciliation purposes, and filing any required tax withholding statements. It is important that you consider this cost in your decision since the cost may exceed the interest you earn.



Privacy Policy

Last Updated and Effective Date: December 1, 2024

This Privacy Notice ("Notice") describes how Mother Lode Holding Company and its subsidiaries and affiliates (collectively, "Mother Lode," "we," "us," or "our") collect, use, store, and share your personal information when: (1) you access or use our websites, mobile applications, web-based applications, or other digital platforms where this Notice is posted ("Sites"); (2) you use our products and services ("Services"); (3) you communicate with us in any manner, including by e-mail, in-person, telephone, or other communication method ("Communications"); (4) we obtain your information from third parties, including service providers, business partners, and governmental departments and agencies ("Third Parties"); and (5) you interact with us to conduct business dealings, such as the personal information we obtain from business partners and service providers and contractors who provide us certain business services ("B2B"). Personal information is sometimes also referred to as personal data, personally identifiable information or other like terms to mean any information that directly or indirectly identifies you or is reasonably capable of being associated with you or your household. However, certain types of information are not personal information and thus, not within the scope of our Notice, such as: (1) publicly available information; and (2) de-identified and aggregated data that is not capable of identifying you. If we use de-identified or aggregated data, we commit to maintain and use the information in a non-identifiable form and not attempt to reidentify the information, unless required or permitted by law.

This Notice applies wherever it is posted. To the extent a Mother Lode subsidiary or affiliate has different privacy practices, such entity shall have their own privacy statement posted as applicable. Please note that this Notice does **not** apply to any information we collect from job candidates and employees. Our employee and job candidate privacy notice can be found [here](#).

If you are a California resident, click [here](#) for specific disclosures about how we collect, use, store and disclose your personal information, along with your privacy rights.

[Notice at Collection](#)

[What Type of Information Do We Collect About You?](#)

Depending upon how you interact with our Sites and Services, the nature of your Communications, and the nature of our interaction with Third Parties, we may collect the following information from and about you:

- Direct identifiers, including but not limited to your unique online identifier, name, alias, social media handle, IP address, username and password, postal and/or e-mail address, phone number, account name and/or account number, social security number, driver's license number, passport number, and/or state identification number.
- Related identifiers, including but not limited to your date of birth, bank, credit, or debit card number, financial information, and/or insurance policy number.
- Physical characteristics, including protected characteristics under federal and state law, such as age, sex, race, and ethnicity.
- Commercial information, including records of products or services purchased, obtained, or considered.

- Biometric information, such as fingerprints and voice recordings.
- Internet or other electronic network activity information, with our Sites and in Communications, including browser type and version, browser settings, operating systems and platform, device type, operating information, mobile carrier, page response time and download errors.
- Geolocation data, such as your zip code and time zone.
- Audio, electronic, visual, and thermal information, including telephone recordings, electronic communication records, and security camera footage from applicable Mother Lode properties.
- Professional or employment-related information, such as your work history, salary history, and education history.

How Do We Collect Your Information?

We collect your personal information in three ways:

Directly from you when you access or use our Sites or Services, conduct business dealings with us in the B2B context or when you communicate with us in any manner, including but not limited to:

- Personal information you provide by filling out forms in person or electronically through our Sites, including information provided at the time of registering for any Service or event, posting material, or requesting further services or information;
- Personal information you provide when you access or use our Services;
- Personal information you provide when you conduct B2B dealings with us;
- Personal information you provide when you report a problem with our Sites;
- Records and copies of your correspondence (e.g., email address) if you contact us;
- Your responses to surveys that we might ask you to complete;
- Details of transactions you carry out through our Sites, and the fulfillment of your orders; and
- Your search queries on the Sites.

Automatically when you access or use our Sites or Services, conduct business dealings or when you communicate with us, including but not limited to:

- Details of your visits to the Sites, including traffic data, location data, logs and other communication data;
- Information about your computer and mobile device, and internet connection, including your IP address, operating system, and browser type; and
- Interactivity with an e-mail, including opening, navigating, and click-through information.

From Third Parties, including but not limited to:

- Data analytics providers for the purpose of receiving statistical data about your activity on our Sites;
- Social media networks for the purpose of collecting certain of your social media profile information and activity, including your screen names, profile picture, contact information, contact list, and the profile pictures of your contacts, through the social media platform;
- Service providers, including but not limited to internet service providers, fraud prevention services, and related partners; and
- Public sources, including local, state, and federal government agencies and departments, to facilitate your use of the Sites, and to provide you with our Services.

How Do We Use Your Information?

We use the personal information outlined in [What Type of Information Do We Collect About You](#) for a variety of business and commercial purposes, including but not limited to:

- Provide the Sites to you;
- Provide the Services you have requested;
- Conduct business dealings with you;
- Fulfill a transaction you requested or service your policy;
- Handle a claim;
- Create and manage your account;
- Protect and enforce your rights and the rights of other users against unlawful activity, including identity theft and fraud;
- Protect and enforce our collective rights arising under any agreements entered between Mother Lode and you or any other Third Party;

- Operate the Sites, including access management, payment processing, Site administration, internal operations, troubleshooting, data analysis, testing, research, and for statistical purposes;
- Respond to your requests, feedback, or inquiries;
- Comply with laws, regulations, and other legal requirements;
- Comply with relevant industry standards and our policies;
- Protect the integrity and maintain security of our Sites and Services;
- Operate, evaluate, and improve our business; and
- Deliver content tailored to your interests and the way you use the Sites;
- Present content in a manner that is optimized for your device;
- Measure and analyze the effectiveness of the Sites and Services we provide to you.

How Do We Disclose Your Personal Information?

We do not sell your personal information or share your personal information for cross-context behavioral advertising. We may, however, disclose personal information referenced in [What Type of Information Do We Collect About You](#) with others for a variety of business and commercial purposes, including:

- **With your consent.** We may disclose your personal information with your consent. We may obtain your consent in writing; online, through “click-through” agreements; when you accept the terms of use on our Sites; orally, either in person or on the phone; or by other means.
- **In a business transfer.** We may disclose your personal information as part of a corporate business transaction, such as a merger or acquisition, joint venture, corporate reorganization, financing, or sale of company assets, or in the unlikely event of insolvency, bankruptcy, or receivership, in which such information could be transferred to Third Parties as a business asset in the transaction.
- **To non-affiliated third parties, such as service providers and contractors.** We may disclose your personal information with other parties, such as service providers and contractors, to facilitate your access and use of our Sites and Services, including but not limited to internet service providers, data analytics providers, governmental entities, operating systems and platforms, social media networks, and service providers who provide us a service (e.g., credit / debit card processing, billing, shipping, repair, customer service, auditing, debugging to identify and repair errors that impair existing intended functionality on our Sites or Services, and/or protecting against malicious, deceptive, fraudulent, or illegal activity).
- **To subsidiaries and affiliates.** We may disclose your personal information with our Mother Lode subsidiaries and affiliates to further facilitate your use of our Sites and Services, and to ensure the smooth and consistent operations of Mother Lode by identifying and repairing errors that impede intended functionality and to protect against malicious, deceptive, fraudulent, or illegal activity.
- **For legal process and protection.** We may disclose your personal information to satisfy any law, regulation, legal process, governmental request, or where we have a good faith belief that access, use, preservation or disclosure of such information is reasonably necessary to:
 - Enforce or apply agreements, or initiate, render, bill, and collect for Services;
 - Protect our rights or interests, property or safety or that of others;
 - In connection with claims, disputes, or litigation - in court or elsewhere;
 - Protect users of our Sites and Services and other carriers or providers from fraudulent, abusive, or unlawful use of, or subscription to, such services; and

- Facilitate or verify the appropriate calculation of taxes, fees, or other obligations due to a local, state, or federal government.

Links To Third Party Sites

Our Sites may contain links to Third Party websites and services. Please note that these links are provided for your convenience and information, and the websites and services may operate independently from us and have their own privacy policies or notices, which we strongly suggest you review. This Notice applies to our Sites only, and we do not accept any responsibility or liability for the policies or practices of any Third Parties.

Third Party Tracking / Do Not Track

Our Sites may, from time to time, collect information about your online activities, over time and across our different Sites. When you use our Sites, third parties may also collect information about your online activities, over time and across different internet websites, online or cloud computing services, online applications, or mobile applications. Some browsers support a “Do Not Track” feature, which is intended to be a signal to websites that you do not wish to be tracked across different websites you visit. Our Sites do not currently change the way they operate based upon detection of a “Do Not Track” or similar signal.

Social Media Integration

Our Sites and/or Services may, from time to time, contain links to and from social media platforms. You may choose to connect to us through a social media platform, such as Facebook or Twitter. When you do, we may collect additional information from or about you, such as your screen names, profile picture, contact information, contact list, and the profile pictures of your contacts, through the social media platform. Please be advised that social media platforms may also collect information from you. We do not have control over the collection, use and sharing practices of social media platforms. We therefore encourage you to review their usage and disclosure policies and practices, including their data security practices, before using the social media platforms.

How Do We Store and Protect Your Personal Information?

Although no system can guarantee the complete security of your personal information, we take all commercially reasonable steps to ensure your personal information is protected in alignment with all applicable laws and regulations, as appropriate to the sensitivity of your personal information.

How Long Do We Keep Your Personal Information?

We keep your personal information for as long as necessary in accordance with the purpose for which it was collected, our business needs, and our legal and regulatory obligations. If we dispose of your information, we will do so in a way that is secure and appropriate to nature of the information subject to disposal.

Cookies and Related Technology

We may use browser cookies, beacons, pixel tags, scripts, and other similar technologies from time to time to support the functionality of our Sites and Services. A cookie is a piece of information contained in a very small text file that is stored in your Internet browser or elsewhere on your hard drive. Cookies are transferred from our Sites to your computer, phone or tablet, and allow us to identify your device whenever you return to our Sites. These technologies provide a better experience when you use our Sites and Services, and allow us to improve our services. We may also use analytic software, such as Google Analytics and others, to help better understand how our Sites function on your device(s) and for other analytical purposes. To learn more about how Google uses data when you use our Sites, see [How Google uses data when you use our partners' sites or apps](#).

You can opt-out of Google Analytics by installing Google's opt-out browser add-on [here](https://tools.google.com/dlpage/gaoptout) <https://tools.google.com/dlpage/gaoptout>.

Below is an overview of the types of cookies and related technology we deploy, and your choices.

Browser Cookies. A browser cookie is a small file placed on the hard drive of your computer. That cookie then communicates with servers, ours or those of other companies that we authorize to collect data for us and allows recognition of your personal computer. You may use the tools available on your computer or other device(s) to set your browser to refuse or disable all or some browser cookies, or to alert you when cookies are being set. However, if you refuse or disable all browser cookies, you may be unable to access certain parts or use certain features or functionality of our Sites. Unless you have adjusted your browser settings so that it refuses all cookies, we may use cookies when you direct your browser to our Sites.

Beacons. Our Sites and e-mails may contain small electronic files known as beacons (also referred to as web beacons, clear GIFs, pixel tags and single-pixel GIFs) that permit us to, for example, to count users who have visited those pages or opened an e-mail and for other website-related statistics. You may use the tools in your device to disable these technologies as well.

Third Party Technology. Our service providers may also use cookies and beacons to collect and share information about your activities both on our Sites and on other websites and applications. In addition, third parties that are unaffiliated with us may also collect information about you, including tracking your browsing history, when you use our Sites. We do not have control over these third-party collection practices. If you wish to minimize these third-party collections, you can adjust the settings of your browsers or install plug-ins and add-ins.

Your Choices. You may wish to restrict the use of cookies or completely prevent them from being set. Most browsers provide for ways to control cookie behavior, such as the length of time they are stored. If you disable cookies, please be aware that some of the features of our Sites may not function correctly. To find out more on how to manage and delete cookies, visit www.aboutcookies.org. For more details on your choices regarding use of your web browsing activity for interest-based advertising, you may visit the following sites:

- <http://networkadvertising.org/>
- <http://optout.aboutads.info/>
- <http://youradchoices.com/>

Your Choices

We provide you the ability to exercise certain controls and choices regarding our collection, use, storage, and disclosure of your personal information. For California residents, please click [here](#) to understand how to exercise your rights.

- **Right of Correction.** Regardless of where you live, you may submit a request that we correct or update the information we have about you.
- **Right to Change Preferences.** Regardless of where you live, you may change your choices for subscriptions, newsletters, and alerts.
- **Right to Control Advertising and Online Tracking.** Regardless of where you live, you have a right to control how your personal information is tracked online. To learn more about these rights, see [Cookies and Related Technologies](#).
- **Right of Non-Discrimination.** Regardless of where you live, you have a right to exercise your rights under this section free of discrimination. Mother Lode will not discriminate against you in any way if you choose to exercise your rights under this section.

California Consumer Privacy Act Rights and Disclosures

The following disclosures are made pursuant to the California Consumer Privacy Act, as amended by the California Privacy Rights Act and its implementing regulations (“CCPA”).

Relevant CCPA Definitions

Term	Definition
Personal information	Information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, to you or your household.
Sensitive personal information	Personal information that reveals your social security number, driver's license number, state identification card, passport number, account log-in and password, financial account and password, debit or credit card number and access code, precise geolocation information, race, ethnic origin, citizenship or immigration status, religious or philosophical beliefs, union membership, the content of your mail, email or texts other than those communications with us, genetic data, neural data, biometric information, health information, and information that concerns your sex life or sexual orientation.
Sell, sale, or sold	Selling, renting, releasing, disclosing, disseminating, making available, transferring, or otherwise communicating orally, in writing, or by other means, your personal information to a third party for monetary or other valuable consideration.
Share, shared, or sharing	Sharing, renting, releasing, disclosing, disseminating, making available, transferring, or otherwise communicating orally, in writing, or by electronic or other means, your personal information to a third party for cross-context behavioral advertising, whether or not for monetary or other valuable consideration, including transactions between us and a third party for cross-context behavioral advertising for our benefit in which no money is exchanged.

Summary of Categories of Personal Information Collected and Disclosed

Below is a summary of the categories of personal information we have collected from and about you in the twelve months preceding the date this Notice was last updated. Also included in this description is personal information about: (1) why the personal information is collected and used; (2) whether the information is “sold” or “shared” to third parties; (3) whether the information is disclosed for a business purpose to third parties; (4) whether the information includes “sensitive personal information”; and (5) a description of how long we may keep your information. To learn more about the personal information we will collect on an ongoing basis, please see our [Notice at Collection](#) above.

Categories of Personal Information:

- **Identifiers (Includes Sensitive Personal Information):** Includes personal information such as your name, alias, postal address, and telephone number, unique online identifier, social media handle, IP address, username and password, email address, account name and/or account number, social security number, driver's license number, passport number or state identification number.
- **Physical Characteristics (Includes Sensitive Personal Information):** Includes personal information such as your race, sex, age and ethnicity.
- **Financial Information (Includes Sensitive Information):** Includes personal information such as bank account number, credit card number, debit card number, insurance policy number or other financial information.
- **Internet or other Electronic Network Activity Information:** Includes personal information such as browser type and version, browser settings, operating systems and platform, device type, operating information, mobile carrier, page response time and download errors.

- **Commercial Information:** Includes personal information such as records of products or services purchased, obtained, or considered.
- **Biometric Information (Includes Sensitive Personal Information):** Includes personal information such as fingerprints, and voice recordings.
- **Professional and Educational Information:** Includes your work history, salary history, and education history.
- **Audio, Electronic, Visual, Thermal, and Related Information:** Includes personal information such as photographs, video recordings, or recorded messages.
- **Geolocation:** Such as zip code and time zone.

Category Disclosure Information

Disclosure	Categories	Description
How do we collect this information?	Identifiers*	We collect this personal information directly from you or automatically from your device(s). We also may collect this personal information from third parties such as service providers and government agencies.
	Physical Characteristics*	We collect this personal information directly from you. We also may collect this personal information from other parties, such as service providers.
	Financial Information*	
	Internet or other Electronic Activity Information	
	Commercial Information	We collect this personal information directly from you or automatically from your device(s). We also may collect this personal information from other parties such as service providers.
	Biometric Information*	
	Professional and Educational Information*	We collect this personal information directly from you. We also may collect this personal information from other parties such as service providers and government agencies.
Does this include sensitive personal information?	Audio, Electronic, Visual, and Related Information	We collect this personal information directly from you or automatically from your device(s). We also may collect this personal information from other parties such as service providers.
	<p>The categories of sensitive personal information we collect include social security number, driver's license number, passport number, racial or ethnic origin, health information, bank account number, credit card number, debit card number, or any other financial information with a required access or security code, password, or credentials.</p> <p>*Denotes which categories may include sensitive personal information.</p> <p>We do not process your sensitive personal information other than for the purposes permitted under the CCPA, such as providing the Sites to you, providing the Services you requested, fulfilling a transaction you requested or servicing your policy.</p>	
Is the information "sold" or "shared"?	No. To the extent any Mother Lode affiliated entity has a different practice, it will be stated in the applicable privacy notice posted for the particular affiliated entity.	

What is our business purpose for collecting your information?	See How Do We Use Your Personal Information above.
Who do we disclose this information to?	See How Do We Share Your Personal Information above.
How long do we keep the information?	We keep your personal information for so long as is reasonably necessary and proportionate to the original purpose for which we collected the personal information. We base our criteria in determining appropriate retention periods on regulatory and legal requirements, contractual requirements, business needs, and the expectations of you.

Notice of Disclosure for a Business Purpose

To learn more about the categories of personal information we have disclosed for a business purpose about California residents over the last twelve months, including the categories of parties with whom we have disclosed that personal information, please see [What Type of Personal Information Do We Collect About You](#) and [How Do We Share Your Personal Information](#).

Notice of Sale or Sharing

We do not sell or share personal information as defined under the CCPA, nor have we sold or shared such personal information in the past 12 months. **To the extent any Mother Lode affiliated entity has a different practice, it will be stated in the applicable privacy notice posted for the particular affiliated entity.** We have no actual knowledge of selling or sharing the personal information of minors under the age of 16.

Your Rights

Under CCPA and its implementing regulations, you have a **Right to Know, Right to Correct, Right to Delete, and Right to Non-Discrimination**. We do not offer a right to opt out of sale or sharing or limit the use and disclosure of sensitive personal information because we do not sell or share your personal information or use your sensitive personal information other than for permitted purposes under the CCPA. We provide you the ability to exercise certain controls and choices regarding our collection, use, storage, and disclosure of your personal information. Please note that for some of these rights, such as the Right to Know, Right to Correct, and Right to Delete, we will verify your identity before we respond to your request. To verify your identity, we will generally match the identifying personal information provided in your request with the information we have on file about you. Depending on the sensitivity of the personal information related to your rights request, we may also utilize more stringent verification methods to verify your identity, including but not limited to requesting additional information from you and/or requiring you to sign a declaration under penalty of perjury.

- **Right to Know.** You have a right to confirm whether we are processing your personal information and ask that we disclose to you the categories and specific pieces of personal information we have collected about you including a description of the categories of sources from which we have collected that personal information, the business or commercial purpose for collecting or sharing that information, and the categories of third parties to whom we have disclosed that personal information. You have the right to receive this information in a format, to the extent technically feasible, that is portable, usable, and allows you to transmit the personal information to a person without impediment. You may submit this request by [clicking here](#) or by calling 1-877-626-0668. You may also designate an authorized agent to submit a request on your behalf.

- **Right to Correct.** You have a right to ask that we correct your personal information, subject to appropriate legal exceptions. You may submit this request by [clicking here](#) or by calling 1-877-626-0668. You may also designate an authorized agent to submit a request on your behalf.
- **Right to Delete.** You have a right to ask that we delete your personal information, subject to appropriate legal exceptions. You may submit this request by [clicking here](#) or by calling 1-877-626-0668. You may also designate an authorized agent to submit a request on your behalf.
- **Right of Non-Discrimination.** You have a right to exercise your rights under this section free of discrimination. Mother Lode will not discriminate against you in any way if you choose to exercise your rights under this section.

Authorized Agents

If permitted or required by applicable law, you may exercise your privacy rights through an authorized agent. If we receive your request from an authorized agent, we may ask for evidence that you have provided such agent with a power of attorney or that the agent otherwise has valid written authority to submit requests to exercise rights on your behalf. If you are an authorized agent seeking to make a request, please submit the [Authorized Agent Form](#).

California Minors

If you are a California resident under the age of 18, California Business and Professions Code § 22581 permits you to request and obtain removal of content or information you have publicly posted on any of our Sites. To make such a request, please send an email with a detailed description of the specific content or information to privacy@mlhc.com. Please be aware that such a request does not ensure complete or comprehensive removal of the content or information you have posted and there may be circumstances in which the law does not require or allow removal even if requested.

Children

Our Sites and Services are not intended for children under the age of 18. This includes any links to other websites that we provide for our convenience. We do not knowingly collect personal information of children for any reason.

International Jurisdictions

Our Sites and Services are hosted and offered in the United States of America (US), and are subject to US federal, state, and local law. If you are accessing the Sites or Services from another country, please be advised that you may be transferring your information to us in the US, and you consent to that transfer and use of your personal information in accordance with this Notice. You also agree to abide by the applicable laws of applicable US federal, state, and local laws concerning your use of the Sites and Services, and your agreements with us. Any persons accessing our Sites or Services from any jurisdiction with laws or regulations governing the use of the Internet, including the collection, use, or disclosure of information, different from those of the jurisdictions mentioned above may only use the Sites or Services in a manner lawful in their jurisdiction. If your use of the Sites or Services would be unlawful in your jurisdiction, you may not use the Sites or Services.

Accessibility

We are committed to making our content accessible and user friendly to everyone. To request a copy of this Notice in an alternative format, please contact us at accessibility@mlhc.com or 1-877-626-0668.

Changes To Our Privacy Notice

We may change this Notice from time to time. Any and all changes will be reflected on this page, and where appropriate provided in person or by another electronic method. The effective date will be stated at the top of this Notice. You should regularly check this page for any changes to this Notice. **YOUR CONTINUED USE, ACCESS, OR INTERACTION WITH THE SITES OR SERVICES, OR YOUR CONTINUED COMMUNICATIONS WITH US AFTER THE UPDATED NOTICE HAS BEEN POSTED WILL REPRESENT THAT YOU HAVE READ AND UNDERSTOOD THIS NOTICE.**

Contact Us

If you have any questions, please contact us at privacy@mlhc.com or by calling 1-877-626-0668.

GRAMM-LEACH-BLILEY ACT PRIVACY POLICY NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) requires financial companies to provide you with a notice of their privacy policies and practices, such as the types of nonpublic personal information that they collect about you and the categories of persons or entities to whom it may be disclosed. In compliance with the Gramm-Leach-Bliley-Act, we are notifying you of the privacy policies and practices of:

Mother Lode Holding Co.
Montana Title and Escrow Co.
National Closing Solutions, Inc.
National Closing Solutions of Alabama
National Closing Solutions of Maryland
Premier Reverse Closings
Centric Title and Escrow

Placer Title Co.
Placer Title Insurance Agency of Utah
Premier Title Agency
North Idaho Title Insurance Co.
Texas National Title
Western Auxiliary Corp.
Wyoming Title and Escrow Co.
Wisconsin Title Closing Service, Inc.

The types of personal information we collect and share depend on the transaction involved. This information may include:

- Identity information such as Social Security number and driver's license information.
- Financial information such as mortgage loan account balances, checking account information and wire transfer instructions
- Information from others involved in your transaction such as documents received from your lender

We collect this information from you, such as on an application or other forms, from our files, and from our affiliates or others involved in your transaction, such as the real estate agent or lender.

