

Articles of Incorporation Of Rancho Santa Fe Association

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, a majority of whom are citizens and residents of the State of California, have together for the purpose of forming a non-profit cooperative corporation, under the provisions of Title XXII of Part IV of Division First of the Civil Code, State of California, approved March 21, 1872, as thereafter amended, and we hereby certify:

I

The name of the corporation shall be "Rancho Santa Fe Association," hereafter referred to as "the Association."

II

The purposes for which it is formed are as follows, provided pecuniary profits shall never be the object or purpose of this corporation:

1. Generally, to do any and all lawful things which may be advisable, proper, authorized and /or permitted to be done by the Association under and by virtue of any restrictions, conditions, and/or covenants or laws affecting the property hereinafter referred to or any portion thereof (including areas now or hereafter dedicated to public use) and to do and perform any and all acts which may be either necessary for, or incidental to the exercise of any of the following powers or for the peace, health, comfort, safety, and/or general welfare of owners of said property, or portions thereof, or residents thereon. IN exercising any of said powers, the Board of Directors may, so far as may legally be done, follow the same procedure as followed by Boards of Trustees of cities of the Sixth Class of the State of California, so far as same are not in conflict with any of the provisions contained in restrictions, conditions, and covenants affecting said property, and provided that such method of procedure may be discontinued at any time as to said property or any portion thereof or as to any portion of said property which is or shall be annexed or to become a part of an incorporated city.
2. To create, maintain, and operate a department of buildings, which shall be in charge of a Building Commissioner named by the Board of Directors of said corporation to serve at their pleasure, which Building Commissioner shall have full and sole authority to approve or disapprove in the name of said corporation, and to issue building permits for, any and all plans, specifications or construction work of any kind within the jurisdiction of said corporation, and shall inspect and supervise the construction of buildings and structures in or upon said property in accordance with the powers and rights conferred upon it by virtue of any restrictions or contractual agreements which may be placed upon or exist in connection with any of said property; to provide for the safety of building construction by establishing regulations for the granting of building permits, and for making and collecting a charge therefore, including such provisions as are usually contained in building coeds; and to provide for light, air, sanitation, health, comfort, and convenience for the occupants of existing and/or hereafter erected buildings by establishing such regulations as are usually included in housing codes or zoning regulations.
3. To approve and/or disapprove as provided by restrictions, conditions, and covenants affecting said property, plans and specifications for and/or location of buildings, fences, walls, poles and structures to be erected or maintained upon said property or any portion thereof, and to approve or disapprove the kind, shape, height, and material of same and/or the block plan indicating the location of such structures on their respective building sites and such grading plans as may be required, and to issue or refuse to issue permits for the same, and to make a charge therefore; to pay any and all expenses and charges in connection with the performance of any of said powers or the carrying out of any of said purposes; to supervise construction of any buildings or structures to the extent deemed necessary by the Board of Directors and to establish rules therefore.
4. To approve or disapprove of subdivisions or re-subdivisions of any of said property from time to time to the extent and in the manner that it may exercise such approval or disapproval as provided in restrictions, conditions, and covenants affecting said property.
5. To regulate and/or prohibit the erection, posting, pasting or displaying upon any of said property of bill-boards and/or signs of all kinds and character, and to remove and/or destroy all signs placed, erected or maintained upon said property without the authority of the corporation and/or the Art Jury as provided in such restrictions, conditions, and covenants, as may affect the said property or any portion thereof.
6. To fix, establish, levy and collect annually, such charges and/or assessments upon any lot or parcel of said property which may be subject to and in accordance with the restrictions, conditions and covenants affecting said property; provided that the amount of such annual charges or assessments shall be determined as provided in such restrictions, conditions and covenants by the Board of Directors of this corporation.