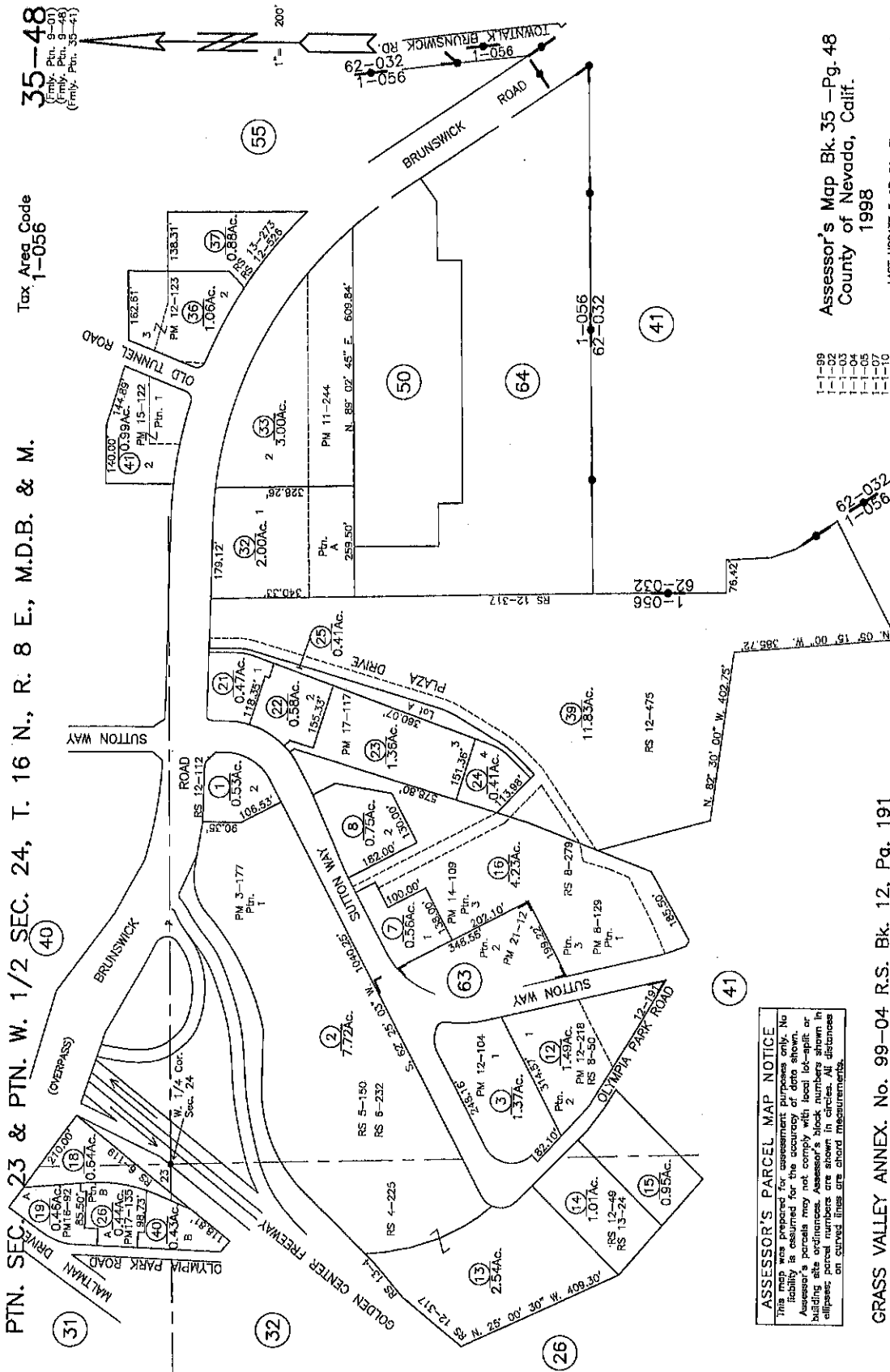
We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to non-affiliates as permitted by law for our everyday business purposes, such as to process your transactions and respond to legal and regulatory matters. We do not sell your personal information or share it for marketing purposes.

We do not share any nonpublic personal information about you with anyone for any purpose that is not specifically permitted by law.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Questions about this notice and privacy policy may be sent to MLHC Counsel, Legal Dept., 185 Fulweiler Avenue, Auburn, CA 95603 or privacy@mlhc.com.

PPTN. SEC. ²³ & PTN. W. 1/2 SEC. 24, T. 16 N., R. 8 E., M.D.B. & M.



1-1-99
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1-1-21

Assessor's Map Bk. 35 -Pg. 48
County of Nevada, Calif.

LAST UPDATE 5-17-21 EL NW 12/98

GRASS VALLEY ANNEX. No. 99-04 R.S. Bk. 12, Pg. 191

ASSESSOR'S PARCEL MAP NOTICE
This map was prepared for assessment purposes only. No liability is assumed for the accuracy of data shown. Assessor's parcels may not comply with local lot-split or building code ordinances. Assessor's block numbers shown in ellipses; parcel numbers are shown in circles. All distances

PARCEL MAP 87-1

BEING A PORTION OF

SECTION 24, T. 14 N., R. 8 E., M.D.M.

IN THE UNINCORPORATED TERRITORY OF

NEVADA COUNTY CALIFORNIA

SCALE 1" = 100' SHEET 1 OF 3 MAY 1987

WONG & ASSOCIATES
SACRAMENTO, CALIFORNIA

DRAWER'S CERTIFICATE

THE UNDERSIGNED, BEING ALL PARTIES HAVING ANY RECORD TITLE INTEREST IN THE LAND WITHIN THIS DIVISION, HEREBY CONSENT TO THE PREPARATION AND RECORDATION OF THIS MAP.

James L. Howard
FOR THE DRAWER
James L. Howard
REGISTERED CIVIL ENGINEER

SURVEYOR'S CERTIFICATE

THIS MAP WAS PREPARED BY ME, OR UNDER MY DIRECTION, AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SURVEYOR'S MAP ACT, AND LOCAL ORDINANCE AT THE REQUEST OF LANCE ANNAH IN APRIL 1987. I HEREBY STATE THAT THIS PARCEL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP, IF ANY.

ALL MONUMENTS SHOWN HEREON ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED. THE MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.

DATE May 1987
James L. Howard
REGISTERED CIVIL ENGINEER

STATE OF CALIFORNIA
COUNTY OF NEVADA

ON THIS 15TH DAY OF MAY, 1987, BEFORE ME, James L. Howard, a Notary Public in and for said County and State, residing therein, duly commissioned and sworn, personally appeared James L. Howard, and James L. Annaah, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose executed the within instrument and acknowledged to me that they executed the same.

MY COMMISSION EXPIRES: 5-4-90

James L. Howard
NOTARY PUBLIC IN & FOR SAID
COUNTY AND STATE

COUNTY SURVEYOR'S CERTIFICATE
THIS MAP CONFORMS WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE.

James L. Howard
COUNTY SURVEYOR

RECORDER'S CERTIFICATE

FILED THIS 18th DAY OF MAY, 1987, AT 3:55 PM, IN BOOK 17 OF PARCEL MAPS AT PAGE 112, AT THE REQUEST OF WONG & ASSOCIATES.

FILE: 1000

DOC. NO. 87-112A

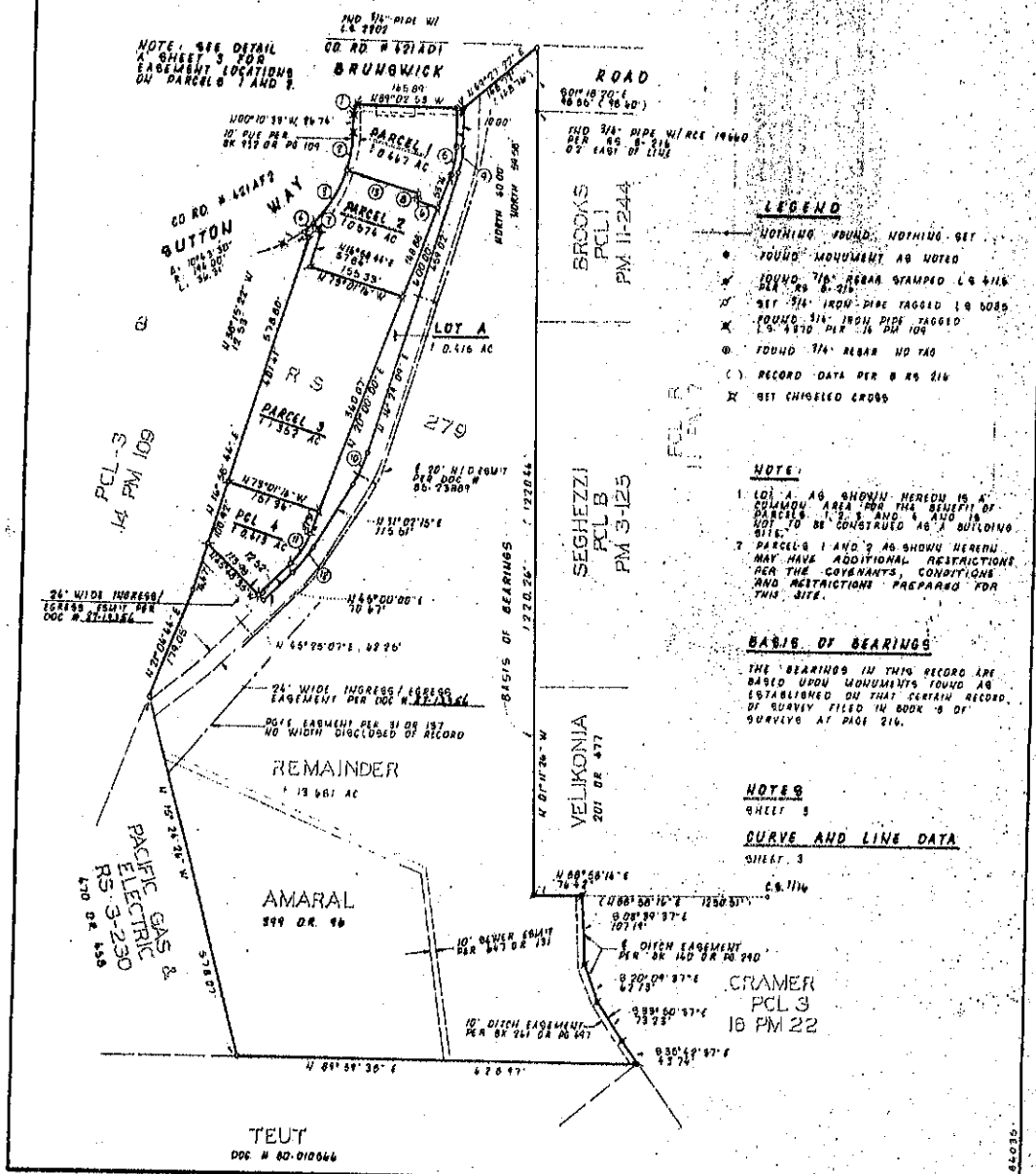
BY: *James L. Howard*

James L. Howard

PARCEL MAP 87-1

BEING A PORTION OF
SECTION 24, T. 16 N., R. 8 E., M. 3 E.
IN THE UNINCORPORATED TERRITORY OF
NEVADA COUNTY CALIFORNIA
SCALE 1" = 100' MAY, 1967

WONG & ASSOCIATES
SACRAMENTO, CALIFORNIA



PARCEL MAP 87-1

BEING A PORTION OF

SECTION 24, T.16 N., R.8 E., M.D.M.

IN THE UNINCORPORATED TERRITORY OF

NEVADA COUNTY

CALIFORNIA

SCALE 1" = 50'

SHEET 3 OF 3

WONG & ASSOCIATES

SACRAMENTO, CALIFORNIA

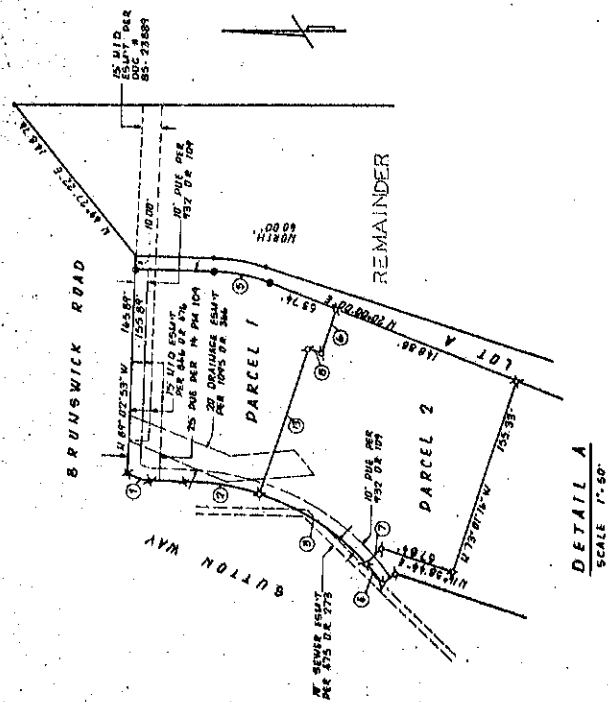
NOTE:

THE FOLLOWING ELEMENTS AFFECT THE PARCELS SHOWN HEREON. THE EXACT LOCATIONS ARE NOT DEFINED BY RECORD:

- AN EASEMENT FOR POLES, LINES AND INCIDENTAL PURPOSES AS SHOWN ON PARCEL MAP 87-1, RECORD 136, PAGE 415, DEED 136, JUNE 22, 1900 IN BOOK 94, PAGE 415, DEED 136.
- THE RIGHT WHEN SAID LAND TO MAKE GEOMORPHOLOGICAL EXPLORATIONS AND INCIDENTAL PURPOSES AS RESERVED BY DONOR 136, PAGE 17, OFFICIAL RECORDS.
- AN EASEMENT OVER SAID LAND FOR ACCESS, PARKING AND INCIDENTAL PURPOSES AS RESERVED BY DONOR 136, PAGE 17, OFFICIAL RECORDS.
- AN EASEMENT OVER SAID LAND FOR UNDERGROUND PIPES, CONDUITS, WIRES, CABLES, PAIDS, FIXTURES AND INCIDENTAL PURPOSES AS RESERVED BY DONOR 136, PAGE 17, OFFICIAL RECORDS.
- AN EASEMENT FOR TWO-WAY ALLEYS IN SHOPPING CENTER 136, AS SERIES NO. 86-06179, OFFICIAL RECORDS, AND THE EASTERN PORTION OF PARCEL 1.

CURVE AND LINE DATA

1	Δ = 37°03'22"	R = 25.00'	L = 18.76'
2	Δ = 17°08'05"	R = 194.00'	L = 58.02'
3	Δ = 28°52'42"	R = 194.00'	L = 97.78'
4	Δ = 95°54'24"	R = 194.00'	L = 20.00'
5	Δ = 20°00'00"	R = 128.00'	L = 44.68'
6	Δ = 73°01'16"	R = 35.10'	L = 18.85'
7	Δ = 16°58'44"	R = 11.00'	L = 40.88'
8	Δ = 14°29'09"	R = 142.00'	L = 54.60'
9	Δ = 25°00'00"	R = 128.00'	L = 55.85'
10	Δ = 14°22'53"	R = 205.00'	L = 51.46'
11	Δ = 22°01'18"	R = 118.35'	L = 51.46'



Nevada County Recorder
Gregory J. Diaz
Document#: 20150008755
Wednesday April 22 2015, at 02:19:00 PM
Rec Fee: \$254.00
Paid: \$254.00
Recorded By: CP

**Recording Requested By And
When Recorded Return To:**

Olympia Plaza Owners Association
c/o Terra Alta Development
Box 1657
Nevada City, CA 95959-1657

APNs: 35-480-21, 35-480-22, 35-480-23, 35-480-24, 35-480-25

The undersigned grantor(s) declare(s):

Documentary transfer tax is \$0.00

- ☐ computed on full value of property conveyed, or
☐ computed on full value less value of liens and encumbrances remaining at time of sale.
☐ unincorporated area: ☒ City of Grass Valley, CA
☒ Realty not sold.

**AMENDED AND RESTATED DECLARATION
OF RECIPROCAL EASEMENTS
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR OLYMPIA PLAZA
GRASS VALLEY, CA**

**OLD REPUBLIC TITLE COMPANY has
requested that this document be recorded
as an ACCOMMODATION ONLY. It has not
been examined for regularity, sufficiency,
or effect on the title herein described.**

Mail Tax Statements As Directed Above

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**OWNER'S CERTIFICATE OF ADOPTION OF AMENDED AND RESTATED
DECLARATION OF RECIPROCAL EASEMENTS COVENANTS, CONDITIONS, AND
RESTRICTIONS FOR OLYMPIA PLAZA GRASS VALLEY, CA 67**

AMENDED AND RESTATED
DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
Olympia Plaza

This Amended and Restated Declaration of Reciprocal Easements, Covenants, Conditions and Restrictions for Olympia Plaza (hereinafter called the "Declaration") is made by the owners of the properties that comprise Olympia Plaza, The Julia R. Amaral Trust - 1993, and Laurence V. Amaral and Gloria A. Amaral Trust dated June 30, 1995 F/B/O The Amaral Family (hereinafter collectively referred to as "Owners" or "Declarants,") this ____ day of _____, 2015.

RECITALS

- A. Olympia Plaza ("the Development") consists of 4 parcels and Parcel "A", a common area remainder parcel created by parcel map recorded as Map No. 87-1 for Frank V. Amaral, et ux, filed for record in the Office of the Nevada County Recorder on May 18, 1987, in Book 17 of Parcel Maps, at Page 117. The legal description of the Development is attached as Exhibit A hereto. The 4 parcels have been developed for commercial retail uses and ownership of Parcels 1 and 2 has been transferred to The Julia R. Amaral Trust dated 1993, while Parcels 3 and 4 have been transferred to The Amaral Family Trust Dated June 30, 1995. A site plan map of the Development, ("the Development Plan") showing the present buildings, and Common Area roads, landscaping, utility, drainage and parking easement areas is attached hereto as Exhibit "A."
- B. Title to the Parcels and Common Areas comprising the Development have heretofore been conveyed subject to certain protective covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way and equitable servitudes as set forth in a "DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND GRANT OF EASEMENTS" recorded as Document #87-13355 in the Official Records of Nevada County ("the Original Declaration.")
- C. The Owners desire to extend, amend and restate the CC&R's and easements to clarify them and bring them into conformance with the requirements of Civil Code §§6500 *et seq.* (the Commercial and Industrial Common Interest Development Act). It is the Owners' intent to do so for the purpose of enhancing and protecting the value, desirability, and attractiveness of the real property and improvements comprising the Development, all of which shall run with the real property comprising the Development and be binding on all parties having or acquiring any right, title, or interest in such real property, or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each Owner thereof, and all of which are intended to be in furtherance of a general plan for the subdivision, development, sale, and use of the real property

Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Olympia Plaza

comprising the Development as a “common interest development” and “planned development” as those terms are defined in Civil Code §§6534 and 6562. Finally, it was the intention of the Original Declarants in the Original Declaration, and it is the intention of the Present Declarants and Owners that the “Common Area” and “Common Facilities,” as defined below, be owned and maintained jointly by the Owners and their successors for the use and enjoyment of the Owners, their tenants, lessees, guests, and invitees.

- D. It is the intention of the Owners to replace the Original Declaration in its entirety, with this Declaration. The Owners’ action to amend and restate the Original Declaration, is attested by the execution of this Restated Declaration by all owners within the Development consistent with Civil Code §6620 and the provisions of the Original Declaration for amendment.

ARTICLE I. Definitions

Section 1.01 “Architectural Committee” or “Committee”

“Architectural Committee” or “Committee” means the committee created in accordance with ARTICLE VII below.

Section 1.02 “Articles”

“Articles” means the Articles of Incorporation of the Association, if it is incorporated, which are filed in the Office of the California Secretary of State, as such Articles may be amended from time to time.

Section 1.03 “Assessment”

“Assessment” means any Regular, Special, Special Individual or Emergency Assessment made or assessed by the Association against an Owner and his or her Parcel in accordance with the provisions of ARTICLE IV below.

Section 1.04 “Association”

“Association” means the Olympia Plaza Owners Association, an unincorporated association formed by the owners of the property in the Development, its successors and assigns.

Section 1.05 “Association Rules”

“Association Rules” means the rules, regulations, and policies adopted by the Board of Directors, under Section 3.08, as the same may be in effect from time to time. Without limiting the foregoing, the Association Rules shall also include any Architectural Rules adopted under Section 7.05, and any rules relating to Association disciplinary procedures adopted under Section 13.06(e) below.

Section 1.06 “Board of Directors” or “Board”

“Board of Directors” or “Board” means the Board of Directors of the Association.

Section 1.07 “Building”

“Building” shall mean any of the buildings as shown on the Development Plan.

Section 1.08 “Bylaws”

“Bylaws” means the Bylaws adopted by the Association, as such Bylaws may be amended from time to time.

Section 1.09 “Center Sign”

“Center Sign” shall mean that free-standing sign located at the southwest corner of Brunswick Road and Plaza Dr. advertising the Center and providing limited spaces for signs for individual tenants, which shall be part of the Common Area and maintained and controlled by the Association.

Section 1.10 “City”

“City” means the City of Grass Valley, County of Nevada, State of California, and its various departments, divisions, employees, and representatives.

Section 1.11 “Common Area”

“Common Area” means all road, parking, landscaping, utility, drainage, and other easement areas and Common Facilities, including the Center Sign, and Parcel A as shown on the Development Plan.

Section 1.12 “Common Expense”

“Common Expense” means any use of Association funds authorized by ARTICLE IV below, and Article IX of the Bylaws and includes, without limitation: (a) All expenses or charges incurred by or on behalf of the Association for the management, maintenance, administration, insurance, operation, repairs, additions, alterations or reconstruction of the Common Area, Common Facilities, and any portions of the Parcels that the Association is obligated to maintain or repair; (b) all expenses or charges reasonably incurred to procure insurance for the protection of the Association and its Board of Directors, (c) any amounts reasonably necessary for reserves for maintenance, repair, and replacement of the Common Area and Common Facilities and any portions of the Parcels that the Association is obligated to maintain or replace, and for nonpayment of any Assessments; and (d) the use of such funds to defray the costs and expenses incurred by the Association in the performance of its functions or in the proper discharge of the responsibilities of the Board as provided in the Governing Documents.

Section 1.13 “Common Facilities”

“Common Facilities” means all facilities of whatever kind and nature within the Common Area.

Section 1.14 “County”

“County” means the County of Nevada, State of California, and its various departments, divisions, employees, and representatives.

Section 1.15 “Declarant”

“Declarant” means the undersigned Owners, who own all of the property within the Development.

Section 1.16 “Declaration”

“Declaration” means this instrument, as it may be amended from time to time. The “Original Declaration” means and refers to the document referenced in the Recitals to this Declaration together with all amendments and annexations thereto adopted before adoption of this Declaration.

Section 1.17 “Development”

“Development” means the Development as defined above and includes all Common Areas and Parcels described and depicted in the Parcel Map and all annexed property, together with all buildings, structures, utilities, Common Area and Common Facilities, and other Improvements now located thereon, and all appurtenances thereto. At times herein the Development is referred to by its common name, which is “Olympia Plaza”.

Section 1.18 “Development Plan”

“Development Plan” means the Development site plan attached and made a part hereof as Exhibit B delineating the Parcels, existing buildings, a separate map of common area easements and other pertinent information about the Development. Development Plan shall also include any amendment to the Plan.

Section 1.19 “Governing Documents”

“Governing Documents” is a collective term that means and refers to this Declaration and to the Articles, if any, the Bylaws, and the Association Rules including the Architectural Rules, which govern the operation of the Association.

Section 1.20 “Improvement”

“Improvement” means the construction, installation, alteration, or remodeling of the Owner’s Separate Interest that affects the exterior of a building or the Common Area. Construction,

installation alteration or remodeling that only affects the interior of a building shall not be an Improvement subject to Association regulation.

Section 1.21 “Parcel”

“Parcel” means a separate parcel so designated on the Parcel Map, or any subsequent map, which is intended for commercial development and use, but excluding Parcel A and any other common area parcels. Each Parcel is subject to such Common Area easements and encroachments as are shown on the Development Plan, whether the same now exists or may be later caused or created in any manner referred to in ARTICLE IX of this Declaration.

Section 1.22 “Majority of a Quorum”

“Majority of a Quorum” means the votes of more than 50% of the voting interest cast at a meeting or by written ballot or written consent when the number of Members attending the meeting in person or by proxy or casting written ballots equals or exceeds the minimum quorum requirement for Member action, as specified in the Governing Documents of the Association or by statute. Since a minimum quorum is less than all of the voting rights, a Majority of a Quorum can be less than 50% of the total voting rights of the Members.

Section 1.23 “Member”

“Member” means every person or entity who holds a membership in the Association as provided in Section 3.01 below and whose rights as a Member are not suspended under Section 13.06.

Section 1.24 “Mortgage”

“Mortgage” means any security device encumbering all or any portion of the Development, including any deed of trust. “Mortgagee” shall refer to a beneficiary under a deed of trust as well as to a mortgagee in the conventional sense.

Section 1.25 “Owner”

“Owner” means any person, firm, corporation, or other entity that owns a fee simple interest in any Parcel within the Development.

Section 1.26 “Owner of Record”

“Owner of Record” includes an Owner and means any person, firm, corporation or other entity in which title to a Parcel is vested as shown by the Official Records of the Office of the County Recorder. If a Parcel is transferred or conveyed to a trust, the Owner is the trustee or the co-trustees of such trust.

Section 1.27 “Parcel Map”

“Parcel Map” means that certain parcel map recorded as Map No. 87-1 for Frank V. Amaral, et ux, filed for record in the Office of the Nevada County Recorder on May 18, 1987, in Book 17 of Parcel Maps, at Page 117.

Section 1.28 “Quorum of the Members”

“Quorum of the Members” means participation by Members holding at least 70% of the voting rights entitled to vote on the matter, and must include more than one Owner where possible.

Section 1.29 “Record”

“Record” means, with respect to any document, the recordation or filing of such document in the Office of the Nevada County Recorder.

Section 1.30 “Regular Assessment”

“Regular Assessment” means an Assessment levied against an Owner and his or her Parcel in accordance with Section 4.02.

Section 1.31 “Reserves”

“Reserves” means those Common Expenses for which Association funds are set aside under ARTICLE IV of this Declaration for funding the periodic paving, restoration of landscaping, repair, and replacement of the major components of the Common Areas that would not reasonably be expected to recur on an annual or less frequent basis.

Section 1.32 “Restricted Common Areas”

“Restricted Common Areas” means the areas designated on the Development Plan as being Restricted Common Areas the exclusive use of which is set aside, allocated and restricted to a particular Parcel or Parcel Owner.

Section 1.33 “Separate Interest”

“Separate Interest” means the ownership rights retained by the Owner in his Parcel and most commonly refers to the area of the Owner’s Parcel that is not included in the Common Area as shown on the Development Plan.

Section 1.34 “Special Assessment”

“Special Assessment” means an Assessment levied against an Owner and his or her Parcel in accordance with Section 4.03.

Section 1.35 “Special Individual Assessment”

“Special Individual Assessment” means an Assessment levied under Section 4.04 below against an Owner and his or her Parcel (to the extent that a Special Individual Assessment may become a lien under Section 4.11(i) below.)

Section 1.36 “State”

“State” means the State of California.

Section 1.37 “Voting Member” and “Voting Power”

“Voting Member” and “Voting Power” means those Members who are eligible to vote for the election of directors or with respect to any other matter, issue, or proposal properly presented to the Members for approval at any time a determination of voting rights is made pursuant to Article III of this Declaration and the Articles and Bylaws. To be part of the Voting Power, a Member must be in good standing, as defined in the Bylaws or the Association Rules.

Section 1.38 “Vote” or “Voting Interest”

“Vote” or “Voting Interest” shall mean the weighted percentage vote accorded a Parcel Owner\Member based on the Parcel’s share allocation of assessments as set forth in Exhibit C hereto or as it may hereafter be amended. For example, if Parcel 2’s share of the assessment payment obligation is 15.3%, then the Parcel 2 Owner\Member shall have a vote and voting interest of 15.3.

ARTICLE II. Property Rights and Obligations of Owners

Section 2.01 Declaration Regarding Common Interest Development Plan

- (a) Declarant’s Intent. It is the intention of the Declarants and the Owners and Members that the real property and Improvements comprising the Development are to be held, conveyed, divided, encumbered, hypothecated, leased, rented, used, occupied, and improved only in compliance with and subject to the provisions of this Declaration. The provisions of this declaration are for the purpose of implementing a commercial common interest planned development under the provisions of Civil Code Section 6500 *et seq.* for the benefit and protection of the Development and to enhance the desirability, value, and attractiveness of the real property and Improvements contained therein. The provisions of this declaration include easements, covenants and equitable servitudes that are intended to (i) run with the land and be binding on all parties having or acquiring any right, title, or interest in any portion of the Development; (ii) inure to the benefit of every portion of the Development and any interest therein; and (iii) inure to the benefit of and be binding on each Owner and the successors in interest to each Owner who acquires an interest in any portion of the Development.

(b) Binding Effect on Successors in Interest. Each conveyance, transfer, sale, assignment, lease, or sublease made by an Owner of a Parcel shall be deemed to incorporate by reference all of the provisions of this Declaration. All present and future Owners, tenants, and occupants of Parcels in the Development shall be subject to, and shall comply with, each and every provision of the Governing Documents, as the same shall be amended from time to time, unless a particular provision of the Governing Documents is specifically restricted to one or more classes of persons (e.g., Owners, tenants, invitees). The acceptance of a deed to any Parcel, the execution of a lease, sublease, or contract of sale with respect to any Parcel, or the entering into occupancy of any Parcel shall make the provisions of this Declaration binding on such persons and they shall thereafter be obligated to observe and comply with all Governing Documents.

Section 2.02 Property Rights in Common Area.

(a) Fee and Easement Rights. The Owners hereby agree to convey fee title to Parcel A to the Association to be held as part of the Common Area and used and maintained for the benefit of the Parcel Owners. All other Common Area and Common Facilities shall be mutual and reciprocal easements over the Parcels jointly owned by the Parcel Owners within the Development, as tenants-in-common, appurtenant to their Parcels, and maintained and regulated by the Association, as the Association shall determine.

(b) Common Area Easements Not Severable. The interest of each Owner in and to the use and benefit of the Common Area and the Common Facilities shall be appurtenant to the Parcel owned by the Owner and shall not be sold, conveyed, or otherwise transferred by the Owner separately from the Owner's Parcel and interest as a Member. Any sale, transfer, or conveyance of such Parcel, whether by deed, gift, devise, or operation of law, shall transfer the appurtenant right to use and enjoy the Common Area and Common Facilities. Except in the special circumstances provided in Civil Code section 6656, there shall be no judicial partition of the Common Area or any part thereof, and each Owner, for his or her own benefit and for the benefit of all other Owners, specifically waives and abandons all rights, interest, and causes of action for a judicial partition of any ownership interest in the Common Area, and further covenants that no action for judicial partition shall be instituted, prosecuted, or reduced to judgment. The rights of all Owners in the Common Area shall be further subject to the requirements and restrictions set forth in Section 2.03 (regarding Owners' nonexclusive easements of enjoyment).

(c) Rights of Owners in Restricted Common Areas. Only the Association and the Owners of the Parcels for whose benefit Restricted Common Areas are set aside, allocated and restricted may use and access the Restricted Common Areas. The interest of Owners in and to the use and benefit of the Restricted Common Area shall be appurtenant to the Parcel owned by the Owner for whose benefit the Restricted Common Area has been set aside, allocated, and restricted, and shall not be sold, conveyed, or otherwise transferred by such Owner separately from the Owner's interest in a Parcel. Any sale, transfer, or conveyance of such Parcel, whether by deed, gift, devise, or operation of law, shall transfer the appurtenant right to use and enjoy the Restricted Common Area. There shall be no judicial partition of the Restricted Common Area or

any part thereof, and each Owner, for his or her own benefit and for the benefit of all other Owners, specifically waives and abandons all rights, interest, and causes of action for a judicial partition of any ownership interest in the Restricted Common Area, and further covenants that no action for judicial partition shall be instituted, prosecuted, or reduced to judgment. The rights of the Owners in the Restricted Common Areas shall be further subject to the requirements and restrictions set forth in Section 2.03 (regarding Owners' nonexclusive easements of enjoyment).

(d) Rights of Owners to Parcels. Each owner shall be entitled to the exclusive ownership and possession of its, his or her Parcel, subject only to the easements, covenants and servitudes contained in this Declaration creating a Common Area on the Owner's Parcel.

Section 2.03 Owners' Nonexclusive Easements of Enjoyment.

Every Owner shall have a nonexclusive right and easement of enjoyment in and to all parts of the Common Area within the Development, including ingress and egress to and from his or her Parcel, the right to use the parking spaces and walkways, and the right to install necessary utilities to serve his Parcel. These rights shall be appurtenant to and shall pass with the title to every Parcel, subject to the following provisions:

- (a) The right of the Association to adopt Association Rules, as provided in Section 3.08 below, regulating the use and enjoyment of the real property and improvements comprising the Development for the benefit and well-being of the Owners in common, and, in the event of the breach of such rules or any provision of any Governing Document by any Owner or tenant, to initiate disciplinary action against the violating Owner or tenant in accordance with Section 13.06. Such action may include the levying of fines and/or the temporary suspension of the voting rights and/or the right to use the Common Facilities.
- (b) The Association's right, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and Common Facilities and, as security for any such loan, to assign or pledge the Association's right to collect payments or assessments or to enforce or foreclose a lien for the nonpayment of assessments to a financial institution or lender chartered or licensed under federal or state law, when acting within the scope of the charter or license, as security; see also Section 4.08(e) below.
- (c) The right of the Association to dedicate 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 by the Owners, provided, however, that no such dedication or transfer shall be effective unless an instrument, approved by at least two-thirds of the Voting Power of the Members. The instrument approving the dedication may be executed in counterparts so long as each counterpart is in recordable form.
- (d) All easements affecting the Common Area that are described in ARTICLE IX

Section 2.04 Delegation of Use.

- (a) Delegation of Use and Leasing of Parcels. Any Owner may delegate his or her rights to use and enjoy the Common Area and Common Facilities to his or her tenants, lessees or contract purchasers who occupy the Parcel. Any rental or lease of a Parcel shall be subject to the provisions of the Governing Documents all of which shall be deemed incorporated by reference in the lease or rental agreement. Each Owner-lessor shall provide any tenant or lessee with a current copy of all Governing Documents and shall be responsible for compliance by the tenant or lessee with all of the provisions of the Governing Documents during the tenant's/lessee's occupancy and use of the Parcel.
- (b) Requirements That Must Be Observed in All Leases. The following shall apply to all leases or tenancies of a Parcel or any portion thereof: (i) voting rights in the Association may not be transferred to a tenant or lessee; and (iii) any rental shall be evidenced by a written lease or rental agreement that shall provide that the tenancy is subject to the terms of the Governing Documents and that any failure of the tenant to comply with the terms of any Governing Document shall constitute a default under the lease or rental agreement and shall entitle the Owner to terminate the tenancy on 30 days written notice. The Owner-lessor's right to terminate a lease or rental agreement on account of the tenant's violation of the Governing Documents shall in no way restrict the right of the Association, the Declarant, or any Owner to enforce the Governing Documents in accordance with ARTICLE VIII when the Owner's tenant is violating the Governing Documents.
- (c) Discipline of Lessees. Subject to subparagraph (d), below, if any tenant or lessee fails to honor the provisions of any Governing Document, the Association shall be entitled to take such corrective action as it deems necessary or appropriate under the circumstances to preserve the quiet enjoyment of other Owners of the Development. Without limitation, the Association's actions in response to a tenant's violation of the Governing Documents may include the imposition of fines and penalties against the Owner-lessor of the Parcel.
- (d) Due Process Requirements for Disciplinary Action. Except for circumstances in which immediate corrective action is necessary to prevent damage or destruction to any portion of the Development or to preserve the rights of quiet enjoyment of other Owners, the Association shall have no right to initiate disciplinary action against an Owner-lessor (or the Owner's lessee or tenant) on account of the misconduct of the Owner's lessee or tenant unless and until the following conditions have been satisfied: (i) the Owner has received written notice from the Board, the Association's property manager, or an authorized committee of the Board detailing the nature of the lessee's/tenant's alleged infraction or misconduct and advising the Owner of the Owner's right to a hearing on the matter if the Owner believes that remedial or disciplinary action is unwarranted or unnecessary; (ii) the Owner has been given a reasonable opportunity to take corrective action on a voluntary basis or to appear at a hearing, if one is requested by the Owner; and (iii) the Owner has failed to prevent or correct the tenant's objectionable actions or

misconduct. Any hearing requested under this subparagraph shall be conducted in accordance with Section 13.06.

Section 2.05 Obligations of Owners.

Owners of Parcels within the Development shall be subject to the following:

- (a) Owner's Duty to Notify Association of Tenants and Contract Purchasers. Each Owner shall notify the secretary of the Association or the Association's property manager, if any, of the names of any contract purchaser or tenant occupying any portion of the Owner's Parcel. Each Owner, contract purchaser, or tenant shall also notify the secretary of the Association of the names of all persons to whom such Owner, contract purchaser, or tenant has delegated any rights to use and enjoy the streets and Common Area of the Development and the relationship that each such person bears to the Owner, contract purchaser, or tenant.
- (b) Contract Purchasers. A contract seller of a Parcel must delegate the seller's voting rights as a Member of the Association and the seller's right to use and enjoy the Common Area and Common Facilities to any contract purchaser in possession of the Parcel. Notwithstanding the foregoing, the contract seller shall remain liable for any default in the payment of Assessments by the contract purchaser until title to the Parcel sold has been transferred to the purchaser.
- (c) Payment of Assessments and Compliance With Rules. Each Owner shall pay, when due, each Regular, Special, and Special Individual, and Emergency Assessment levied against the Owner and his or her Parcel and shall observe, comply with, and abide by any and all rules and regulations set forth in, or promulgated by the Association under, any Governing Document for the purpose of protecting the interests of all Owners or protecting the Common Area and Common Facilities.
- (d) Discharge of Assessment Liens. Each Owner shall promptly discharge any Assessment lien that may hereafter become a charge against his or her Parcel.
- (e) Joint Ownership of Parcels. In the event of joint ownership of any Parcel, the obligations and liabilities of the multiple Owners under the Governing Documents shall be joint and several. Without limiting the foregoing, this subparagraph (e) shall apply to all obligations, duties and responsibilities of Owners as set forth in this Declaration, including, without limitation, the payment of all Assessments.

Section 2.06 Right to Elect to Reserve Parking Spaces.

Notwithstanding any other provision of these CC&R's, the Owner of Parcel 2 as designated on the Parcel Map shall have an irrevocable right to elect to reserve eight parking spaces within Parcel 2 for the exclusive use of the occupant of Parcel 2 subject to the terms of this section.

- (a) The eight parking spaces that may be reserved are designated on the Development Plan as "Cont. Restricted Common Area" meaning: "Contingent Restricted Common Area."
- (b) The Parcel 2 Owner may exercise the election by delivering written notice of such election to the Association. The reservation shall become effective at the beginning of the month not less than 30 days thereafter.
- (c) Commencing upon the effective date of the reservation, the Owner of Parcel 2 shall pay the Association \$50.00 per month for each space so reserved. The money may be used for any authorized purpose by the Association. Such payments shall be considered Special Individual Assessments hereunder, but may be enforced in the same manner as regular assessments. The amount may be increased by the increase in the National Consumer Price Index for urban wage earners (CPI) every 5 years to maintain the value of the payment. In no event shall the amount go down as a result of such adjustment.
- (d) The Parcel 2 Owner may install appropriate signage or space marking to notify users that the spaces are reserved. The signage shall indicate the hours of operation of the business occupying Parcel 2 during which the spaces are reserved. The Parcel 2 Owner shall submit the proposed signage plan for the Association Board's approval prior to installation, which consent shall not be unreasonably withheld.

ARTICLE III. Owners Association

Section 3.01 Association Membership.

Every Owner of a Parcel shall be a Member of the Association. Each Owner shall hold one membership in the Association for each Parcel owned and the membership shall be appurtenant to such Parcel. Sole or joint ownership of a Parcel shall be the sole qualification for membership in the Association. Each Owner shall remain a Member until his or her ownership in all Parcels in the Development ceases, at which time his or her membership in the Association shall automatically cease. Persons or entities who hold an interest in a Parcel merely as security for performance of an obligation are not Members until such time as the security holder comes into title to the Parcel through foreclosure or receipt of a deed in lieu thereof.

When Parcels are owned by more than one person, the Board shall have the right, under Section 3.08(a) below, to adopt a rule designating the minimum percentage ownership of a Parcel to qualify the Owner as a Member for purposes of using any Common Facility or for determining eligibility to serve as a director.

Section 3.02 One Class of Membership.

The Association shall have one class of membership and the rights, duties, obligations and privileges of the Members shall be as set forth in the Governing Documents.

Section 3.03 Voting Rights of Members.

- (a) Weighted Voting. Each Member shall be entitled to a vote in the Association weighted based on the relative assessment share assigned to the Member's Parcel. As of the execution of this Declaration that percentage assessment share for each Parcel is set forth in Exhibit C hereto and is based on developed square footage. For example, Parcel 2's percentage at time of execution of this declaration is 15.06% per Exhibit C. Therefore the Parcel 2 owner\Member has a vote in the Association of 15.06%.
- (b) One Vote Per Parcel. The vote for each Parcel shall be cast as a Parcel. When more than one person holds an interest in any Parcel, all such persons shall be Members, although in no event shall more than one vote be cast with respect to any Parcel. If more than one person is the Owner of a Parcel and such persons are unable to agree among themselves as to how their vote or votes shall be cast before the deadline to cast such vote or votes, they shall lose their right to vote on the manner in question. If any such person or persons jointly owning a Parcel cast a vote representing that Parcel, it will thereafter be conclusively presumed for all purposes that such person or persons were acting with the authority and consent of all joint Owners.
- (c) Action by Membership. Action of the association membership shall be by affirmative votes cast by Members holding more than 50% of the voting power of the Association eligible to vote in the election, unless a different percentage is required or permitted by the Governing Documents.

Section 3.04 Suspension of Voting Rights.

Voting rights may be temporarily suspended under those circumstances described in Section 13.6.

Section 3.05 Transfer of Memberships.

Membership in the Association shall not be transferred, encumbered, pledged or alienated in any way, except on the sale of the Parcel to which it is appurtenant and then, only to the purchaser. In the case of a sale, the membership appurtenant to the transferred Parcel shall pass automatically to the purchaser on Recording of a deed evidencing the transfer of title. In the case of an encumbrance of such Parcel, a Mortgagee does not have membership rights until it, he or she becomes an Owner by foreclosure or deed in lieu thereof. Tenants who are delegated rights of use under Section 2.04 do not thereby become Members, although the tenant and his or her family and guests shall, at all times, be subject to the provisions of all Governing Documents.

Section 3.06 Powers and Authority of the Association.

- (a) Powers, Generally. The Association shall have the responsibility of owning, managing, and maintaining the Common Areas and Common Facilities and discharging the other duties and responsibilities imposed on the Association by the Governing

Documents. In the discharge of such responsibilities and duties, the Association, whether incorporated or unincorporated, shall pursuant to Civil Code Section 6752, have all of the powers of a non-profit mutual benefit corporation organized under the laws of the State of California, subject only to such limitations on the exercise of such powers as are expressly set forth in the Governing Documents. The Association and its Board of Directors shall have the power to do any and all lawful things that may be authorized, required, or permitted to be done under and by virtue of the Governing Documents, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Association for the peace, health, comfort, safety, or general welfare of the Owners. The specific powers of the Association and the limitations thereon shall be as set forth in Article IX of the Bylaws.

(b) Association's Right of Entry. Without limiting the foregoing description of powers, but in addition thereto, the Association and its agents shall have the free right and power to enter the Common Area on any Parcel to perform the Association's obligations under this Declaration, including:

- (i) Maintenance of the Common Area and Common Area Facilities
- (ii) Obligations to enforce the architectural and land use restrictions of ARTICLE VII and ARTICLE VI.

(c) Limited Right of Entry into Buildings Outside Common Area. The Association shall have the right of entry on to and into the buildings on a Parcel that are outside the Common Area, only under the following circumstances:

- (i) The right of entry may be exercised immediately and without prior notice to the Owner or resident in case of an emergency threatening the Common Area. The Association's work may be performed under such circumstances whether or not the Owner or resident is present.
- (ii) In all nonemergency situations involving access by the Association the Owner shall be given a minimum of 24 hour's written notice and an explanation of the reason for the need to enter the Owner's building. If the entry is for purposes of enforcing the Governing Documents against an Owner in default, the Association's entry shall be subject to observance of the notice and hearing requirements imposed by Section 13.6.

(d) No Authority to assign or Pledge Assessments. The Association shall have no authority to voluntarily assign or pledge the Association's right to collect assessments or foreclose a lien to a third party other than to a federally or state licensed financial institution as security for a loan to the Association or to a collection agency for the purpose of collection.

Section 3.07 Assessments.

The Association shall have the power to establish, fix, and levy Assessments against the Owners of Parcels within the Development and to enforce payment of such Assessments in accordance with ARTICLE IV. Any Assessment levied by the Association against its Members shall be levied in accordance with and under the provisions of this Declaration (see Section 4.09, Section 4.10, and Section 4.11).

Section 3.08 Association Rules.

(a) Rule Making Power. The Board may, from time to time and subject to the provisions of this Declaration, propose, enact, and amend rules and regulations of general application to the Owners ("Association Rules"). The Association Rules may concern, but need not be limited to (i) matters pertaining to the maintenance, repair, management, and use of the Common Area and Common Facilities by Owners, their tenants, guests, and invitees, or any other person(s) who have rights of use and enjoyment of such Common Area and Common Facilities; (ii) architectural control and the rules of the Architectural Committee under Section 7.05; (iii) the conduct of disciplinary proceedings in accordance with Section 13.06 and a fine schedule; (iv) regulation of parking, signs, and other matters subject to regulation and restriction under ARTICLE VIII; (v) collection and disposal of refuse; (vi) designating the minimum percentage ownership of a Parcel necessary to qualify an Owner as a Member, as more particularly described in Section 3.1; (vii) collection of delinquent Assessments; and (ix) any other subject or matter within the jurisdiction of the Association as provided in the Governing Documents.

Notwithstanding the foregoing grant of authority, the Association Rules shall not be inconsistent with or materially alter any provision of the other Governing Documents or the rights, preferences, and privileges of Members thereunder. In the event of any material conflict between any Association Rule and any provision of another Governing Document, the conflicting provisions contained in the other Governing Document shall prevail. All Association Rules shall be adopted, amended, and repealed (as the case may be) in good faith and in substantial compliance with this Declaration and California Civil Code §6632.

(b) Adoption of Association Rules. Association Rules may be adopted or amended from time to time by majority vote of the Board, provided, however, that the Board shall not adopt any Association Rule or amendment thereto until at least 21 days after the proposed rule amendment has been distributed in writing to each Member, along with a description of the purpose and effect of the proposed Association Rule or amendment thereto. The notice describing the proposed rule or amendment shall also set forth the date, time, and location of the Board meeting at which action on the proposal is scheduled to be taken. Any duly adopted rule or amendment to the Association Rules shall become effective immediately following the date of adoption thereof by the Board, or at such later date as the Board may deem appropriate.

(c) Distribution of Rules. A copy of the Association Rules, as they may from time to time be adopted, amended, or repealed, and any disciplinary fine schedule shall be mailed or otherwise delivered to each Owner. A copy of the Association Rules and fine schedule shall also be available and open for inspection during normal business hours at the principal office of the Association.

Section 3.09 Breach of Rules or Restrictions.

Any breach of the Association Rules, Design Guidelines, or of any other Governing Document provision shall give rise to the rights and remedies set forth in ARTICLE XIII.

Section 3.10 Limitation on Liability of the Association's Directors, Officers and Agents and Owners.

(a) Claims Regarding Breach of Duty. No director, officer or agent of the Association (collectively and individually referred to as the Released Party) shall be personally liable to any of the Members or to any other person, for any error or omission in the discharge of his or her duties and responsibilities or for his or her failure to provide any service required under the Governing Documents; provided that such Released Party has, on the basis of such information as he or she possessed, acted in good faith, in a manner that such person believes to be in the best interests of the Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

(i) Without limiting the generality of the foregoing, this standard of care and limitation of liability shall extend to such matters as the establishment of the Association's Assessments, the funding of Association capital replacement and reserve accounts, repair and maintenance of Common Areas and Common Facilities and enforcement of the Governing Documents.

(b) Volunteer Status Not Affected by Reimbursement of Expenses. The payment of actual expenses incurred by a Board Member or officer in the execution of such person's Association duties shall not affect such person's status as a volunteer Board member or officer for the purposes of this section. The provisions of this subparagraph (b) are intended to reflect the protections accorded to volunteer directors and officers of common interest developments under Civil Code §1365.7. If that Civil Code section is amended or superseded by another, similar provision of the California statutes, this subparagraph (b) shall be deemed amended, without the necessity of further Member approval, to correspond to the amended or successor Civil Code provision.

ARTICLE IV. Assessments**Section 4.01 Assessments Generally.**

(a) Covenant to Pay Assessments. Each Owner of one or more Parcels, by acceptance of a deed or other conveyance therefor (whether or not it shall be so expressed in such deed or conveyance), covenants and agrees to pay to the Association (i) Regular Assessments; (ii) Special Assessments; (iii) Special Individual Assessments; and (iv) Emergency Assessments, as defined and levied under this Article.