7. To expend the moneys collected by this corporation from assessments and charges and other sums received for the payment and discharge of costs, expenses, and obligations incurred by said corporation in carrying out any or all of the purposes for which this corporation is formed.
8. To care for any lots and plots in said property, remove grass, weeds and any unsightly or obnoxious thing therefrom, and to take any action with reference to such lots and plots as may be necessary or desirable in the opinion of the Board of Directors of this corporation, to keep the property neat and in good order; and to make and collect charges therefor.
9. To provide for the sweeping cleaning and sprinkling of streets, collection and disposition of street sweepings, garbage, ashes, rubbish and the like; and to make and collect charges therefor.
10. To provide, so far as it may be lawful so to do, for community fire and/or police protection for the protection of all or any portion of the said property and/or the owners of said property and/or residents thereon.
11. To purchase, construct, improve, repair, maintain, operate, care for, own and/or dispose of parks, parkways, playground, open spaces and recreation areas, tennis courts, golf courses and/or club houses, swimming pools, bath houses, boat landings. Life rafts, life guards, life saving apparatus, skating rinks, hangars and fields for aircraft, band stands, dancing pavilions, casinos, places of amusement, hospitals, museums, aquariums, community buildings, community club houses, and, in general, community facilities appropriate for the use and benefit of its members and/or for the improvement and development of the property hereinafter described, whether situate in Rancho Santa Fe or at points outside the boundaries thereof approved by the Board of Directors.
12. To improve, light and/or maintain streets, roads, alleys trails, bridle paths, courts, walks, gateways, fences, and ornamental features now existing or hereafter to be erected or created, fountains, shelters, comfort stations, and/or buildings and improvements ordinarily appurtenant to any of the foregoing, grass plots and other areas, trees and plantings within the lines of the streets immediately adjoining or within the property hereinafter referred to.
13. To purchase, construct, maintain, and operate water works, pumping plants, and systems for the transportation and distribution of water and/or to purchase and distribute water for irrigation, domestic and/or other purposes in connection with the maintenance and use of property under its jurisdiction and care.
14. To purchase, construct, improve, and/or maintain sewer systems, storm water sewers, drains, and other utilities installed or to be installed upon said lands in connection therewith.
15. So far as it can legally do so, to grant franchises, rights of way, and easements for public utility or other purposes upon, over and/or under any of said property.
16. To acquire by gift, purchase, lease or otherwise and to own, hold, enjoy, operate, maintain, and to convey, sell, lease, transfer, mortgage and otherwise encumber, dedicate for public use and/or otherwise dispose of real and/or personal property either within or without the boundaries of said property.
17. To acquire by purchase, gift or otherwise, and to own, and/or dispose of such works of art as may be approved by the Art Jury established by restrictions effective upon said property or portions thereof.
18. To keep records of building permits and/or other approvals or disapprovals made or issued by this corporation and to keep books and records showing all charges, levies and assessments made and to furnish certified copies of any record which the Board of Directors may authorize to be furnished and, from time to time, to issue certificates of compliance covering respective parcels of property with respect to which buildings, structures, and/or other improvements or changes have been made, all as provided in the restrictions, conditions and covenants affecting said property or portions thereof; and to make and collect charges therefore.
19. To enforce liens, charges, restrictions, conditions and covenants existing upon and/or created for the benefit of parcels of real property over which said corporation has jurisdiction and to which said parcels may be subject to the extent that this corporation has the legal right to enforce the same; and to pay all expenses incidental thereto; and to enforce the decisions and rulings of the Art Jury having jurisdiction over any of said property to the extent that said corporation is authorized in said restrictions, conditions and covenants to enforce the same and to pay the expenses in connection therewith and such other expenses of the Art Jury as this corporation may assume.
20. To pay the taxes and assessments which may be levied by any public authority upon property used or set apart for streets, parks or recreation areas, and improvements thereon, now or hereafter opened, laid out or established in said property or on such other open recreation spaces as shall be maintained for the general benefit and use of the owners of lots in said property, and their successors in interest, and also on ornamental features, tennis courts, pumping plants, water systems, community club houses, sewers, and other utilities and storm drains established in or upon said property whether taxed or assessed as a part of said property or separately, and on any property of the Association or which may be held in trust for the Art Jury, as provided in any restrictions, conditions, or covenants to which said property may be subject.
21. To establish or make provision for the establishing of such Planning Board, Park Board, Health Board, Library Board, Recreation Board, and/or any other board specified in or permitted by the Bylaws of this corporation for the general welfare of the owners of said property or owners of said property or residents thereon, and for these purposes to have authority to delegate to such boards such powers as the Association may lawfully delegate, and to make provision for the use by any such board and/or boards of such funds as the Board of Directors of the Association may, from time to time, deem advisable.
22. To exercise such powers of control, interpretation, construction, consent, decision, determination, modification, amendment, cancellation, annulment, and/or enforcement of covenants, reservations, restrictions, liens and charges