(b) Extent of Owner's Personal Obligation for Assessments. All Assessments, together with late charges, interest, and reasonable costs (including reasonable attorney fees) for the collection thereof, shall be a debt and a personal obligation of the person who is the Owner of the Parcel at the time the Assessment is levied. Each Owner who acquires title to a Parcel (whether by conventional conveyance, at judicial sale, trustee's sale or otherwise) shall be personally liable only for Assessments attributable to the Parcel which become due and payable after the date that the person acquires title. Accordingly, when a person acquires title to a Parcel, he or she shall not be personally liable for delinquent Assessments of prior Owners unless the new Owner expressly assumes the personal liability. However, if the acquired Parcel is conveyed subject to a valid lien for delinquent Assessments (and related costs of collection), the Association may continue to exercise its foreclosure remedies against the Parcel, regardless of the change of ownership, and/or the Association may pursue its collection remedies against the prior Owner, individually.

(c) Creation of Assessment Lien. All Assessments, together with late charges, interest, and reasonable costs (including reasonable attorney fees) for the collection thereof, shall be a charge on the Parcel and shall be a continuing lien on the Parcel against which such Assessment is made from and after the time that the Association records a Notice of Delinquent Assessment in accordance with Section 4.11(e). Any lien for unpaid Assessments created under the provisions of this Article may be subject to foreclosure as provided in Section 4.11(g) below.

(d) No Avoidance of Assessment Obligations. No Owner may exempt himself or herself from personal liability for Assessments duly levied by the Association, nor release the Parcel or other property owned by him/her from the liens and charges hereof, by waiver of the use and enjoyment of the Common Area or any facilities thereon or by abandonment or nonuse of his/her Parcel or any other portion of the Development.

(e) Limitation on Amount of Assessments. The Association shall not impose or collect an Assessment or fee that exceeds the amount necessary to defray the costs for which the Assessment or fee is levied nor shall it levy assessments on separate interests within the common interest development based on the taxable value of the separate interests.

Section 4.02 Regular Assessments.

- (a) Establishment of Regular Assessment by Board; Membership Approval Requirements. The total annual expenses estimated by the Board (less projected income from sources other than Assessments) plus an amount determined by the Board to establish adequate reserve funds to defray the future repair or replacement of, or additions to, major components that the Association is obligated to maintain shall become the aggregate Regular Assessment for the next succeeding fiscal year.
- (b) Limitations on Increase Without Member Approval. The Board may not increase the regular assessment more than 30% from one year to the next unless it has obtained the approval by vote of a majority of a quorum of members at a member meeting or election.
- (c) Allocation of Regular Assessment. Regular assessments shall be allocated between the Parcels in accordance with the allocation set forth in Exhibit C hereto. The allocation may be modified by a vote of not less than 75% of the voting interests eligible to vote.
- (d) Assessment Roll. The Regular assessed against and charged to each Owner shall be set forth and recorded in an Assessment roll which shall be maintained and available with the records of the Association and shall be open for inspection at all reasonable times by each Owner or his or her authorized representative for any purpose reasonably related to the Owner's interest as a property Owner or as a Member. The Assessment roll (which may be maintained in electronic form) shall show, for each Parcel, the name and address of the Owner of Record, all Regular, Special and Special Individual Assessments levied against each Owner and his or her Parcel, and the amount of such Assessments which have been paid or remain unpaid. Any delinquency noted on the Assessment roll shall be conclusive on the Association and the Owner of such Parcel as to the amount of such indebtedness appearing on the Association's Assessment roll as of the date of such statement, in favor of all persons who rely thereon in good faith.
- (e) Mailing Notice of Assessment. Not less than 30 days nor more than 60 days prior to the increased assessment becoming due, the Board of Directors shall mail to each Owner, at the street address of the Owner's Parcel, or at such other address as the Owner may from time to time designate in writing to the Association, a statement of the amount of any increased Regular Assessment for the next succeeding fiscal year.
- (f) Failure to Make Estimate. If, for any reason, the Board of Directors fails to notify the Owner or an increase or fails to make an estimate of the Common Expenses for any fiscal year, then the Regular Assessment made for the preceding fiscal year, together with any Special Assessment made under Section 4.03(a) for that year, shall be assessed against each Owner and his or her Parcel on account of the then current fiscal year, and installment payments (as hereinafter provided) based on such automatic Assessment shall be payable on the regular payment dates established by the Board.
- (g) Payment of Assessment. The total Regular Assessment levied against each Owner and his or her Parcel shall be all due and payable in advance to the Association in equal

monthly installments on the first day of each month or on such other date or dates as may be established from time to time by the Board of Directors. Installments of Regular Assessments shall be delinquent if not paid within 15 days following the due date as established by the Board.

The collection of regular Assessments in installments as hereinabove provided is for the convenience of the Association only. The total regular Assessment is levied as of the commencement of the Association's fiscal year and in the event of a default in the payment of any installment, the Association may declare the entire balance of the Regular Assessment to be in default and pursue the remedies set forth in Section 4.09(a) as to the delinquency.

Section 4.03 Special Assessments.

(a) Purposes for Which Special Assessments May Be Levied. The Board of Directors shall have the authority to levy Special Assessments against the Owners and their Parcels for the following purposes:

- (i) Regular Assessment Insufficient in Amount. If, at any time, the Regular Assessment for any fiscal year is insufficient in amount due to extraordinary expenses not contemplated in the budget prepared for that fiscal year, then the Board of Directors shall levy and collect a Special Assessment, applicable to the remainder of such year only, for the purpose of defraying, in whole or in part, any deficit which the Association may incur in the performance of its duties and the discharge of its obligations hereunder.
- (ii) Capital Improvements. The Board may also levy Special Assessments for additional capital Improvements within the Common Area. The Special Assessment power conferred hereunder is not intended to diminish the Board's obligation to plan and budget for normal maintenance, and replacement repair of the Common Area or existing Common Facilities through Regular Assessments (including the funding of reasonable reserves) and to maintain adequate insurance on the Common Area and existing Common Facilities in accordance with ARTICLE X.

(b) Allocation and Payment of Special Assessments. When levied by the Board, the Special Assessment shall be divided among, assessed against and charged to each Owner and his or her Parcel in the same manner prescribed for the allocation of Regular Assessments under Section 4.02(c) above. The Special Assessment so levied shall be recorded on the Association's Assessment roll and notice thereof shall be mailed to each Owner not less than 30 days before the commencement of the payment obligation.

(c) Due Date of Special Assessments. Special Assessments for purposes described in subparagraph (a)(ii) of this section shall be due as a separate debt of the Owner and a lien against his or her Parcel, and shall be payable to the Association in equal monthly installments during the remainder of the then current fiscal year. Special Assessments for

purposes described in subparagraph (a)(i) shall be due as a separate debt of the Owner and a lien against his or her Parcel, and shall be payable in full to the Association within 30 days after the mailing of such notice or within such extended period as the Board shall determine to be appropriate under the circumstances giving rise to the Special Assessment.

(d) Limitations on Special Assessments. No special assessments may be levied which in the aggregate exceed 5 percent of the budgeted gross expenses of the association for that fiscal year without the approval of a majority of a quorum of members, pursuant to Civil Code Section 6524, at a member meeting or election.

Section 4.04 Special Individual Assessments.

(a) Circumstances Giving Rise to Special Individual Assessments. In addition to the Special Assessments levied against all Owners in accordance with Section 4.03, the Board of Directors shall impose Special Individual Assessments against an Owner in any of the circumstances described in subparagraphs (i) through (iv), below, provided, however, that no Special Individual Assessments may be imposed against an Owner under this section, except under subparagraph (iv), until the Owner has been afforded the notice and hearing rights to which the Owner is entitled under Section 13.06, and, if appropriate, has been given a reasonable opportunity to comply voluntarily with the Governing Documents. Subject to the foregoing, the acts and circumstances giving rise to liability for Special Individual Assessments include the following:

- (i) Damage to Common Area or Common Facilities. In the event that any damage to, or destruction of, any portion of the Common Area or the Common Facilities or any portions of the Parcels that the Association is obligated to repair and maintain, is caused by the willful misconduct or negligent act or omission of any Owner, any member of his or her family, or any of his or her tenants, guests, servants, employees, licensees or invitees, the Board shall cause the same to be repaired or replaced, and all costs and expenses incurred in connection therewith (to the extent not compensated by insurance proceeds) shall be assessed and charged solely to and against such Owner as a Special Individual Assessment.
- (ii) Expenses Incurred in Gaining Member Compliance. In the event that the Association incurs any costs or expenses to (A) accomplish the payment of delinquent Assessments; (B) perform any repair, maintenance, or replacement to any portion of the Development that the Owner is responsible to maintain under the Governing Documents but has failed to undertake or complete in a timely fashion; or (C) otherwise bring the Owner and/or his or her Parcel into compliance with any provision of the Governing Documents, the amount incurred by the Association (including reasonable fines and penalties duly imposed hereunder, title Association fees, accounting fees, court costs and reasonable attorney fees) shall be

assessed and charged solely to and against such Owner as a Special Individual Assessment.

- (iii) Required Maintenance of Parcels. If any area of a Parcel outside the Association maintained common area is maintained so as to become a nuisance, fire, or safety hazard for any reason, the Association shall have the right to enter the Parcel, correct the offensive or hazardous condition and recover the cost of such action through imposition of a Special Individual Assessment against the offending Owner. Any entry on the property of any Owner by the Association shall be effected in accordance with Section 3.06(b).
- (iv) Assessment for Reserved Parking. As provided in Section 2.06, if the Owner of Parcel 2 elects to reserve parking, it shall become a special individual assessment against that Parcel. Unlike other assessments under this section, the reserved parking special individual assessment shall not require notice and hearing and may be enforced in the same manner as regular assessments.
- (b) Levy of Special Individual Assessment and Payment. Once a Special Individual Assessment has been levied against an Owner for any reason described, and subject to the conditions imposed in subparagraph (a) of this section, such Special Individual Assessment shall be recorded on the Association's Assessment roll and notice thereof shall be mailed to the affected Owner. The Special Individual Assessment shall thereafter be due as a separate debt of the Owner payable in full to the Association within 30 days after the mailing of notice of the Assessment.
- (c) Limitation on Right to Lien Parcels for Special Individual Assessments. The right of the Association to collect delinquent Special Individual Assessments through the use of lien and foreclosure remedies is subject to the limitations set forth in Section 4.11(i) below. However, Special Individual Assessments may be collected by the Association through the use of other legal processes, including, without limitation, an action in small claims court.

Section 4.05 Assessments to Address Emergency Situations.

- (a) Authority of Board to Impose Emergency Assessments. Notwithstanding the provisions of this Declaration limiting the power of the Board to impose increased regular assessments or special assessments, the Board of Directors shall have the authority to levy Assessments against the Owners and their Parcels necessary to address emergency situations (Emergency Assessments.) For purposes of this Section, an emergency situation includes, and is limited to, any of the following:
 - (i) An extraordinary expense required by an order of a court.
 - (ii) An extraordinary expense necessary to repair or maintain the Common Areas or Common Facilities when a threat to personal safety is discovered.

- (iii) An extraordinary expense necessary to repair or maintain the Common Areas or Common Facilities that could not have been reasonably foreseen by the Board; provided, however, that before the imposition or collection of an Assessment under this subparagraph (iii), 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. The Board's resolution shall be distributed to the Members together with the notice of Assessment.

(b) Payment of Emergency Assessments. When levied by the Board, the Emergency Assessment shall be divided among, assessed against, and charged to each Owner and his or her Parcel in the same manner prescribed for the allocation of Regular Assessments under Section 4.02(d). The Emergency Assessment so levied shall be recorded on the Association's Assessment roll and notice thereof shall be mailed to each Owner. An Emergency Assessment shall be due as a separate debt of the Owner and shall be payable in full to the Association within 30 days after the mailing of the notice of the Emergency Assessment or within such extended period as the Board shall determine to be appropriate under the circumstances giving rise to the Emergency Assessment. If an Emergency Assessment is not paid on or before the due date, the Assessment may be enforced in the manner provided in Section 4.09(a).

Section 4.06 Purpose and Reasonableness of Assessments.

Each Assessment made in accordance with the provisions of this Declaration is hereby declared and agreed to be for use exclusively (a) to promote the health, safety, and welfare of Owners and occupiers while occupying Parcels within the Development; (b) to promote the enjoyment and use of the Development by the Owners and their tenants, invitees, licensees, guests, and employees; and (c) to provide for the repair, maintenance, replacement, and protection of the Common Area and Common Facilities and those portions of the Parcels that the Association is obligated to maintain. Each and every Assessment levied hereunder is further declared and agreed to be a reasonable Assessment, and to constitute a separate, distinct and personal obligation (with respect to which a separate lien may be created hereby) of the Owner of the Parcel against which the Assessment is imposed that shall be binding on the Owner's heirs, successors, and assigns, provided, however, that the personal obligation of each Owner for delinquent Assessments shall not pass to the Owner's successors in title unless expressly assumed by them.

Section 4.07 Exemption of Portions of the Development From Assessments.

The following real property subject to this Declaration shall be exempt from the Assessments and the lien thereof provided herein:

- (a) Any portion of the Development dedicated and accepted by a local public authority;

- (b) The Common Area and Common Facilities; and
- (c) Any Parcel owned by the Association.

Section 4.08 Maintenance of Assessment Funds.

(a) Bank Accounts. All sums received or collected by the Association from Assessments, together with any interest or late charges thereon, shall be promptly deposited in one or more federally insured checking, savings or money market accounts in a bank or other financial institution selected by the Board of Directors. In addition, the Board shall be entitled to make prudent investment of reserve funds in insured certificates of deposit, money market funds or similar investments consistent with the investment standards normally observed by trustees. The Board and such officers or agents of the Association as the Board shall designate shall have exclusive control of said account(s) and investments and shall be responsible to the Owners for the maintenance at all times of accurate records thereof. Any interest received on deposits shall be credited proportionately to the balances of the various Assessment fund accounts maintained on the books of the Association as provided in subparagraph (b) below.

(b) Expenditure of Assessment Funds. Except as provided below, the proceeds of each Assessment shall be used only for the purpose for which such Assessment was made, and such funds shall be received and held in trust by the Association for such purpose. Notwithstanding the foregoing, the Board, in its discretion, may make appropriate adjustments among the various items upon which the Assessment was calculated if the Board determines that it is prudent and in the best interest of the Association and its Members to make such adjustments. If the proceeds of any Special Assessment exceed the requirement of which such Assessment was levied, such surplus may, in the Board's discretion, be: (i) returned proportionately to the contributors thereof; (ii) reallocated among the Association's reserve accounts if any such account is, in the Board's opinion, underfunded; or (iii) credited proportionately on account of the Owners' future Regular Assessment obligations.

(c) Separate Accounts; Commingling of Funds. To preclude a multiplicity of bank accounts, the proceeds of all Assessments may be commingled in one or more accounts and need not be deposited in separate accounts so long as the separate accounting records described herein are maintained. For purposes of accounting, but without requiring any physical segregation of assets, the Association shall keep a separate accounting of all funds received by it in payment of each Assessment and of all disbursements made therefrom, provided, however, that receipts and disbursements of Special Assessments made under Section 4.03(a)(i) above, shall be accounted for together with the receipts and disbursements of Regular Assessments, and a separate accounting shall be maintained for each capital improvement for which reserve funds for replacement are required to be maintained by the Association.

Unless the Association is exempt from federal or state taxes, all sums allocated to capital replacement funds shall be accounted for as contributions to the capital of the Association and as trust funds segregated from the regular income of the Association or in any other

manner authorized by law or regulations of the Internal Revenue Service and the California Franchise Tax Board that will prevent such funds from being taxed as income of the Association.

(d) Reserve Funds. The Board shall not expend funds designated as reserve funds for any purpose other than the repair, restoration, replacement, or maintenance of, or litigation involving the repair, restoration, replacement, or maintenance of, major components of the Development that the Association is obligated to repair, restore, replace, or maintain and for which the reserve fund was established. However, the Board may authorize the 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, provided the Board has made a written finding, recorded in the Board's minutes, explaining the reasons that the transfer is needed, and describing when and how the money will be repaid to the reserve fund.

The transferred funds shall be restored to the reserve fund within 1 year of the date of the initial transfer, except that the Board may, on making a finding supported by documentation that a temporary delay would be in the best interests of the Development, temporarily delay the restoration. The Board shall exercise prudent fiscal management in delaying restoration of these funds and in restoring the expended funds to the reserve account, and shall, if necessary, levy a Special Assessment to recover the full amount of the expended funds within the time limits required by this subparagraph. The Board may, at its discretion, extend the date the payment on the Special Assessment is due. Any extension shall not prevent the Board from pursuing any legal remedy to enforce the collection of an unpaid Special Assessment.

When the decision is made to use reserve funds or to temporarily transfer money from the reserve fund to pay for litigation, the Association shall notify the Members of that decision in the next available mailing to all Members under Corporations Code §5016, and of the availability of an accounting of those expenses. The Association shall make an accounting of expenses related to the litigation on at least a quarterly basis. The accounting shall be made available for inspection by Members at the Association's principal office.

(e) Limitations on Association's Authority to Assign or Pledge Assessment Obligations. The Association may not voluntarily assign or pledge its right to collect payments or Assessments, or to enforce or foreclose a lien to a third party, except when the assignment or pledge is made to a financial institution or lender chartered or licensed under federal or state law, when acting within the scope of that charter or license, as security for a loan obtained by the Association. However, the restrictions imposed by this subparagraph (e) shall not restrict the right or ability of the Association to assign to a third party for purposes of collection any unpaid obligations to a former Member.

Section 4.09 Collection of Assessments.

- (a) Delinquent Date. Installments of Regular Assessments shall be delinquent if not paid within 15 days of the due date as established by the Board. Special Assessments, Special Individual Assessments, and Emergency Assessments shall be delinquent if not paid within the times prescribed in Section 4.03(b), Section 4.04(b) and Section 4.05(b), respectively.
- (b) Additional Enforcement Costs. When an Assessment becomes delinquent, the Association may proceed with enforcement and the amount thereof increased to include the following:
 - (i) Reasonable costs incurred in collecting the delinquent assessment, including reasonable attorney's fees.
 - (ii) A late charge not exceeding 10 percent of the delinquent assessment or ten dollars (\$10), whichever is greater.
 - (iii) Interest on all sums imposed in accordance with this section, including the delinquent assessments, reasonable fees and costs of collection, and reasonable attorney's fees, at an annual interest rate not to exceed 12 percent, commencing 30 days after the assessment becomes due.
- (c) Alternative Collection Procedures. Once an assessment becomes delinquent, the Association may elect one or both of the following remedies: enforcement of the Owner's personal obligation to pay the assessment or imposition and enforcement of the Assessment Lien.

Section 4.10 Enforcement of an Owner's Personal Obligation to Pay Assessments.

The Association may bring a legal action directly against the Owner for breach of the Owner's personal obligation to pay the Assessment and in such action shall be entitled to recover the delinquent Assessment or Assessments, Association late charges, interest, costs, and reasonable attorney fees. Commencement of a legal action shall not constitute a waiver of any lien rights as described in Section 4.11(e) below.

Section 4.11 Imposition and Enforcement of Assessment Lien.

Except as otherwise provided in Section 4.11(i) below, with respect to the limitation on the imposition of liens for Special Individual Assessments, the Association may impose a lien against the Owner's Parcel for the amount of the delinquent Assessment or Assessments, plus any reasonable costs of collection (including reasonable attorney fees), late charges, and interest by taking the following steps:

(a) Issuance of Delinquency Notice; Contents. At least 30 days before recording a lien on the Owner's Parcel to collect a delinquent Assessment, the Association shall notify the Owner in writing by certified mail of the following (the Delinquency Notice):

- (i) A general description of the Association's collection and lien enforcement procedures and the method of calculating the amount; a statement that the Owner of the Parcel has the right to inspect the Association records under Corporations Code §8333; and the following statement in 14-point boldface type (if printed) or in capital letters (if typed):

"IMPORTANT NOTICE: IF YOUR PARCEL IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION."

- (ii) An itemized statement of the charges owed by the Owner, including items on the statement that indicate the amount of any delinquent Assessments, the fees and reasonable costs of collection, reasonable attorney fees, any late charges, and interest, if any.
- (iii) A statement that the Owner shall not be liable to pay the charges, interest, and costs of collection previously levied by the Association if it is subsequently shown that the Assessment was paid on time.
- (iv) The right of the notified Owner to request a meeting with the Board to dispute the delinquency or request a payment plan within 15 days of receipt of the Notice of Delinquency.

(b) Application of Payments. Any payments made by the Owner toward the delinquent Assessment shall first be applied to the Assessments that are owed at the time the payment is made, and only after the Assessments owed are paid in full shall the payments be applied to the fees and the costs of collection, attorney fees, late charges, or interest. When an Owner makes a payment, the Owner may request a receipt and the Association shall provide it. The receipt shall indicate the date of payment and the person who received the payment on behalf of the Association. The Association shall provide its Members with a mailing address for overnight payment of Assessments.

(c) Rights of Owners to Dispute Claimed Delinquencies. An Owner may dispute the amounts claimed as due and owing in the Delinquency Notice by submitting to the Board a written explanation of the reasons for the dispute. If the Owner wishes to submit an explanation, it must be mailed to the Association within 15 days of the postmark of the Delinquency Notice. The Board shall respond in writing to the Owner within 15 days of the date of the postmark of the Owner's explanation.

(d) Rights of Owners to Propose Payment Plans. An Owner may also submit a written request to meet with the Board to discuss a payment plan for the payment of the delinquent assessment. This request must also be made within 15 days of the postmark of

the Delinquency Notice. The Association shall provide the Owners with the standards for payment plans, if such standards have been adopted. So long as a timely request for a meeting has been tendered, the Board shall meet with the Owner in executive session within 45 days of the postmark of the request for a meeting, unless there is no regularly scheduled Board meeting within that period, in which event the Board may designate a committee of one or more Members to meet with the Owner.

(e) Association Assessment Lien Rights. The amount of the Assessment, plus any costs of collection, late charges, and interest assessed in accordance with Civil Code §6814 shall be a lien on the Owner's Parcel from and after the time the Association causes a Notice of Delinquent Assessment, to be recorded in the Office of the County Recorder. The Notice of Delinquency shall state the amount of the Assessment and other sums imposed in accordance with §6812, a legal description of the Owner's Parcel against which the Assessment and other sums are levied, and the name of the record owner of the Parcel against which the lien is imposed. For the lien to be foreclosed by nonjudicial foreclosure as provided in subparagraph,(g) below, the Notice of Delinquent Assessment shall state the name and address of the trustee authorized by the Association to enforce the lien by sale. The Notice of Delinquent Assessment shall be signed by any officer of the Association or by the person designated by the Association for that purpose and mailed by certified mail to the owner as shown on the Association's records no later than 10 calendar days after Recordation.

(f) Priority of Assessment Liens. A lien created under the provisions of this section have priority over all other liens recorded against the Owner's Parcel after the Notice of Delinquent Assessment, except as described in Section 4.13.

(g) Foreclosure of Assessment Liens. Subject to the limitations of this Section 4.11, after the expiration of 30 days following the recording of a Notice of Delinquent Assessment, the lien may be enforced in any manner permitted by law, including sale by the court, sale by the trustee designated in the Notice of Delinquent Assessment, or sale by a trustee substituted under Civil Code §2934a.

- (i) Any sale by the trustee shall be conducted in accordance with Civil Code §§2924, 2924b, and 2924c (applicable to the exercise of powers of sale in mortgages and deeds of trusts). In addition to the requirements of Section 2924, the association shall serve a notice of default on the person named as the owner of the Parcel in the association's records or, if that person has designated a legal representative pursuant to this subdivision, on that legal representative. Service shall be in accordance with the manner of service of summons in Article 3 (commencing with Section 415.10) of Chapter 4 of Title 5 of Part 2 of the Code of Civil Procedure. An owner may designate a legal representative in a writing that is mailed to the association in a manner that indicates that the association has received it
- (ii) The fees of a trustee may not exceed the amounts prescribed in Civil Code §§2924c and 2924d.

- (iii) Per Civil Code Section 6820, nothing in Article 2 of Commercial Common Interest Development Law or Subsection (a) of Code of Civil Procedure Section 726 shall prohibit legal action against an Owner to recovers sums for which a lien was created or prohibit an association from taking a deed in lieu of foreclosure.

(h) Obligation to Record Lien Releases. If it is determined that a lien previously recorded against a Parcel was recorded in error, the party who recorded the lien, within 21 calendar days, shall record or cause to be recorded in the Office of the County Recorder a lien release or notice of rescission and provide the Parcel Owner with a declaration that the lien filing or recording was in error and a copy of the lien release or notice of rescission. In addition, within 21 days of the payment of the sums specified in the Notice of Delinquent Assessment, the Association shall record or cause to be recorded in the Office of the County Recorder a lien release or notice of rescission and provide the Parcel Owner a copy of the lien release or notice that the delinquent assessment has been satisfied.

(i) Limitation on Authority to Use Lien and Foreclosure Remedies to Collect Special Individual Assessments. Without limiting the authority of the Association to use lien and foreclosure remedies with respect to other types of Assessments, only the following categories of Special Individual Assessments shall be subject to collection by the Association through the lien and foreclosure remedies described in subparagraphs (b)(v) through (b)(viii), above: (A) Special Individual Assessments or other monetary charges imposed by the Association as a means of reimbursing the Association for costs incurred in the repair of damage to Common Areas and Common Facilities for which the Member or the Member's guests or tenants were responsible, and (B) Special Individual Assessments imposed to recover late charges, reasonable costs of collection, and interest assessed in accordance with Civil Code §1366(e).

(j) Effect of Failure to Adhere to Lien Procedures. If the Association fails to comply with the procedures set forth in this section before recording a lien, the Association shall recommence the required notice process. Any costs associated with recommencing the notice process shall be borne by the Association and not by the Parcel Owner.

(k) Amendment to Conform with Law. The provisions of this Section 4.11 are intended to comply with the requirements of Commercial Common Interest Development Law (Civil Code §6500 *et seq.* in effect as of January 1, 2015. If the provisions relating to assessment liens and foreclosure are amended or modified in the future in a way that is binding on the Association and conflicts with the provisions of this Section, this section shall automatically be amended or modified in the same manner by action of the Board of Directors without necessity of approval of the amendment by the Members.

Section 4.12 Assessment Enforcement Where Parcel has Been Sold or Foreclosed Upon.

The following rules shall govern the right of the Association to enforce its Assessment collection remedies following the sale or foreclosure of a Parcel:

(a) Except as provided in subparagraph (b), the sale or transfer of any Parcel shall not affect any Assessment lien that has been duly Recorded against the Parcel before the sale or transfer. The Association can continue to foreclose its lien in spite of the change in ownership.

(b) The Association's Assessment lien shall be extinguished as to all delinquent sums, late charges, interest, and costs of collection incurred before the sale or transfer of a Parcel under a foreclosure or exercise of a power of sale by the holder of a prior encumbrance (but not under a deed-in-lieu of foreclosure). A "prior encumbrance" means any first Mortgage or other Mortgage or lien Recorded against the Parcel at any time before Recordation of the Association's Assessment lien (see Section 4.13)

(c) No sale or transfer of a Parcel as the result of foreclosure, exercise of a power of sale, or otherwise, shall relieve the new Owner of such Parcel (whether it be the former beneficiary of the first Mortgage or other prior encumbrance or a third party acquiring an interest in the Parcel) from liability for any Assessments which thereafter become due with respect to the Parcel or from the lien thereof.

(d) Any Assessments, late charges, interest, and associated costs of collection that are lost as a result of a sale or transfer of a Parcel covered by subparagraph (b), above, shall be deemed to be a Common Expense collectible from the Owners of all of the Parcels, including the person who acquires the Parcel and his or her successors and assigns.

(e) No sale or transfer of a Parcel as the result of foreclosure, exercise of a power of sale, or otherwise, shall affect the Association's right to maintain an action against the foreclosed previous Owner personally to collect the delinquent Assessments, late charges, interest, and associated costs of collection incurred before and/or in connection with the sale or transfer.

Section 4.13 Priorities.

When a Notice of Delinquent Assessment has been Recorded, such notice shall constitute a lien on the Parcel prior and superior to all other liens or encumbrances Recorded subsequent thereto, except (a) all taxes, bonds, assessments, and other levies that, by law, would be superior thereto, and (b) the lien or charge of any first Mortgage of Record (meaning any Recorded Mortgage with first priority over other Mortgages) made in good faith and for value, provided, however, that such subordination shall apply only to the Assessments that have become due and payable before the transfer of such property under the exercise of a power of sale or a judicial foreclosure involving a default under such first Mortgage or other prior encumbrance.

Section 4.14 Unallocated Taxes.

If any taxes are assessed against the Common Area, or the personal property of the Association, rather than being assessed to the Parcels, such taxes shall be an Association expense included in the Regular Assessments imposed under Section 4.02, and, if necessary, a Special Assessment may be levied against the Parcels in accordance with Section 4.03(a) in an amount equal to such taxes to be paid in two installments, 30 days before the due date of each tax installment.

Section 4.15 Assignment of Rents.

Each Owner does hereby presently assign to the Association, absolutely and regardless of possession of the property, all rents and other monies now due or hereafter to become due under any lease or agreement or otherwise for the use or occupancy of any or all parts of any Parcel owned by the Owner, now existing or hereafter made for the purpose of collecting all Assessments due the Association under this Declaration which are in default. The Association hereby confers on each Owner the authority to collect and retain the rents and other monies derived from any such lease or agreement as they become due and payable, provided, however, that the Association at its sole discretion, may revoke such authority at any time, on written notice to the Owner of a default in the payment of any Assessment due hereunder. On revocation of such authority the Association may, under court order or by court appointed receiver, collect and retain such monies, whether past due and unpaid or current.

ARTICLE V. Association and Owner Maintenance Responsibilities**Section 5.01 Common Area Maintenance by Association.**

- (a) The Association shall be responsible for all maintenance, repair, upkeep, and replacement of all portions of the Common Area both within and outside the Parcels. The Association may delegate certain maintenance responsibilities on a particular Parcel to the Parcel Owner or Owner's Lessee, if so requested by the Parcel Owner and satisfactory terms reached.
- (b) Except as provided in this Article, no person other than the Association or its duly authorized agents shall construct, reconstruct, refinish, alter or maintain any Improvement on, or shall create any excavation or fill or change the natural or existing drainage of any portion of the Common Area. In addition, no person shall remove any tree, shrub or other vegetation from, or plant any tree, shrub, or other vegetation on the Common Area without express prior approval of the Association.
- (c) Without limiting the foregoing, the Association shall be responsible for:
 - (i) The reconstruction, replacement, or refinishing of any Common Facility or other Improvements within the Common Area as necessary.
 - (ii) The construction, reconstruction, replacement, resurfacing, refinishing of any road, driveway, and parking area in the Common Area designated on the Development Plan.
 - (iii) The replacement of trees or other vegetation and the planting of trees, shrubs, and ground cover on any portion of Common Area and irrigation systems to water them.
 - (iv) The placement and maintenance of such lighting and signs as the Association may deem necessary for the identification of the development

and of roads, the regulation of traffic, including parking, the regulation and use of Common Area and Common Facilities.

Section 5.02 Owner Maintenance Responsibilities.

Except for the Common Area facilities located with each Parcel to be maintained by the Association as provided in Section 5.01 above, each Owner shall be responsible for all other maintenance responsibilities associated with the Owner's Parcel and improvements thereon. For the benefit of all Owners, each Owner covenants to maintain the Owner's Parcel and improvements at all times in clean condition and good repair. Owner's maintenance responsibilities shall include, without limitation, roofs, gutters, siding, paint, windows, doors, gates, fencing, concrete surfaces within the fenced or enclosed areas on the Parcel including any entryways that may extend into the Common Area, and the mechanical, air conditioning, plumbing, sewer, electrical, heating, water, gas, cable television, drains and other lines, equipment, systems and fixtures exclusively serving the Owner's Parcel, whether located within the Owner's Parcel or within the Common Area. In general, an Owner's maintenance responsibility shall begin at the junction box, meter, sewer connection or other point at which exclusive service to the Owner's Parcel begins or, if such exclusive service point cannot be determined or is disputed by the Owner, at the point designated by the Board.

Section 5.03 Association Recovery of Costs of Certain Repairs and Maintenance.

(a) **Association Maintenance Necessitated by Owner Negligence.** If the need for maintenance or repair, which would otherwise be the Association's responsibility hereunder, is caused through the willful or negligent acts of an Owner, his or her family, guests, tenants, or invitees, and is not covered or paid for by insurance policies maintained by the Association or the responsible Owner, the cost of such maintenance or repairs shall be subject to recovery by the Association through the imposition of a Special Individual Assessment against the offending Owner in accordance with Section 4.04.

(b) **Owner Defaults in Maintenance Responsibilities.** If an Owner fails to perform maintenance or repair functions on the Owner's Parcel for which he or she is responsible, the Association may give written notice to the offending Owner with a request to correct the failure within 15 days after receipt thereof. If the Owner refuses or fails to perform any necessary repair or maintenance, the Association may exercise its rights under Section 3.06(b) above, to enter the Owner's Parcel and perform the repair or maintenance so long as the Owner has been given notice and the opportunity for a hearing in accordance with Section 13.06.

Section 5.04 Cooperative Maintenance Obligations.

To the extent necessary or desirable to accomplish the Association's maintenance and repair obligations hereunder, individual Owners shall cooperate with the Association and its agents and maintenance personnel in the prosecution of its work.

ARTICLE VI. Improvement Standards

Improvements constructed on any Parcel in the Development that will result in modification of the exterior of the buildings on the Parcel or changes to the Common Area on the Parcel shall conform to the following minimum improvement standards, unless a variance is requested from and granted by the Architectural Committee in accordance with Section 7.12.

Section 6.01 Changes to Common Area.

Any improvement that will result in an alteration or reduction in the Common Area must be approved by the Board. The Board must consider the impact on all of the Parcel Owners and may not approve any proposed alteration that will significantly reduce the parking or access available to the Parcel Owners.

Section 6.02 Building Plans.

All building and Improvement plans that relate to exterior changes to any building on the Parcel or Common Area must be submitted to, and approved by, the Board, or Architectural Committee if established by the Board, before being submitted to any governmental agency to obtain a building permit.

Section 6.03 Compliance With Approved Plans and Applicable Improvement Requirements.

Once approved by the Board, or Architectural Committee if established by the Board, the Improvement Development must be constructed and completed in accordance with the approved plans and specifications and any applicable minimum construction standards imposed by this ARTICLE VI or the Architectural Rules (unless the Committee has approved a specific variance from those standards).

Section 6.04 Licensed Contractor.

Significant new construction as reasonably determined by the Board, shall be constructed by a contractor licensed under the laws of the State of California and, if considered necessary or appropriate by the Board, shall be designed by a licensed architect.

Section 6.05 Site and Drainage Review.

General site considerations, including site layout, open space and topography, orientation and locations of buildings, any proposed changes to circulation, vehicular access and parking, setbacks, height, walls, fences, and similar elements shall be designed by a licensed engineer to minimize disruption or alteration of the Common Area, to provide a desirable environment and to avoid alteration of established drainage courses.

Section 6.06 Improvements to Facilitate Access for the Handicapped.

Each Owner shall have the right to make improvements to their separate area and within the Common Area as reasonably necessary to comply with handicapped accessibility requirements for their buildings. Such improvements shall require Board approval as provided herein but the Board may not unreasonably disapprove any such plans.

ARTICLE VII. Architectural Control

Section 7.01 Approval of Improvements by Board or Architectural Committee.

- (a) Approval Generally. Before commencing construction or installation of any Improvement within the Development (as defined in ARTICLE I above), the Owner planning such Improvement must submit a written request for approval to the Association Board of Directors or its duly appointed Architectural Committee, if such a committee is established by the Board of Directors. Unless the Board's approval of the proposal is first obtained, no work on the Improvement shall be undertaken. The Board shall base its decision to approve, disapprove, or conditionally approve the proposed Improvement on the criteria described in Section 7.06. If the Board establishes an architectural committee, all references in this Article to the "Board" or the "Board of Directors" shall be deemed to be references to the Architectural Committee, unless the context shows a contrary intent.
- (b) Modifications to Approved Plans Must Also Be Approved. Once a proposed work of Improvement has been duly approved by the Board, no material modifications shall be made in the approved plans and specifications therefor and no subsequent alteration, relocation, addition, or modification shall be made to the work of Improvement, as approved, without a separate submittal to, and review and approval by, the Board. If the proposed modification will have, or is likely to have, a material effect on other aspects or components of the work, the Board, in its discretion, may order the Owner and his or her contractors and agents to cease working not only on the modified component of the Improvement, but also on any other affected component. The restrictions of this subparagraph (b) shall also apply to any proposed modification of any Parcel, fence, or other structure from its appearance or location as originally constructed by the Declarant.
- (c) Enforcement For Non-Compliance. If it comes to the knowledge and attention of the Association, the Board, the Architectural Committee, or the agents or employees of either, that a work of Improvement, or any modification thereof, is proceeding without proper approval, the Association shall be entitled to exercise the enforcement remedies available to the Association by law or under the Governing Documents including, without limitation, ordering an immediate cessation and abatement of all aspects of the work of Improvement until such time as proper architectural review and approval is obtained.

Section 7.02 Composition of the Architectural Committee.

If the Board elects to establish an Architectural Committee under its Bylaws, the Committee may be composed of both members and non-members, provided that at least one Member shall serve on the Committee. In selecting Members for the Committee, the Board shall endeavor to select individuals whose occupations or education will provide technical knowledge and expertise relevant to matters within the Committee's jurisdiction. Committee members shall serve two-year terms subject to the Board's power to remove any Committee member and to appoint his or her successor. Neither the members of the Committee nor its designated representatives shall be entitled to any compensation for services performed pursuant hereto. If the Board establishes a Committee, it shall have those powers which are specifically designated by the Board in the resolution establishing the Committee.

Section 7.03 Duties.

The Board shall have the duty to consider and act on the proposals and plans for Improvements submitted to it under this Declaration, to adopt Architectural Rules under Section 7.05, and to carry out all other architectural review duties imposed on it by this Declaration.

Section 7.04 Meetings.

- (a) The Board shall meet from time to time as necessary to properly perform the architectural review functions described herein. The vote or written consent of a majority of the Board shall constitute the action of the Association. The Board shall keep and maintain a written record of all actions taken, and actions on architectural matters may be undertaken by the Board at its regular Board meetings. Any decision on a proposed Improvement Development shall be made in a fair, reasonable, and expeditious manner, shall be made in good faith, and shall not be unreasonable, arbitrary, or capricious. Decisions shall be consistent with any governing provision of law, including, without limitation, the Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2 of the California Government Code) and ADA (Americans with Disabilities Act). If a Board member is also the Owner proposing the Improvement subject to consideration, the Board member shall recuse himself or herself from the consideration and the decision shall be made by the remaining Directors.
- (b) The applicant shall be entitled to appear at any meeting of the Board at which his or her proposal has been scheduled for review and consideration. The applicant shall be entitled to be heard on the matter and may be accompanied by his or her architect, engineer and/or contractor, if any. Other Owners whose Parcels may be affected by the proposed Improvement (in terms of the view or solar access of their Parcel, noise, or other considerations) shall also be entitled to attend the meeting at the discretion of the Board.
- (c) Reasonable notice of the time, place, and proposed agenda for the review of architectural matters shall be communicated not less than 7 days before the date of the meeting to any applicant whose application is scheduled to be heard. Notice may also be

given to neighboring Owners if the Board, in the reasonable exercise of its discretion, considers such notice appropriate. The applicant may agree to a shorter notice period.

Section 7.05 Architectural Rules.

- (a) The Board of Directors may, from time to time, adopt, amend, and repeal rules and regulations to be known as "Architectural Rules."
- (b) The Architectural Rules shall interpret and implement the provisions hereof by setting forth:
 - (i) the standards and procedures for architectural review, including the required content of Improvement plans and specifications;
 - (ii) guidelines for architectural design, placement of any work of Improvement or color schemes, exterior finishes, and materials and similar features that are recommended or required for use in connection with particular Improvement Developments within the Development; and
 - (iii) the criteria and procedures for requesting variances from any property use restrictions that would otherwise apply to the proposed Improvement under the Governing Documents (see Section 7.12.)
- (c) Notwithstanding the foregoing, no Architectural Rule shall be in derogation of the minimum standards required by this Declaration. In the event of any conflict between the Architectural Rules and this Declaration, the provisions of the Declaration shall prevail. If the right to adopt Architectural Rules is delegated to the Committee, any such rule shall not become effective until it has been approved by the Board.
- (d) Among other things, the Architectural Rules shall provide a fair, reasonable, and expeditious procedure for making decisions on submitted Improvement plans and Developments. The procedures shall include prompt deadlines for various actions and a maximum time for response to an application, consistent with Section 7.07.

Section 7.06 Basis for Approval of Improvements.

- (a) When a proposed Improvement is submitted to the Board for review, the Board shall grant the requested approval only if the Board in its sole discretion, makes the following findings regarding the proposed Development:
 - (i) The Owner's plans and specifications conform to this Declaration and to the Architectural Rules in effect at the time such plans are submitted to the Board;
 - (ii) The Improvement will be in harmony with the external design of other structures and/or landscaping within the Development;

- (iii) The Improvement, as a result of its appearance, location, or anticipated use, will not interfere with the reasonable enjoyment of any other Owner of his or her Parcel; and
 - (iv) The proposed Improvement(s), if approved, will otherwise be consistent with the architectural and aesthetic standards prevailing within the Development and with the overall plan and scheme of development within the Development.
 - (v) The Board may not approve any proposed Improvement that will significantly reduce the parking, access or other common area facilities available to all of the Parcel Owners
- (b) The Board shall be entitled to determine that a proposed Improvement or component thereof is unacceptable when proposed on a particular Parcel, even if the same or a similar Improvement/component has previously been approved for use at another location within the Development if factors such as drainage, topography, or visibility from roads, Common Areas, or other Parcels or prior adverse experience with the product or components used in construction of the Improvement, design of the Improvement, or its use at other locations within the Development militate against erection of the Improvement or use of a particular component thereof on the Parcel involved in the Owner's submittal.
- (c) In approving a request for construction of an Improvement, the Board may condition approval on the adoption of modifications in the plans and specifications or observance of restrictions as to location, noise abatement or similar mitigating conditions.

Section 7.07 Time Limits for Approval or Rejection.

Within 30 days after submission of plans and specifications satisfying the requirements of the Architectural Rules, the Board shall return one set of such plans to the applicant, with either written notice of approval or disapproval or with written suggestions of changes required for approval attached to the returned set of plans. If the Board recommends that the plans and specifications be modified, the applicant may implement such changes to the plans and within 30 days resubmit plans incorporating such changes for approval to the Board, which shall not unreasonably withhold its approval so long as the applicant has complied in all material respects with the requested changes. If no written notice of approval or disapproval is received by the applicant within 30 days after the Owner's plans and specifications (or revisions thereto) are submitted to the Board, the plans shall be deemed to have been approved as submitted.

Section 7.08 Committee Recommendations.

If the Board establishes an Architectural Committee, the Committee's decisions shall be deemed to be recommendations to the Board which shall be placed on the agenda for confirmation, modification, or denial at the next scheduled Board meeting and the 30-day period specified herein for Association action shall be extended to include the days from the Committee's action until the next regular meeting of the Board.

Section 7.09 Proceeding With Work.

On receipt of approval of an Improvement Development from the Board, the Owner shall, as soon as practicable, satisfy all conditions thereof and diligently proceed with the commencement of construction of the Improvement pursuant to the approval. In all cases, work on an Improvement Development shall commence within 6 months from the date of such approval. If the Owner fails to comply with this section, any approval given under this Article shall be deemed revoked unless the Board, on written request of the Owner, tendered before the expiration of the initial 6-month period, extends the time for commencement or completion. No such extension shall be granted except on a finding by the Board that there has been no change in the circumstances on which the original approval was granted and that the Owner has a bona fide intention and ability to complete the Improvement Development within the time specified in the extension request.

Section 7.10 Failure to Complete Work.

Unless the Board grants the Owner an extension of time to complete the Development, construction, reconstruction, refinishing or alteration of any such Improvement must be completed within 6 months after construction has commenced, except and for so long as such completion is rendered impossible or would result in great hardship to the Owner because of strikes, fires, national emergencies, natural calamities or other supervening forces beyond the control of the Owner or his or her agents. If the Owner fails to comply with this section, the Board shall proceed as though the failure to complete the Improvement was a noncompliance with approved plans.

Section 7.11 Inspection of Work by the Board.

Inspection of the work relating to any approved Improvement and correction of defects therein shall proceed as follows:

- (a) During the course of construction, representatives of the Board shall have the right to inspect the job site to confirm that the work of Improvement is proceeding in accordance with the approved plans and specifications.
- (b) On the completion of any work of Improvement for which architectural approval is required under this Article, the Owner shall give the Board of Directors a written notice of completion.
- (c) Within 30 days thereafter, the Board may inspect the Improvement to determine whether it was constructed, reconstructed, altered, or refinished in substantial compliance with the approved plans. If the Board finds that the Improvement was not erected, constructed, or installed in substantial compliance with the Owner's approved plans, then within the 30-day inspection period the Board shall give the Owner a written notice of noncompliance detailing those aspects of the Development that must be modified, completed, or corrected. If the violation or nonconforming work is not corrected, the

Board shall have the enforcement rights and remedies available by law or under the Governing Documents.

(d) If for any reason the Board fails to notify the Owner of any noncompliance within 30 days after receipt of the Owner's notice of completion, the Improvement shall be deemed to have been constructed in accordance with the approved plans for the Development, unless it can be demonstrated that the Owner knew of the noncompliance and intentionally misled the Board with respect thereto.

Section 7.12 Variances.

The Board of Directors, in its sole discretion, shall be entitled to allow reasonable variances in any procedures specified in this ARTICLE VII, or in any of the minimum improvement standards imposed by ARTICLE VI, to overcome practical difficulties, avoid unnecessary expense, or prevent unnecessary hardship to any Owner-applicant, provided all of the following conditions are met:

(a) If the requested variance will necessitate deviation from, or modification of, a property use restriction that would otherwise be applicable under this Declaration, the Board may, but shall not be obligated to, condition approval of the variance on the Owner-applicant's receipt of approvals for the variance from neighboring Owners of Parcels within the same main building structure. Under such circumstances, the Board shall be entitled to issue notice to the neighboring Owners of the date, time, and location of the Board's hearing on the variance proposal, to afford the neighbors an opportunity to attend and be heard on the matter.

(b) If the requested variance pertains to any material Improvement or Development, the Board must make a good faith written determination that the variance is consistent with one or more of the following criteria: (i) the requested variance will not constitute a material deviation from any restriction contained herein or that the variance proposal allows the objectives of the violated requirement(s) to be substantially achieved despite noncompliance; or (ii) that the variance relates to a use restriction or minimum construction standard otherwise applicable hereunder that is unnecessary or burdensome under the circumstances; or (iii) that the variance, if granted, will not result in a material detriment, or create an unreasonable nuisance with respect to any other Parcel or Common Area within the Development.

Section 7.13 Compliance Certificate.

Within 30 days after written demand is delivered to the Board by any Owner, and on payment to the Association of a reasonable fee (as established from time to time by the Board), the Board shall Record a Compliance Certificate, executed by any two directors, certifying (with respect to any Parcel owned by the Owner-applicant) that as of the date thereof, either: (a) all Improvements made and other work completed by the Owner comply with this Declaration, or (b) such Improvements or work do not so comply, in which event the certificate shall also identify the non-complying Improvements or work and set forth with particularity the basis of such noncompliance. Any purchaser from the Owner, or from anyone deriving any interest in the

Parcel through the Owner, shall be entitled to rely on the Association's Compliance Certificate with respect to the matters therein set forth, such matters being conclusive as between the Association, all Owners and any persons deriving any interest through them.

Section 7.14 Limitation on Liability.

Neither the Association nor the Board or the Architectural Committee (if any) or any member thereof, shall be liable to any Owner for any damage, loss or prejudice suffered or claimed on account of any mistakes in judgment, negligence or nonfeasance arising out of (a) the approval or disapproval of any plans, drawings, and specifications, whether or not defective; (b) the construction or performance of any Improvement Development, whether or not under approved plans, drawings, or specifications; (c) the granting of a variance under Section 7.12; or (d) the execution and delivery of a Compliance Certificate under Section 7.13, whether or not the facts therein are correct, provided, however, that such member has acted in good faith on the basis of such information as he or she possessed at the time the act or omission occurred.

Section 7.15 Compliance With Governmental Regulations.

Review and approval by the Board of any proposals, plans or other submittals pertaining to Improvements shall in no way be deemed to constitute satisfaction of, or compliance with, any building permit process or any other governmental requirements, the responsibility for which shall lie solely with the Owner who desires to construct, install or modify the Improvement.

ARTICLE VIII. Restrictions on Use of Parcels

In addition to the restrictions established by law or Association Rules promulgated by the Board of Directors (consistent with this Declaration), the following restrictions are hereby imposed on the use of Parcels, Common Areas, and other areas within the Development.

Section 8.01 Use Restrictions Run With Parcel.

Each Parcel shall be conveyed subject to the use restrictions of this Declaration.

Section 8.02 Restrictions to Be Applied in Conformance with Statute; Existing Uses

Notwithstanding the provisions of this Article, nothing herein is intended to:

- (a) Prohibit any use (such as installation of solar panels) expressly authorized by state or federal law. Where such law applies, the Board shall interpret and apply these restrictions in a manner that complies with the applicable statute, and to the extent possible, promotes the interests of the Members in maintaining an aesthetically consistent and pleasing appearance of the Development. Many such statutory limitations on use restrictions are set forth in Chapter 5, Article 1 of the Commercial and Industrial Common Interest Development Act, commencing at Civil Code Section 6700 *et seq.*

- (b) Prohibit continuance of a use of a Parcel or the Common Area existing at the time of recording of this Declaration, even if it is contrary to the terms of this Declaration.

Section 8.03 Commercial Use; Residential Use Prohibited.

The use of the individual Parcels in the Development is hereby restricted to Commercial Use as allowed by zoning ordinances applicable to the Development and the provisions of this Declaration. No part of the Development shall be used or caused, allowed, or authorized to be used in any way, directly or indirectly, for any residential or non-commercial purpose, even if allowed under the applicable zoning ordinance.

Section 8.04 Non-Permitted Commercial Uses.

Except as required by law to be allowed to operate, or upon approval by a Majority of a Quorum of the Members, no Owner shall use or occupy, or permit the use or occupation of its, his or her Parcel for any of the following uses:

- (a) Adult Book\Video Store;
- (b) Marijuana Dispensary
- (c) Automobile paint/body shop;

Section 8.05 Alarms.

No Owner shall install any security system or device that may be triggered by Association activities within the Common Area without the prior written consent of the Board.

Section 8.06 Activities that Adversely Affect other Parcels.

No Owner shall undertake any activity or work with respect to the Owner's Parcel that will impair any easements of other Parcel Owners, or do any act or allow any condition to exist in or around the Owner's Parcel that will adversely affect any other Parcels or their occupants.

Section 8.07 Prohibition of Noxious Activities.

No illegal, noxious, or offensive activities shall be carried out or conducted on or in any Parcel or Common Area, nor shall anything be done within the Development that is or could become an unreasonable annoyance or nuisance to neighboring property owners. Without limiting the foregoing, no Owner shall permit noise, including but not limited to the operation of excessively noisy air equipment, stereo amplifier systems, television systems, motor vehicles, or power tools, to emanate from an Owner's Parcel or from activities within the Common Area, which would unreasonably disturb any other Owner's or tenant's enjoyment of his or her Parcel or the Common Area.

Section 8.08 No Temporary Living Structures.

No structure of a temporary character, trailer, mobile home, camper, tent, shack, garage, or other outbuilding shall be used on any Parcel or the Common Area at any time as living quarters, either temporarily or permanently.

Section 8.09 Signs.

- (a) All signs installed by an Owner or Lessee on his or her Parcel shall comply with the City sign regulations. The Board, in its discretion, shall be entitled to regulate or prevent altogether the erection and maintenance of any sign on any Common Area within the Development.

Section 8.10 Trash Disposal.

- (a) No rubbish, trash, or garbage shall be allowed to accumulate outside of buildings where visible from roads, parking areas and walkways.
- (b) At various locations within the Development, the Association maintains, and shall continue to maintain, trash dumpsters. Owners shall deposit in these dumpsters any garbage that is not retained within a Parcel so that it can be taken to a location outside of the Development.
- (c) Any extraordinary accumulation of rubbish, trash, garbage, or debris (such as debris generated on vacating of premises or during the construction of modifications and Improvements) shall be removed from the Development by the Owner or tenant at his or her expense. The Association shall be entitled to impose reasonable fines and penalties for the collection of garbage and refuse disposed in a manner inconsistent with this section.

Section 8.11 Storage.

- (a) Storage of personal property on any Parcel shall be entirely within the separately owned (non-common) area of the Parcel.
- (b) The Association shall have the right to establish and maintain on the premises appropriate storage yards and storage buildings for the maintenance of materials and equipment used by the Association in connection with its planting, building, repair, maintenance, and preservation of the structures, gardens, and other Improvements within the Common Area and any portion of the Parcels that the Association is obligated to repair and maintain.
- (c) No gasoline, kerosene, cleaning solvents, or other toxic or flammable liquids in excess of one gallon shall be stored in any Parcel or in the Restricted Common Area without the prior written consent of the Board. Any such substances not used in the normal course of business shall be submitted to the Board in writing for approval before any storage can take place. All such liquids shall be stored and used in compliance with

all applicable regulations and manufacturer's recommendations. Notwithstanding the foregoing, storage of petroleum products and solvents incidental to the existing operation of the gas station and automobile tire\repair shop within the Development shall continue to be permitted, provided such storage and use complies with all applicable regulations.

Section 8.12 Outside Equipment.

To ensure adequate aesthetic controls and to maintain the general attractive appearance of the Development, no Owner or lessee shall place or maintain any objects, such as masts, towers, poles, or radio or television antennas, HVAC units, solar panels, storage or waste disposal units on the exterior of any building within the Development unless design review and approval is first obtained in accordance with ARTICLE VII. Provided, however, that the Association shall have the right, without obligation, to erect, place, or install and maintain any such apparatus for the benefit of all or a portion of the Development. Furthermore, no activity shall be conducted on any Parcel that causes an unreasonable broadcast interference with television or radio reception on any neighboring Parcel.

Section 8.13 Machinery and Equipment.

No machinery or equipment of any kind shall be placed, operated, or maintained by an Owner on or adjacent to the Common Area without the prior written approval of the Board.

Section 8.14 Diseases and Pests.

No Owner shall permit any thing or condition to exist on his or her Parcel that shall induce, breed, or harbor infectious plant diseases, rodents, or noxious insects.

Section 8.15 Parking and Vehicle Restrictions.

The following parking and vehicle regulations and restrictions shall apply within the Development:

- (a) Other than those designated in this Declaration as Restricted Common Area, parking shall not be assigned or reserved to particular buildings or units. The Board may from time to time assign the exclusive right to use any of said spaces to particular Parcels or for use by the Association's agents. Provided however, that the Board shall first notify all Parcel owners of the intent to assign such spaces and provide opportunity for the Members to be heard on the issue. The Board shall not assign exclusive use to particular Parcels or units within Parcels if it will significantly adversely impact parking opportunities for other Parcel Owners and their Lessees.
- (b) No vehicle shall be parked or left on any area within the Development except within specified parking areas so designated by the Board.
- (c) No motor vehicle shall be constructed, reconstructed, or repaired within the Development, and no dilapidated or inoperable vehicle, including vehicles without

wheel(s) or an engine, shall be stored on the Development, provided, however, that the provisions of this section shall not apply to emergency vehicle repairs.

(d) Campers, boats, and trailers are not to be parked within the Development, except for periods not to exceed 6 hours for the purpose of loading and unloading or except with the prior written consent of the Board.

(e) The Board shall have the authority to tow at the Owner's expense, any vehicle parked or stored in violation of this section. The Board shall post such notices or signs within the Common Area as may be required by law to effectuate this towing provision.

(f) The Board shall have the authority to promulgate further reasonable rules and restrictions of uniform application regarding the parking and/or operation of vehicles within the Development as may be deemed prudent and appropriate.

Section 8.16 Use of Private Roadways in Common Area.

(a) Private roadways within the Development shall not be used for recreational purposes, including "joy riding" or racing. Motorcycles, mopeds, and motorized vehicles shall be allowed on such private roadways only for ingress and egress.

(b) In order to prevent accelerated deterioration of private roadways, the Board shall be entitled to collect deposits from Owners and/or contractors in connection with construction of Improvements within the Development. Such deposits can be designated as nonrefundable or they can, in the Board's discretion, be applied to correct or repair specific damage caused by the construction.

(c) All provisions of the California Vehicle Code must be honored at all times when operating any motor vehicle within the Development.

Section 8.17 Activities Affecting Insurance.

Nothing shall be done or kept on any Parcel or within the Common Area that will increase the rate of insurance relating thereto on any policy maintained by the Association (see ARTICLE X) without the prior written consent of the Association and no Owner shall permit anything to be done or kept on an Owner's Parcel or within the Common Area that would cause any Improvements to be uninsurable against loss by fire or casualty or result in the cancellation of insurance on any Parcel or any part of the Common Area.

Section 8.18 Activities Affecting Sewer System.

Nothing shall be done in any Parcel or within the Common Area that will create sewage discharges in an amount or character that requires the enlargement or alteration of the Development's sewage disposal system without the prior written consent of the Board, and without government approval obtained by and payment for any necessary enlargement and/or alteration by the Owner causing the necessity for the enlargement or alteration of the Development's sewage disposal system.

Section 8.19 Further Subdivision and Severability.

A Parcel owner may further subdivide his Parcel or develop it into condominiums. Each new Parcel shall be subject to these CC&R's and easements contained herein, and each new Parcel owner shall become a member of the Association. Any owner intending to subdivide shall first consult with the Association to assure the subdivision will conform to the CC&R's requirements. The Development Plan shall be amended to reflect the new parcels and the assessment allocation contained in Exhibit C shall be amended to reallocate the assessments in an equitable manner between all of the Parcels. The Association shall make any other modifications reasonably needed to accommodate the new Parcels without impairing the rights of existing owners. However, no Owner of a Parcel within the Development shall be entitled to sever the separate portion of the Parcel from the Common Area portion of the Parcel.

Section 8.20 Variances.

On application by any Owner, the Board/Architectural Committee shall be authorized and empowered to grant reasonable variances from the property use restrictions set forth in this Article, if specific application of the restriction will, in the sole discretion of the Board/Architectural Committee, either cause an undue hardship to the affected Owner or fail to further or preserve the common plan and scheme of development contemplated by this Declaration. In considering and acting on any request for a variance, the Board/Architectural Committee, shall follow the procedures set forth in Section 7.12 for the granting of architectural variances.

Section 8.21 Enforcement of Property Use Restrictions.

The objective of this Declaration shall be to promote and seek voluntary compliance by Owners and tenants with the environmental standards and property use restrictions contained herein. Accordingly, in the event that the Association becomes aware of an architectural or property use infraction that does not necessitate immediate corrective action under Section 13.06, the Owner or tenant responsible for the violation shall receive written notice thereof and shall be given a reasonable opportunity to comply voluntarily with the pertinent Governing Document provision(s). Such notice shall describe the noncomplying condition, request that the Owner or tenant correct the condition within a reasonable time specified in the notice, and advise the Owner or tenant of his or her right to be heard on the matter.

Section 8.22 Use of Common Areas.

The Common Areas, except the Restricted Common Areas, shall be preserved and used for purposes incidental and ancillary to the use of Parcels and the Association's duties, and use of such Common Areas shall be limited to the private use by the Association, Members, their tenants, invitees, customers, clients, and guests, subject to the provisions of the Governing Documents. No Improvement, excavation, or work that in any way alters any Common Area or Common Facility from its natural or existing state shall be made or done except by the Association and then only in compliance with the provisions of this Declaration.

ARTICLE IX. Easements; Boundary Changes**Section 9.01 Encroachment Easements.**

Each Parcel is hereby declared to have an easement over adjoining Parcels and Common Area for the purpose of accommodating any encroachment due to roof overhang and fences or walls or ancillary equipment that are built in accordance with the original design, plans, and specifications of Declarant, and due to engineering errors, errors in original construction, settlement or shifting of the building, or similar causes. There shall be valid easements for the maintenance of these encroachments as long as they shall exist, and the rights and obligations of the Owner shall not be altered in any way by the encroachment, settlement or shifting, provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if the encroachment occurs due to the willful misconduct of the Owner or Owners. In the event a structure is partially or totally destroyed, and is repaired or rebuilt, the Owners of each adjoining Parcel agree that minor encroachments over adjoining Parcels shall be permitted and that there shall be valid easements for the maintenance of the encroachments so long as they shall exist.

Section 9.02 Roadway Easements.

Each Owner and the Association shall have and is hereby granted a nonexclusive easement for roadway and vehicular traffic purposes over and along the private roadways and paved parking areas within the Development. The nonexclusive easement granted hereby to each Owner and to the Association is subject to the offer of dedication of such streets, if any, made at time of approval of the subdivision map for the Development, and, on complete or partial acceptance of such offer by the City, the easement shall terminate and be of no further force or effect as to those streets or portions thereof accepted by the City.

Section 9.03 Blanket Utility Easement.

There is hereby created a blanket easement on, across, over, and under all of the Development for ingress, egress, installation, replacing, repairing, and maintaining all utilities, including but not limited to water, sewers, gas, telephones, drainage, and electricity, telephone, and the master television antenna or cable television system. By virtue of this easement, it shall be expressly permissible for the providing utility to erect and maintain the necessary equipment and underground facilities on the Common Area to serve each Owner, subject to the approval of the Association Board. Notwithstanding the foregoing, no sewer, electrical lines, water lines, gas lines, telephone lines, or television/cable lines or other utilities may be installed or relocated on the Development except as existing at the time of this Declaration or thereafter approved by the Board of Directors. The easements provided for in this section shall in no way affect any other Recorded easement on the Development.

Section 9.04 Maintenance Easements.

An easement is hereby granted to the Association, its officers, agents, employees, and to any management Association/contractor selected by the Association to enter in or to cross over the Common Area and any Parcel to perform the Association's duties of maintenance and repair of the Common Area, or Common Facilities provided, however, that any entry by the Association or its agents onto any Parcel shall only be undertaken in strict compliance with Section 3.06(b).

Section 9.05 Boundary Changes Between Separate and Common Areas.

An easement shall exist for use and maintenance as Common Area over any portion of a Parcel which, because of a change in the boundary of a private structure, including a fence, wall or patio, has moved the boundary between the separate area and abutting Common Area.

Section 9.06 Other Easements.

Each Parcel and its Owner, and the Association as to the Common Area, are hereby declared to be subject to all the easements, dedications, and rights-of-way granted or reserved in, on, over, and under the Development and each Parcel and Common Area as shown on the Development Plan and Parcel Map.

Section 9.07 Priority of Easements.

Whenever easements granted to the City are, in whole or in part, coterminous with any other easements, the easements of the City shall have and are hereby granted priority over the other easements in all respects.

ARTICLE X. Insurance**Section 10.01 Types of Insurance Coverage.**

The Association shall purchase, obtain, and maintain, with the premiums therefore being paid out of Common Funds, the following types of insurance, if and to the extent such insurance, with the coverages described below, is available at a reasonable premium cost:

- (a) **Fire and Casualty Insurance.** The Association shall obtain and maintain a master or blanket policy of fire and casualty insurance, written on all risk, replacement cost basis, on any Common Areas and Common Facilities. The insurance shall be kept in full force and effect at all times and the full replacement value of the insured property shall be redetermined on an annual basis. Depending on the nature of the insured property and the requirements, if any, imposed by institutional Mortgagees having an interest in such property, the policies maintained by the Association under this section shall contain an agreed amount endorsement or a contingent liability from operation of building laws endorsement or the equivalent, an extended coverage endorsement, vandalism, malicious mischief coverage, a special form endorsement and a clause to permit cash settlements for full insurable value in case of partial destruction. The policies required hereunder

shall name as insured the Association, all Owners and all Mortgagees as their respective interests may appear. The policies may contain a loss payable endorsement in favor of the trustee described in Section 10.05.

(b) Public Liability and Property Damage Insurance. To the extent such insurance is reasonably obtainable, a policy of comprehensive public liability and property damage insurance covering acts and omissions by the Association within and relating to the Association's operations and its ownership of the Common Areas, naming as parties insured the Association, each member of the Board, any manager, and such other persons as the Board may determine. The policy will insure each named party against any liability incident to the ownership and use of the Common Area and including, if obtainable, a cross-liability or severability of interest endorsement insuring each insured against liability to each other insured. The limits of such insurance shall not be less than \$2,000,000.00 covering all claims for death, personal injury and property damage arising out of a single occurrence. Such insurance shall include coverage against water damage liability, liability for non-owned and hired automobiles, liability for property of others and any other liability or risk customarily covered with respect to Developments similar in construction, location and use.

(c) Director's and Officer's Liability Insurance. To the extent such insurance is reasonably obtainable the Association shall maintain individual liability insurance for its directors and officers providing coverage for negligent acts or omissions in their official capacities. The minimum coverage of such insurance shall be at least \$500,000.00.

(d) Additional Insurance and Bonds. To the extent such insurance is reasonably obtainable, the Association may also purchase with Common Funds such additional insurance and bonds as it may, from time to time, determine to be necessary or desirable, including, without limiting the generality of this section, demolition insurance, flood insurance, and workers' compensation insurance.

Section 10.02 Coverage Not Available.

In the event any insurance policy, or any endorsement thereof, required by Section 10.01, is for any reason not available at a reasonable cost, then the Association shall obtain such other or substitute policy or endorsement as may be available which provides, as nearly as possible, the coverage hereinabove described. The Board shall notify the Owners of any material adverse changes in the Association's insurance coverage.

Section 10.03 Copies of Policies.

Copies of all insurance policies (or certificates thereof showing the premiums thereon have been paid) shall be retained by the Association and shall be available for inspection by Owners at any reasonable time.

Section 10.04 Individual Owner Fire and Casualty Insurance.

Each Owner is encouraged to maintain their own policies to cover their separate interest and activities. The policies maintained by the Association are not intended to protect those interests. The Association shall have no responsibility for the adequacy or extent of such insurance coverage.

Section 10.05 Trustee.

All insurance proceeds payable under Section 10.01 and subject to the rights of the Mortgagees under ARTICLE XIV below may, in the discretion of the Board of Directors, be paid to a trustee to be held and expended for the benefit of the Owners, Mortgagees, and others, as their respective interests shall appear. The trustee shall be a commercial bank in the County that agrees in writing to accept such trust.

Section 10.06 Adjustment of Losses.

The Board is appointed attorney-in-fact by each Owner to negotiate and agree on the value and extent of any loss under any policy carried under Section 10.01. The Board is granted full right and authority to compromise and settle any claims or enforce any claim by legal action or otherwise and to execute releases in favor of any insured.

Section 10.07 Distribution to Mortgagees.

Subject to the provisions of ARTICLE XIV, any Mortgagee has the option to apply insurance proceeds payable on account of a Parcel in reduction of the obligation secured by the Mortgage of such Mortgagee.

Section 10.08 Payment of Premiums.

Premiums on insurance maintained by the Association shall be a Common Expense funded by the Assessments levied by the Association.

Section 10.09 Limitation of Liability of Owners for Common Area Liability.

Pursuant to Civil Code §6840, any cause of action in tort against any owner of a separate interest arising solely by reason of an ownership interest as a tenant in common in the Common Area of the Development shall be brought only against the Association and not against the individual owners of the separate interests, if the Association maintained and has in effect for this cause of action, one or more policies of insurance that include coverage for general liability of the association and the amount of such coverage is at least two million dollars (\$2,000,000)

ARTICLE XI. Damage or Destruction**Section 11.01 Damage or Destruction to Common Facilities; Proceeds Equal or Exceed 85 Percent of the Reconstruction Costs.**

If there is damage or destruction to Common Facility Improvements within the Development, and if the available proceeds of the insurance maintained under ARTICLE X are sufficient to cover not less than 85 percent of the costs of repair and reconstruction, the Improvements shall be promptly rebuilt unless, within 90 days from the date of destruction, 75 percent of the voting power of the Members determine that such repair and reconstruction shall not take place. If repair and reconstruction is to take place, the Board shall be required to Record, not later than 120 days from the date of such destruction, a certificate declaring the intention of the Members to rebuild.

Section 11.02 Damage or Destruction; Proceeds Less Than 85 Percent of Reconstruction Costs.

If the proceeds of insurance are less than 85 percent of the cost of repair and reconstruction, repair and reconstruction may nevertheless take place, if, within 90 days from the date of destruction, Members then holding at least 51 percent of the total Voting Power, determine that such repair and reconstruction shall take place, the Board shall be required to Record, not later than 120 days from the date of such destruction, a certificate declaring the intention of the Members to rebuild.

Section 11.03 Rebuilding Procedures.

If the Members determine to rebuild, under Section 11.01 or Section 11.02, the cost not covered by insurance proceeds shall be determined by the Board and a special assessment levied on all of the Parcels to cover the expense.

Section 11.04 Rebuilding Contract.

If the Members who are eligible to vote on the matter determine to rebuild, the Board shall reconstruct the damaged or destroyed portions of the Development substantially in accordance with the original plan or such modified plan as the Board shall approve. The Board or its authorized representative shall obtain bids from at least two reputable contractors and shall award the repair and reconstruction work to the lowest qualified bidder. The Board shall have the authority to enter into a written contract with the contractor for such repair and reconstruction, and the insurance proceeds held by the trustee shall be disbursed to the contractor according to the terms and conditions of the agreement. It shall be the obligation of the Board to take all steps which are necessary or appropriate to assure the commencement and completion of authorized repair and reconstruction at the earliest possible date.

Section 11.05 Rebuilding Not Authorized.

If the Members determine not to rebuild, then any insurance proceeds then available for rebuilding shall be retained by the Association and assigned to such expenses and reserves as the Board may determine.

Section 11.06 Minor Repair and Reconstruction.

In any case, the Board shall have the duty to repair and reconstruct Improvements, without the consent of Members and irrespective of the amount of available insurance proceeds, in all cases of partial destruction when the estimated cost of repair and reconstruction does not exceed \$100,000.

Section 11.07 Damage or Destruction of Separate Interests.

Where a building which is a separate interest of the Parcel Owner is damaged or destroyed, the Owner shall promptly secure the damaged area and proceed with reconstruction. If the Owner determines not to reconstruct or such construction is delayed, the Owner shall as soon as possible demolish the damaged areas, put up solid temporary fencing around the damaged areas and otherwise make the building presentable while awaiting future action.

ARTICLE XII. Condemnation

Section 12.01 Condemnation Affecting Common Area.

- (a) Sale in Lieu. If an action for condemnation of all or a portion of the Common Area is proposed or threatened by any entity having the right of eminent domain, then on the unanimous written consent of all of the Owners and subject to the rights of all Mortgagees, the Common Area, or a portion of it may be sold by the Board. Subject to Corporations Code §8724, the proceeds of the sale shall be distributed among the Owners on the same basis as their Regular Assessment obligations and between the Parcel Owners and their Mortgagees as their respective interests shall appear.
- (b) Award. If the Common Area, or a portion of it, is not sold, but is instead taken, the judgment of a condemnation shall by its terms apportion the award among the Owners and their respective Mortgagees. If the judgment of a condemnation does not apportion the award, then the award shall be distributed as provided in subparagraph (a), above.

Section 12.02 Condemnation Affecting Parcels.

- (a) If an action for condemnation of all or a portion of or otherwise affecting a Parcel is proposed or threatened, the Owner and the Mortgagees of the affected Parcel, as their respective interests shall appear, shall be entitled to the proceeds of any sale or award relating to the affected Parcel.

(b) If any Parcel is rendered irreparably uninhabitable as a result of such a taking, the Parcel shall be deemed deleted from the Development and the Owners and Mortgagees of the affected Parcel, on receiving the award and any portion of the reserve funds of the Association reserved for the Parcel, shall be released from the applicability of the Governing Documents and deemed divested of any interest in the Common Area.

ARTICLE XIII. Breach and Default

Section 13.01 Remedy at Law Inadequate.

Except for the nonpayment of any Assessment, it is hereby expressly declared and agreed that the remedy at law to recover damages for the breach, default, or violation of any of the covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, charges, or equitable servitudes contained in this Declaration are inadequate and that the failure of any Owner, tenant, occupant, or user of any Parcel, or any portion of the Common Area or Common Facilities, to comply with any provision of the Governing Documents may be enjoined or enforced by appropriate legal proceedings instituted by any Owner, the Association, its officers, or Board of Directors, or by their respective successors in interest.

Section 13.02 Nuisance.

Without limiting the generality of the foregoing Section 13.1, the result of every act or omission whereby any covenant contained in this Declaration is violated in whole or in part is hereby declared to be a nuisance, and every remedy against nuisance, either public or private, shall be applicable and available against every such act or omission.

Section 13.03 Attorneys' Fees.

Reasonable attorneys' fees and costs shall be awarded to the prevailing party in any procedure to enforce the Governing Documents or a party's rights arising under the Governing Documents. Such enforcement procedure includes an action brought in any court having jurisdiction and any alternative dispute resolution procedure implemented under the Governing Documents. In any enforcement procedure, such as mediation, , in which there is not an agreement between all of the parties that attorneys will represent them, recoverable costs are limited to attorney fees and costs incurred in providing the notices required under such statute.

Section 13.04 Cumulative Remedies.

The respective rights and remedies provided by this Declaration or by law shall be cumulative, and the exercise of any one or more of such rights or remedies shall not preclude or affect the exercise, at the same or at different times, of any other such rights or remedies for the same or any different default or breach or for the same or any different failure of any Owner or others to perform or observe any provision of this Declaration.

Section 13.05 Failure Not a Waiver.

The failure of any Owner, the Board of Directors, the Association or its officers or agents to enforce any of the covenants, conditions, restrictions, limitations, reservations, grants or easements, rights, rights-of-way, liens, charges or equitable servitudes contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter, nor shall such failure result in or impose any liability on the Association or the Board, or any of its officers or agents.

Section 13.06 Rights and Remedies of the Association.

(a) Rights Generally. In the event of a breach or violation of any Association Rule or of any of the restrictions contained in any Governing Document by an Owner, or the Owner's guests, employees, invitees, licensees, or tenants, the Board, for and on behalf of all other Owners, may enforce the obligations of each Owner to obey the Association Rules, covenants, or restrictions through the use of such remedies as are deemed appropriate by the Board and available at law or in equity, including but not limited to hiring legal counsel, imposing fines and monetary penalties, pursuing legal action, or suspending the Owner's voting rights as a Member of the Association, provided, however, that the Association's right to undertake disciplinary action against its Members shall be subject to the conditions set forth in this Section 13.06.

(b) The decision on whether it is appropriate or necessary for the Association to take enforcement or disciplinary action in any particular instance shall be within the sole discretion of the Association's Board or its duly authorized enforcement committee. If the Association declines to take action in any instance, any Owner shall have the rights of enforcement under California Civil Code §§, or otherwise by law.

(c) Schedule of Fines. The Board may implement a schedule of reasonable fines and penalties for particular offenses that are common or recurring in nature and for which a uniform fine schedule is appropriate (such as fines for late payment of Assessments or illegally parked vehicles). Once imposed, a fine or penalty may be collected as a Special Individual Assessment, subject to the limitation on the use of lien and foreclosure remedies stated in Article IV. As required by Civil Code §6850, the schedule of fines shall be distributed to the Members upon adoption and at any time the schedule is modified, and shall be made available to members at any other time upon request.

(d) What Constitutes a Violation. A violation of the Governing Documents shall be defined as a single act or omission occurring on a single day. If the detrimental effect of a violation continues for additional days, discipline imposed by the Board may include one component for the violation and, according to the Board's discretion, a per diem component for so long as the detrimental effect continues. Similar violations on different days shall justify cumulative imposition of disciplinary measures. The Association shall take reasonable and prompt action to repair or avoid the continuing damaging effects of a violation or nuisance occurring within the Common Area at the cost of the responsible Owner.

(e) Limitations of Disciplinary Rights.

- (i) The Association shall have no power to cause a forfeiture or abridgment of an Owner's right to the full use and enjoyment of his or her Parcel or the Common Area due to the failure by the Owner (or his or her family members, tenants, guests, or invitees) to comply with any provision of the Governing Documents or of any duly enacted Association Rule except when the loss or forfeiture is the result of the judgment of a court of competent jurisdiction, a decision arising out of arbitration, or a foreclosure or sale under a power of sale for the Owner's failure to pay Assessments levied by the Association, or when the loss or forfeiture is limited to a temporary of an Owner's rights as a Member of the Association or the imposition of monetary penalties for failure to pay Assessments or otherwise comply with any Governing Documents, so long as the Association's actions satisfy the due process requirements of subparagraph (iii), below.
- (ii) Monetary penalties imposed by the Association (A) for failure of a Member to comply with the Governing Documents; (B) as a means of reimbursing the Association for costs incurred by the Association in repairing damage to the Common Area or Common Facilities allegedly caused by a Member; or (C) in bringing the Member and his or her Parcel into compliance with the Governing Documents, may not be characterized nor treated as an Assessment that may become a lien against the Member's Parcel enforceable by a sale of the Parcel in nonjudicial foreclosure; provided, however, that this limitation on the Association's lien rights shall not apply to charges imposed against an Owner consisting of reasonable late payment penalties to reimburse the Association for the loss of interest and for costs reasonably incurred (including attorney fees) in the Association's efforts to collect delinquent Assessments.
- (iii) No disciplinary action, penalty, or temporary suspension of rights shall be imposed under this Article unless the Owner alleged to be in violation is given at least 10 days prior notice by personal delivery or first-class mail that the Board of Directors will be meeting to consider imposing such discipline. The notice shall include, at a minimum, the date, time, and place of the meeting, the nature of the alleged violations for which the Owner may be disciplined, and a statement that the Owner has a right to attend and address the Board at the hearing. The Board shall meet in executive session if requested by the Owner.
- (iv) If disciplinary action is taken, the Board shall notify the accused Owner, in writing, either by personal delivery or first-class mail, of the Board's decision within 15 days following conclusion of the hearing.

(f) Urgent Summary Action. Notwithstanding the foregoing, under circumstances involving conduct that constitutes (A) an immediate and unreasonable infringement of, or threat to, the safety or quiet enjoyment of neighboring Owners; (B) a traffic or fire hazard; (C) a threat of material damage to, or destruction of, the Common Area or Common Facilities; or (D) a violation of the Governing Documents that is of such a nature that there is no material question regarding the identity of the violator or whether a violation has occurred (such as late payment of Assessments or parking violations), the Board of Directors, or its duly authorized agents, may undertake immediate corrective or disciplinary action and, on the offending Owner's request (which must be received by the Association, in writing, within 5 days following the Association's disciplinary action), or on its own initiative, conduct a hearing as soon thereafter as reasonably possible.

(g) Notice and Hearing Procedures. If the Association acts on its own initiative to schedule a hearing, notice of the date, time, and location of the hearing shall be included in the notice of disciplinary action. If the accused Owner desires a hearing, a written request therefor shall be delivered to the Association no later than 5 days following the date when the fine is levied.

The hearing shall be held no more than 15 days following the date of the disciplinary action or 15 days following receipt of the accused Owner's request for a hearing, whichever is later. Under such circumstances, any fine or other disciplinary action shall be held in abeyance and shall only become effective if affirmed at the hearing.

At the hearing, the accused shall be given the opportunity to be heard, including the right to present evidence and to present or question witnesses. The Board shall notify the accused Owner, in writing, of the Board's decision within 5 business days following conclusion of the hearing. In no event shall the effective date of any disciplinary action commence sooner than 5 days following conclusion of the hearing unless (i) the hearing merely affirms summary disciplinary action initiated under the immediately preceding paragraph, or (ii) earlier commencement is necessary to preserve the quiet enjoyment of other Owners or their tenants, or to prevent further damage to, or destruction of, the Parcels or any portion thereof.

(h) Notices. Any notice required by this Article shall, at a minimum, set forth the date and time for the hearing, a brief description of the action or inaction constituting the alleged violation of the Governing Documents, and a reference to the specific Governing Document provision alleged to have been violated. The notice shall be in writing and may be given by any method reasonably calculated to give actual notice, provided, however, that if notice is given by mail it shall be sent by first-class or certified mail sent to the last address of the Member shown on the records of the Association.

(i) Rules Regarding Disciplinary Proceedings. The Board, or an appropriate committee appointed by the Board to conduct and administer disciplinary hearings and related proceedings, shall be entitled to adopt rules that further elaborate and refine the procedures for conducting disciplinary proceedings. Such rules, when approved and adopted by the Board, shall become a part of the Association Rules.

Section 13.07 Court Actions.

Court actions or arbitration to enforce the Governing Documents may be initiated on behalf of the Association by the Board. Before filing any court action seeking declaratory or injunctive relief to interpret or enforce the Governing Documents (including either such action coupled with a claim for monetary damages not in excess of \$5,000), the Association shall first seek to resolve the matter through alternative dispute resolution.

Section 13.08 Alternative Dispute Resolution

- (a) Except as otherwise provided herein, any controversy between the Members involving the construction, application or performance of any of the terms, provisions, or conditions of the Governing Documents shall, on the written request of either party served on the other, be submitted to binding arbitration.
- (b) Exceptions to Arbitration. Neither mediation, nor arbitration is required under the following limited circumstances:
 - (i) If the matter is justiciable in small claims court, than the dispute shall be resolved through that court.
 - (ii) If the matter relates to levying or enforcement of assessments pursuant to ARTICLE IV.
 - (iii) If the matter relates to imposition of discipline on a Member, arbitration may only be invoked after the disciplinary process has been completed and only to have the Arbitrator review the Association decision in the same limited manner as a court would review it.
 - (iv) If the controversy to be arbitrated also involves third parties who are not willing to submit the matter to arbitration, and multiple proceedings would result from enforcement of this arbitration clause, then the dispute shall be resolved through the courts without referral to arbitration.
- (c) If it is alleged that irreparable harm would occur prior to the completion of the arbitration, a party may immediately apply for injunctive relief to prevent the irreparable harm, but otherwise the matter shall be stayed and submitted to arbitration after the Court has acted on the issue of injunctive relief.
- (d) Except as provided herein, Arbitration shall comply with and be governed by the provisions of the California Arbitration Act, Section 1280 et.seq. of the California Code of Civil Procedure.
- (e) Upon receipt of a notice of intent to arbitrate, the parties shall mutually agree on an arbitrator within 15 days. If they are unable to agree on a single arbitrator, each party shall appoint another individual as a selection arbitrator and the two selection arbitrators shall select a third impartial arbitrator to decide the matter within 30 days of notice of

arbitration. If for any reason this process fails to result in the selection of an impartial arbitrator in a timely manner, either party may petition the Court for appointment of an arbitrator pursuant to CCP 1281.6.

(f) The decision of the Arbitrator, after close of the hearing, shall be final and conclusive upon the parties.

(g) The parties agree to do all acts necessary to expedite the arbitration proceedings such that the matter can be arbitrated within 90 days of service of the notice of intent to arbitrate.

(h) Upon a showing of good cause and the approval of the arbitrator, either party may obtain discovery necessary for the proof of their case. Provided that the arbitrator shall supervise the discovery process to insure that it is carried out in an expeditious manner and that it is not permitted to be unduly burdensome or delay the hearing.

(i) Up to the time of award, the cost of arbitration shall be split by the parties. In the event a party fails to pay their share in a timely fashion, the Arbitrator shall treat the omission as a default and enter judgment in favor of the other party. The Arbitrator may award the prevailing party reimbursement for any fees and expenses incurred, including arbitration costs paid, or allocate the attorneys fees and expenses between the parties in such proportions as the Arbitrator decides is just and reasonable.

(j) The Arbitrator shall make his or her decision in writing. In making his or her decision, the arbitrator shall follow California Law and shall have authority to impose any appropriate remedy permitted under California Law. Either party may seek clarification or reconsideration of the award within 10 days of issuance.

(k) Arbitration Confidentiality. All proceedings and all documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceedings, their counsel, witnesses and experts, the mediator, the arbitrator, and, if involved, the court and court staff. All documents filed with the arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this Section concerning confidentiality.

Section 13.09 Assessment Collection Actions.

The notice and hearing procedures set forth in Section 13.06 through Section 13.08 shall not apply to any actions by the Association or its duly authorized agents to collect delinquent assessments. Assessment collections shall be subject to the notice and procedural requirements imposed by ARTICLE IV, above, and any other notice, hearing, and/or dispute resolution requirements or procedures as may be specifically applicable by law to common development Association assessment collection efforts.



**PLANNING COMMISSION
STAFF REPORT
MAY 27, 2025**

Prepared by: Amy Wolfson, City Planner

DATA SUMMARY

File No. 25PLN-19
Subject: City-sponsored mural project at the Hwy 49 Underpass
Location/APN: South Auburn St /Neal St /SR 49 intersection
Applicant: City of Grass Valley
Owner: Caltrans
Zoning/General Plan: NA
Entitlement: Mural Sign Permit
Environmental Status: Class 1 Exemption

RECOMMENDATION:

That the Planning Commission approve the mural, as presented, or as modified by the Planning Commission, which includes the following actions:

1. Determine the project Categorically Exempt pursuant to Section 15301, Class 1, of the California Environmental Quality Act (CEQA) and Guidelines, as detailed in the staff report.
2. Adopt Findings of Fact for approval of the Mural Sign Permit as presented in the Staff Report; and,
3. Approve the Mural Sign Permit in accordance with the Conditions of Approval as presented in the Staff Report.

BACKGROUND:

The downtown landscape in the location of the Highway 49 underpass, at the intersections of South Auburn and Neal Streets, is visually appealing from multiple directions; however, the industrial appearance of the overpass in that area isn't consistent with downtown's charm. Staff examined how this could be addressed and identified that the overpass and its abutments are an ideal location for a "Transportation Art" project. Police Department staff spearheaded the idea and solicited mural concepts for the overpass abutments from local artists. At their November 12, 2024 regular meeting, City Council reviewed the proposed artwork and directed staff to proceed with the process of a transportation art project application, and directed staff to put the renderings and application through the City's mural process, which it is required to do before being submitted to Caltrans.

PROJECT DESCRIPTION:

This art project seeks to have murals painted on the overpass abutments and, in some areas, the underside of the Hwy 49 overpass. Each abutment would be painted by a different artist, each of whom is a local artist who resides and works in western Nevada County. Details of the proposed art can be found in the attached document, along with a bio of each artist. The proposed artwork is substantially consistent with the exhibits that were reviewed by council at their November meeting.

Caltrans Regulatory framework: The Caltrans Art Program includes the following guidelines to ensure safety and function:

- Must celebrate community identity,
- Must be scaled appropriately, and allow safe maintenance per Caltrans rules.
- Cannot include text, mimic traffic devices or use reflective/glaring finishes.
- Cannot include moving elements, simulated motion, or symbols like flags and logos (beyond limited sponsor recognition)
- Cannot include designs impacting structures, drainage, or sightlines.
- Must be durable and low-maintenance,
- Must be fully funded by sponsors for their lifecycle.
- Painting on structures needs Division of Maintenance approval to avoid hiding cracks or stressing bridges.

City regulatory framework: Mural regulations are outlined in the Sign Ordinance, in section 17.38.080 (F) of the City Municipal Code. Murals that illustrate the local setting, history, or cultural significance are encouraged. The review authority must find that the “colors, placement, and size of the mural are visually compatible with the structure's architecture, and that the mural will serve to enhance the aesthetics of the city”

Development Review Committee: The Development Review Committee reviewed the project at their regular meeting on May 13, 2025, and recommended approval based on the findings outlined below.

SITE DESCRIPTION AND ENVIRONMENTAL SETTING:

The Highway 49 underpass currently serves as a parking area. The parking use will not be impacted by the art program, except in a limited capacity during the installment.

GENERAL PLAN & ZONING:

General Plan: The General Plan includes a Community Design Element, within which discussion includes design issues in various subareas, including the entrance to historic downtown. Specifically, the General Plan notes that “the entrances to Downtown via South Auburn Street and Colfax Avenue are not at all compatible with the historic nature of the remainder of Downtown” and suggests this area should be included in a beautification effort. The Community Design Element includes a specific policy to “design and construct streetscape improvements along South Auburn Street and Colfax Avenue as they enter Downtown to enhance the area visually and to improve pedestrian access (5-CDP).”

Zoning: Caltrans rights-of-way are not overlaid by a City zoning designation.

ENVIRONMENTAL DETERMINATION:

The proposed project qualifies for a Categorical Exemption pursuant to Section 15301, Class 1, of the California Environmental Quality Act (CEQA) and Guidelines. A Class 1 Categorical Exemption consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alternation of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The proposed mural project will involve painting of the highway underpass abutments and therefore, will not result in an expansion of use.

FINDINGS OF FACT:

The following findings are required to be supported in the affirmative by the evidence presented in the record, including, but not limited to the staff report and supporting attachments.

1. The Development Review Committee reviewed the project in compliance with the California Environmental Quality Act and concluded that the project qualifies for a Class 1, Categorical Exemption in accordance with the California Environmental Quality Act and CEQA Guidelines.
2. Development Review Application (25PLN-19), as may be conditioned, complies with the Grass Valley General Plan, and Community Design Guidelines, as applicable.
3. That the colors, placement, and size of the murals are visually compatible with the structure's architecture and enhances the aesthetics of the city.

CONDITIONS OF APPROVAL:

1. The City shall follow the California Department of Transportation Art process, who may make adjustments to the proposed renderings to meet standards set by the Division of Maintenance.
2. The artist shall apply a protectant to the mural to reduce fading/wear and for graffiti abatement. The brand/type of the protectant shall be to the satisfaction of the Police Department and Public Works Director.
3. The City shall obtain all appropriate permits, including an encroachment permit as necessary, from the California Department of Transportation for work conducted in the public right-of-way.

ATTACHMENTS:

Attachment 1 – Transportation Art Proposal

City of Grass Valley Transportation Art Proposal

Hwy 49 Overpass

City of Grass Valley Universal
Planning Application
Major- Master Sign Programs

PROPOSAL CONTENTS:

1. Background (pg.3 – 4)
2. Summary of Caltrans Transportation Art Requirements (pg. 5)
3. Partnerships and Funding (pg. 6)
4. Artist Biography, Mural Concept & Overlay (pg.7-39)
5. Copywrite Waiver Information (pg. 40)

BACKGROUND:

Downtown Grass Valley, a historical treasure in California’s Gold Rush country, radiates charm through the downtown business district. The area hums with a lively mix of past and present, where iconic landmarks like the Del Oro Theatre share the stage with modern shops and public spaces. This fusion of heritage and vitality make the area a cultural cornerstone, recognized as a California designated “Cultural District”; a distinction shared with only a dozen other locations in the state. Downtown Grass Valley draws people into its welcoming embrace as they visit Mill Street Plaza, attend a show at the Center for the Arts, or gather for special events hosted throughout the year by the chamber of commerce.

The heartbeat of this downtown lies at the busy crossroads of South Auburn Street, Neal Street, and State Highway 174. Here, the main routes converge, funneling travelers and locals alike into the bustling core of Grass Valley. Yet, just beyond this inviting gateway looms the Highway 49 overpass—a jarring counterpoint to the area’s warmth. Spatially creating the eastern edge of downtown, its stark, utilitarian bulk casts a shadow over the quaint streets below, clashing with the historical elegance that defines the district. The cold, imposing presence, disrupts the visual harmony of Grass Valley, serving as a blunt reminder of the industrial world encroaching on nostalgic charm. For years, it stood as a functional necessity but an aesthetic misfit.



In 2021, a Grass Valley police officer reimagined the overpass not as a blight, but as a blank slate ready for transformation. He envisioned a mural that could breathe life into the concrete, turning a dreary structure into a striking centerpiece. This bold idea aimed to weave art into the urban fabric, bridging the gap between the city’s storied past and its creative future. His proposal struck a chord, swiftly earning enthusiastic backing from

city administration and the City Council, all of whom saw its potential to elevate the area's spirit and pride.

With approval, the mural stands poised to redefine the overpass, splashing its drab surface with color and meaning. More than a beautification effort, it embodies Grass Valley's ability to harmonize its rich history with a vibrant, modern vision. By turning a utilitarian structure into a canvas of community appreciation, the city not only enhances its downtown appeal but also cements its legacy as a place where creativity thrives. This project promises to inspire all who encounter it, ensuring Grass Valley's unique character endures as a source of wonder for years to come.

The proposed project is fully feasible under the Caltrans Transportation Art Program guidelines, which encourage artistic enhancements to transportation infrastructure while supporting community identity. This mural aims to beautify the space and highlight the natural world surrounding our area, showcasing the Sierra Nevada foothills' rugged landscapes, native flora, and wildlife. A project of this scale and ambition is unique to the region, with no comparable transportation art example currently existing in the foothills, marking it as a pioneering effort to blend cultural expression with functional infrastructure in Nevada County.

SUMMARY OF TRANSPORTATION ART REQUIREMENTS:

The Caltrans Transportation Art Program, launched in 1977 by the California Department of Transportation (Caltrans), integrates art into the state's transportation infrastructure, enhancing highways and public spaces with community-driven works. Partnering with public agencies—cities, counties, towns, tribal governments, and non-federally recognized tribes—it allows for the installation of graphic or sculptural art in state rights-of-way, either freestanding or on features like noise barriers, retaining walls, or bridges. These pieces aim to beautify, reflect local history or character, and boost pride.

Strict guidelines ensure safety and function. Art must celebrate community identity, be scaled appropriately, and allow safe maintenance per Caltrans rules. It must not include text, mimic traffic devices (per the Manual on Uniform Traffic Control Devices), or use reflective/glaring finishes. Moving elements, simulated motion, or symbols like flags and logos (beyond limited sponsor recognition) are banned, as are designs impacting structures, drainage, or sightlines. Artworks require durability, low maintenance, and full funding by sponsors for their lifecycle. Painting on structures—latex on concrete or any on steel—needs Division of Maintenance approval to avoid hiding cracks or stressing bridges. Proposals progress through concept, preliminary, qualified, and final reviews by District Coordinators, ensuring compliance. Artists work via agencies, submitting plans and agreements like the Local Agency Agreement and Copyright License and Waiver of Moral Rights in Artwork (CLAW).

The renderings for Grass Valley's transportation art project, detailed in later pages, are designed to meet these criteria while fulfilling the city's beautification goals. We expect to transform a utilitarian space—the Highway 49 overpass—into a vibrant showcase of local heritage. These designs promise to enhance the downtown gateway, blending seamlessly with its Victorian charm and fostering community pride.

SUMMARY OF PARTNERSHIPS AND FUNDING:

In the early planning stages of Grass Valley's transportation art project, Councilwoman Haven Caravelli recognized the importance of partnering with local artists to achieve the goal. Under her leadership, the vision of incorporating many different artists into one project was born. Additionally, rather than the City trying to coordinate with individual artists, Councilwoman Caravelli suggested partnering with The Chambers Project whom she'd worked with in the past on various mural projects in other parts of downtown. Through her experience, she knew The Chambers Project had the network and expertise to bring the artists together.

The Chambers Project, an art studio and gallery in Grass Valley, helmed by Owner/Director Brian Chambers, is known for its focus on psychedelic art. Its role in Nevada County's creative scene made collaborating with the gallery a natural fit. Chambers eagerly agreed to join the effort, seeing it as a way to connect his gallery's work with a public project that could improve Grass Valley.

The Chambers Project put out a call-to-action within their network and brought in nine Nevada County artists to contribute to the project. Many had shown their work at the gallery and were willing to meet Caltrans' standards while capturing the area's history and spirit. Each artist was assigned one, and in some cases two, of the overpass's 11 support pillars where the art will ultimately be applied.

As planning moved forward, the project's cost estimate was created; \$250,000-\$300,000. These costs cover the artist fees, materials, and installation. Caltrans requires the sponsoring agency to fully fund any transportation art project, which was a challenge for City organizers. The Chambers Project came through again, connecting with a donor who agreed to cover the entire amount after learning about the project's purpose and impact.

The donor, a private individual interested in art and community improvement, committed to providing the full \$250,000-\$300,000, removing any immediate financial pressure from the City. Said donor has asked to remain anonymous, preferring attention stay on the artwork's benefit to Grass Valley.

With funding secured, this project can proceed without posing an immediate financial burden. The City will be responsible for upkeep, as required by Caltrans. Maintenance costs—such as repairs and cleaning—are expected to increase over time but should be minimal for the first few years after installation. This gives Grass Valley time to plan for future expenses while benefiting from the mural's presence.

Artiest Biography, Mural Concept & Overlay

Pg. 8-40

The following pages include artist information and their submitted renders. Each artist describes in detail how their contribution is include and inspired by the local areas natural beauty and wildlife.

Please Note: Many of the renders you will see are on a individual pillar the artist chose to use for overlay. Ultimately each of these renders will be applied to different pillars.

Artist: Alida Frey

Stated Theme: "Splendor in the Grass Valley"

Statement:

I make paintings about the mystery of the wilderness and its ability to capture or free one's psyche. Since moving to Nevada County in 2020, the flora and fauna of the Sierra foothills have presented me with endless artistic inspiration-meadows of blooming wildflowers, towering pines that seem to possess individual personalities, sprawling oak trees of many varieties.

My proposal for the Grass Valley underpass mural is a landscape depicting natural elements known and loved by locals and visitors. In the foreground is a meadow including California poppies, white linen poppies, lupines, and yarrow. Beyond the meadow is a canopy of pines including Ponderosa, Doug Fir, Sugar Pine, and Cedar. The mountains recede into the distance where they meet a Sierra sunset. My aim in this painting is that driving through the underpass might feel as though the driver is atop their favorite local vista at sunset.

Render Submission Alida Frey



Render Submission- Alida Frey (isolated)



Artist: California Heritage: Indigenous Research Project (CHIRP)

Stated Theme: The Marysville Buttes

Statement:

California Heritage: Indigenous Research Project (CHIRP) is a Tribally-guided nonprofit dedicated to Preserving, Protecting, and Perpetuating Nisenan Culture.

Due to its illegal federal termination in 1964, the Nevada City Rancheria (NCR) Nisenan Tribe is barred from accessing federal programming and services that support Tribal communities. To address the legal vacuum created by the Tribe's federal disbandment, CHIRP acts as proxy for the NCR Nisenan Tribe and its approximately 140 members.

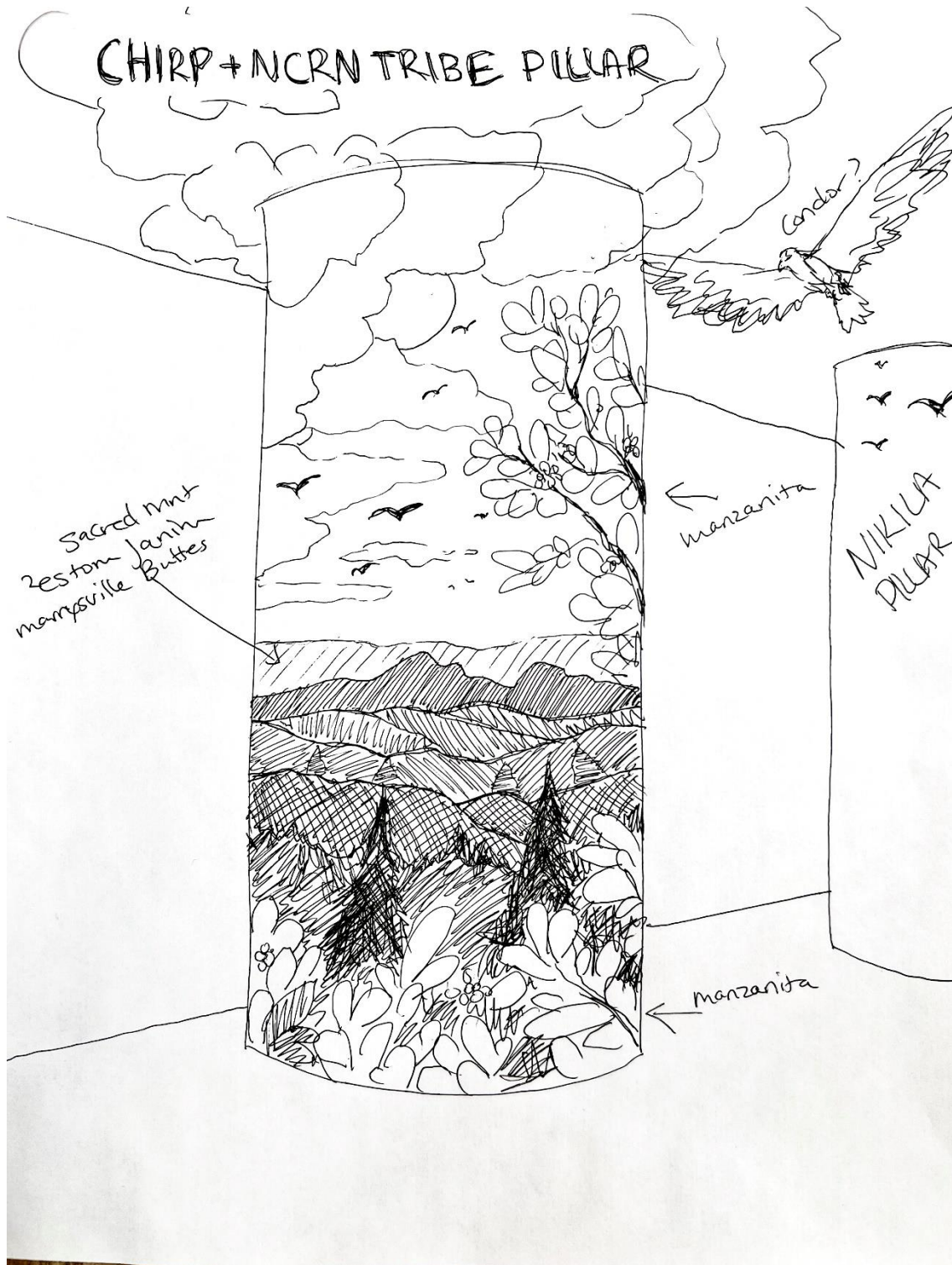
Together, CHIRP and the NCR Tribal Council work to identify, fund, and implement programs and projects to address and mitigate the ongoing social, environmental and racial injustices brought to the Tribe's Homelands in 1848, until the time when the Tribe's federal recognition and sovereignty is restored.

CHIRP and the Nevada City Rancheria Nisenan Tribe's mural pillar draws deeply from the natural landscape and cultural heritage that defines the Nisenan experience in this region. Central to the design is ʔestom janim (the Marysville Buttes), a sacred mountain range in Nisenan cosmology that holds profound spiritual significance to the Tribe and is visible from several lookout points throughout Nevada County. This sacred landmark connects past and present, grounding the mural in the rich legacy of the Nisenan people. The surrounding imagery features local plants and animals that are essential to Nisenan life and traditions, including oak trees, manzanita, and birds such as condors and flickers. These elements reflect the interconnectedness of the Nisenan people with the land, embodying their culture's enduring presence. The mural not only honors the history of this area but also celebrates its vibrant, ongoing connection to the natural world that sustains and inspires all of us.

Render Submission- CHIRP



Render Submission- CHIRP (side two)



Artist: Colin Prah

Stated Theme: Yuba Vista

Statement:

Colin Prah is a painter and illustrator currently living and working in Grass Valley, California. Born and raised in Potsdam, New York he studied illustration at universities on the east coast from 2008-2012 and lived in NYC for eight years before moving to California in 2020. Influenced by architectural renderings, psychedelia, optical illusions, scientific and futuristic illustration, he has had two solo shows at The Chambers Project in Grass Valley; Geodaesia in 2019 and Limit Sequence in 2022.

Yuba Vista is a proposed mural inspired by the light cascades within the river valleys of the Sierra Nevada. The curving and steep channels cut by local rivers are a favorite destination for locals and travelers to experience the natural wonder of the Sierra foothills with their dense vegetation and shifting illumination through the passing day. Color selection is built on the early morning and late evening light effects bringing purples, blues and reds into the greenery of the trees as sun and shadow mix with mist and moisture. The column structure to be painted provides a circular composition for this illusion of distant space to repeat back on itself creating an inside out panoramic view of an idealized local river valley.

Render Submission- Colin Prahl



Render Submission- Colin Prahl (isolated)



Artist: Damon Soule

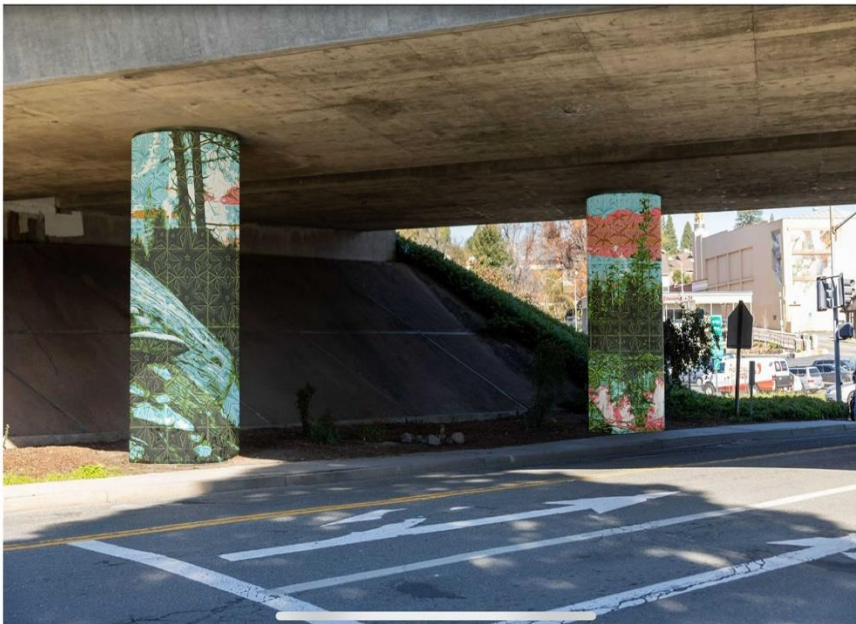
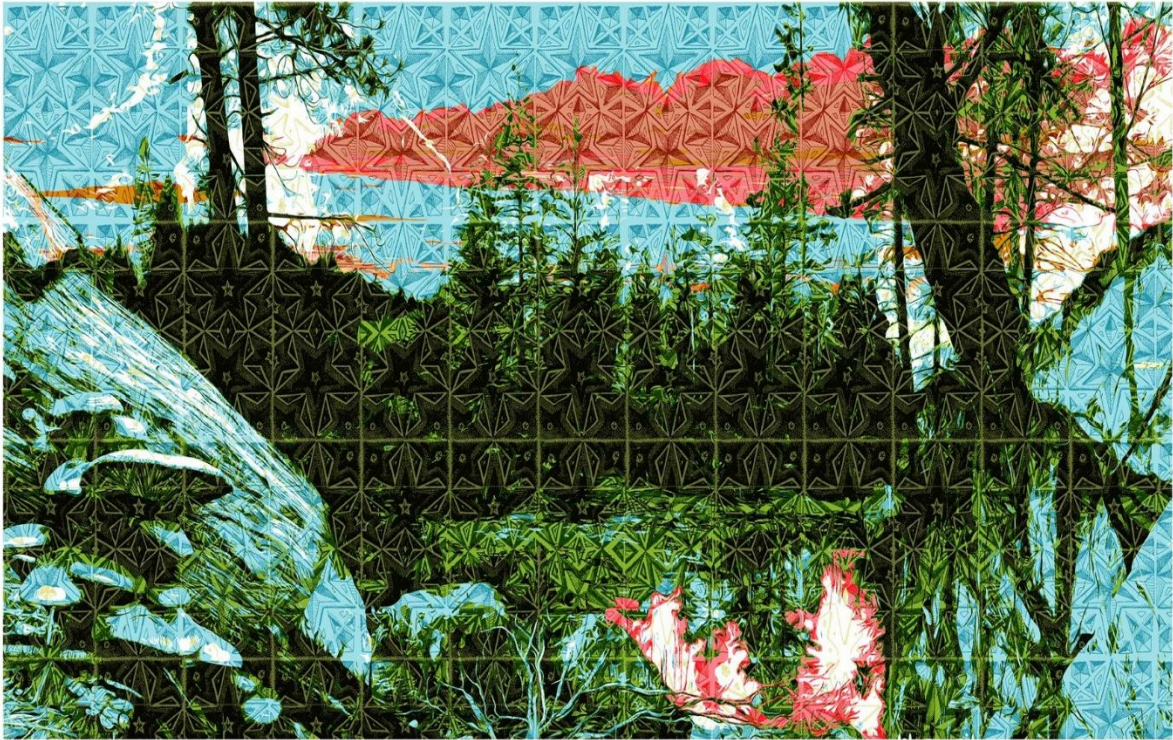
Stated Theme: Local Landscape and Hidden Details

Statement:

Damon Soule is a painter and installation artist who has been practicing full-time for nearly 30 years. Inspired by nature, geometry, physics, metaphysics, patterns, and synchronicity, he primarily creates abstract art but occasionally incorporates figurative elements obfuscated with geometric patterns. His work often features dynamic movement, shapes, and textures, reflecting his view of art as not just a career but a way of being and thinking about the world and its hidden spaces. Deeply influenced by his surroundings, Damon moved to Grass Valley in 2014, drawn by the friendly community, the emphasis on local businesses, and the natural beauty of the area.

His public mural proposal in Grass Valley, CA, is based on a collage of photos taken on nature hikes along local trails. The photos feature native tree, plant, and fungi species. The mural aims to capture the essence of the local landscape and its hidden details, blending geometric elements with nature's forms to create a harmonious visual experience.

Render Submission- Damon Soule



D Soule

Artist: Forest Aliya

Stated Theme: Black Oak in Nevada County

Statement:

Forest Aliya is fine art mural painter. She has lived locally in Nevada City, Ca for 14 years. She has been an active artist in the community of Nevada County and beyond for many years. She has received her Master of Fine Arts at Pacific Northwest College of the Arts in 2019. Her local murals can be seen at Alternative Resource Center in Grass Valley, a portrait of Lotta Crabtree in the lobby of the Nevada City theater, and assisted Sarah Coleman in the WolfCreek Mural located the McKnight Shopping center on the side of Target. Her personal artwork has been exhibited nationally and internationally.

“My column mural design for the Grass Valley Underpass project will be a celebration and appreciation of the native Black Oak in Nevada County. I will portray with exterior acrylic paint and nova color mural paint the Black Oak in the wet winter season. It adorns itself with beautiful array of colorful turkey tail mushrooms and oyster mushrooms. When it feels vulnerable to the weather and insects it covers itself with bright green moss, mekera meriziesli and a hanging lace lichen, and Flavoparmelia lichen. My design will show all of the plant life growing simultaneously and symbiotically together on the surface of the Black oak helping it survive while it sleeps during the winter months.”

Render Submission- Forest Aliya



Render Submission- Forest Aliya (isolated)



Artist: Julian Vadas

Stated Theme- Yuba

Statement:

Julian Vadas is a visual artist who has been in Nevada County since 2017. Julian is originally from Ohio, and he completed a Bachelor of Fine Arts in painting from the State University of New York at Potsdam in 2009. He specializes in elaborate abstractions in acrylic or oil. He has worked and exhibited in a variety of locations around the world before landing in Nevada County. Julian's studio and gallery are located in a historic building in downtown Nevada City and his space has become a staple of the Nevada City Artwalk in recent years.

Julian's project "Yuba" is a proposal for the CalTrans Grass Valley Underpass Mural. The composition features the iconic granite of the Yuba river canyon in the foreground. An angled perspective leads to the trademark turquoise waters of the Yuba weaving its way through a maze of fascinating geology.

Render Submission- Julian Vadas



Render Submission- Julian Vadas (isolated)



Artist: Justin Lovato

Stated Theme: New Color to the Neighborhood

Statement:

Born in 1986 in Northern California, Justin Lovato is a self-taught artist who found his passion and artistic home in boundary-pushing styles that range from Optical Art to Surrealist. Lovato is inspired by the purest art forms found in nature – patterns, bifurcating ratios of plant growth, or clouds creating light swirling sunset or sunrise skies. His connection to nature is undeniable in his work. From living in the lush mountainous terrain of western Washington to the rolling hills of the western Sierra Nevada in Northern California, his work cultivates an aesthetic appreciation and concern for the natural world. Nowhere is this concept better represented than in his mural work, especially in the city of Grass Valley, where the artist drew from his appreciation of Rick Griffin, and the psychedelic poster artists. The result is a playful representation of the area's history as a Gold Rush town and the natural beauty it still offers. The mural inspired the city to work with other artists. Grass Valley is now a designated Arts and Cultural District by the California Arts Council.

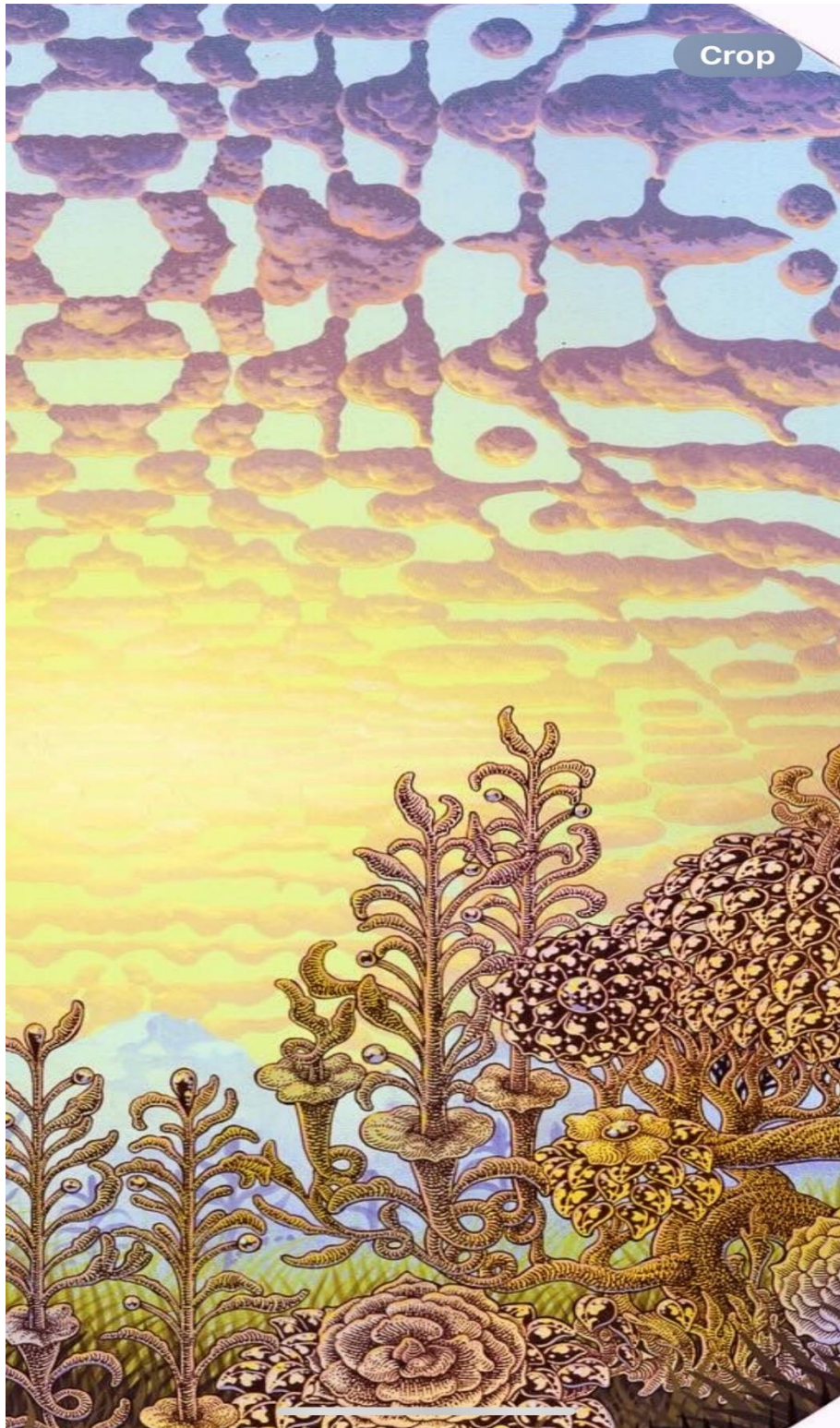
As a Nevada City resident who loves his home and is raising a family here, I'm thrilled to possibly be doing another mural in Grass Valley. In 2017 while painting the "Grass Valley" mural on East Main St it was a great opportunity to share my art with the public, but also to interface and connect with the locals. Friends, strangers and people of all ages were able to see the process of a piece of art being made, and I got to share my knowledge and hopefully inspire some younger people interested in pursuing the arts.

We intend to bring some new color to the neighborhood that will reflect and emphasize the beauty of our community and its striking natural environment. I'm looking forward to contributing my work to make a vibrant addition to the local atmosphere of Grass Valley with a remarkable roster of other artists.

Render Submission- Justin Lovato



Render Submission- Justin Lovato (isolated)



Artist: Nikila Badua

Stated Theme: Returning Home

Statement:

Born in the Hawaiian Islands and raised between Oahu and the Bay Area, Nikila is a Cultural Community Artist working under the alias “MamaWisdom1”. Self-taught in the multidisciplinary arts as a muralist, designer, performer, and arts educator, she has dedicated her skills to serving cultural and community projects for over 25 years. Her work as an advocate and grassroots organizer for youth, indigenous, and environmental movements has played an influential role within shaping her creative path, utilizing the arts as a tool for decolonization, educational reform, and building cultural relations.

“Returning Home” honors the northern flicker, a sacred bird to the Nisenan and many California tribes, whose feathers have been used for centuries in traditional headdresses. A member of the woodpecker family, the flicker’s distinct triangular markings reflect patterns found in Indigenous art around the world. As a symbol of renewal, the flickers in this design spread their wings to open the path for the return of the Chinook salmon, once abundant in Northern California’s waterways. Salmon hold deep cultural and spiritual significance for native California tribes, appearing at the heart of creation stories as a teacher and elder guiding the human race. Historically thriving in the South Yuba River, giant salmon sustained indigenous communities through winter, but habitat destruction, dams, and environmental changes have pushed Chinook salmon to endangered levels throughout California. In August 2024, a historic initiative reintroduced Chinook salmon into the Yuba River, marking a crucial step in restoring balance to the ecosystem and honoring the Indigenous tribes who have long advocated for their return as part of a larger commitment to environmental stewardship, resilience, and the interwoven balance of land, water, and life.

Render Submission- Nikila Badua

TITLE OF ARTWORK: "RETURNING HOME"

ARTIST: NIKILA BADUA AKA MAMAWISDOM1



Render Submission- Nikila Badua (isolated)

TITLE OF ARTWORK: "RETURNING HOME"

ARTIST: NIKILA BADUA AKA MAMAWISDOM1



TITLE OF ARTWORK: "RETURNING HOME"

ARTIST: NIKILA BADUA AKA MAMAWISDOM1



Artist: Oliver Vernon

Stated Theme: Manzanita

Statement:

I moved from the East Coast to California in 2010. Where I come from in upstate New York, Manzanita Trees do not exist. After moving here I was seduced by their ubiquitous beauty. The deep red color of the trunks and branches are like wine, and when the rain comes the color only intensifies into saturated glossy radiance. The movement of the branches twist into flowing patterns which often surprise with their irregular design, as if they were artists themselves seeking to find their own individual sculptural expression. The bark is as smooth as human skin, and as it wraps the contours of the hardwood it further invokes reference to human musculature. The complex beauty of its seasonal shedding is a continuing reminder of renewal. The flowers and berries show up part-time to offer another layer of harmonious color to the palette, with their blending combinations of whites, pinks and yellows. The leaves are like pastel mint coins.

Grass Valley is a place both of rich history and progressive thinking, with many alternate paths converging in a contemporary discourse. My concept for the mural is a fusion of old and new, representing the natural beauty that preceded our arrival, and the new trajectories that are shaping its future.

Render Submission- Oliver Vernon



Render Submission- Oliver Vernon (isolated)



Artist: Sarah Coleman

Stated Theme: Calm, Peaceful Feelings

Statement:

I have lived in and around Nevada County for most of my life. The beautiful natural environment and the creative, soulful community make it hard to leave.

The imagery in this proposal is Nevada County through and through. The sandhill cranes fly overhead every Spring and Fall marking the seasonal changes. The pine needles create star-like shapes and fill the air with a fresh forest aroma. Other flora like milkweed provide important parts of the food chain for migrating butterflies. The legacy of gold in the hills captivates all with its shine and lore.

This is a dream-like interpretation of Nevada County. It is meant to promote calm, peaceful feelings and gratitude for the beauty we are surrounded by. I hope it will inspire all who pass by, whether on foot or in cars.

Render Submission- Sarah Coleman



Render Submission- Sarah Coleman (isolated)



Artist: Ursula Xanthe

Stated Theme: Celebration of the Flora and Fauna

Statement:

Ursula Xanthe Young is a artist and muralist, local to the area for 15+ years, and has created a plethora of large scale murals in the local area, around the US and beyond. Recently she has been working with school kids on several large scale school mural projects in Nevada County.

Our local ecosystem is fragile, and non-native species threaten the ones that have been here for centuries. The projected mural on one of the underpass posts will be a celebration of the flora and fauna that are native to Nevada County. Ursula's vision for this artwork will be to create a landscape built up of layers of silhouetted Sierra mountain ranges as the background layer, the mid-ground will be of a ponderosa pine forest featuring local birds: hawks, stellar jay and more. The foreground will be full of her signature bright orange California poppies, and other local wildflowers, such as lupine & yarrow. She plans to include local butterfly and moth species into the final design, creating a mural that contrasts bright colored and rendered florals against the shades of mountain backgrounds - that will be easily identifiable to passers-by.

Render Submission- Ursula Xanthe



Grass Valley Underpass Project

05.25.2024

MURAL PROPOSAL BY ARTIST URSULA X. YOUNG

Render Submission- Ursula Young (isolated)



COPYWRITE WAIVER INFORMAITON:

All nine Nevada County artists contributing to the Grass Valley transportation art project have submitted copyright waivers as required under the Caltrans Transportation Art Program, specifically the Copyright License and Waiver of Moral Rights in Artwork (CLAW). Due to the multi-page nature of each waiver, they are not included in this proposal to conserve space; however, these documents are fully executed and available upon request for review by relevant stakeholders or Caltrans officials.