imposed upon said property, as may be vested in, delegated to, or assigned to this corporation and such duties with respect thereto as may be assigned to and assumed by this corporation.

23. To nominate to the proper person or corporation and/or to make appointments of members of the Art Jury having jurisdiction over said property in accordance with the provisions of such restrictions, conditions, and covenants as may be in effect upon any of said property.
24. To receive, file and preserve such reports as may, from time to time, be made to it; and to publish and distribute bulletins and reports.
25. To borrow money and mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred and to do any and all things that a corporation organized under the said laws of the State of California may lawfully do when operating for the benefit of its members or the property of its members, and without profit to said corporation.

All of the foregoing purposes and powers are to be carried into effect and exercised for the purpose of doing, serving, and applying the things above set forth for the benefit of that certain district or area and/or the people residing therein, situate in the County of San Diego, State of California, as per map of the Subdivision of the Rancho Santa Fe filed in the office of the Recorder of said County on December 28th, 1922, and numbered 1742, and/or lands contiguous and/or adjacent thereto, and more particularly for the benefit of such parcels or portions thereof as may be, together with any and all other property which may hereafter be, through the operation of restrictions, conditions, covenants, and/or agreements pertaining to same, placed under or submitted to the jurisdiction of this corporation and be accepted as within the jurisdiction of this corporation by resolution of the Board of Directors of this corporation.

III

The principal place of business of said corporation shall be at Rancho Santa Fe, San Diego County, State of California.

IV

This corporation shall have perpetual existence.

V

The number of directors of said corporation shall be seven (7), and that the names and residences of the first directors who were appointed for the first year as contained in the original Articles of Incorporation herein were as follows:

| Names | Residing at |
|------------------|-------------------------|
| Ranald MacDonald | Rancho Santa Fe, Calif. |
| *A.H. Barlow | Rancho Santa Fe, Calif. |
| Briggs C. Keck | Rancho Santa Fe, Calif. |
| Barton Millard | Rancho Santa Fe, Calif. |
| S. R. Nelson | Rancho Santa Fe, Calif. |

VI

The voting power and property rights and interests of the members shall be equal and shall be determined and fixed as follows:

For the purpose of determining the voting power and the property rights and interests of each member of the corporation, a building site shall be taken to be (exclusive of streets, open recreation areas, and lands excepted, reserved, segregated or retained in accordance with the restrictions, conditions and covenants affecting the same, shown on any map of record):

- (a) For the purpose of this Article VI, a building site shall be taken to be (exclusive of streets, open recreation areas and lands excepted, reserved, segregated or retained in accordance with the restrictions, conditions and covenants affecting the same, shown on any map of record with the County Recorder of said County):
 1. Any lot or parcel of said above-mentioned property provided that (except as to the five property owners who are the incorporators hereof) each said lot or parcel of said property shall first have been made subject to the jurisdiction of this corporation and of Rancho Santa Fe Art Jury by a declaration of restrictions, conditions, covenants, reservations, liens and charges approved by this corporation and duly filed of record with the County Recorder of said County: or
 2. Any re-subdivision of any plots or parcels of said property which re-subdivision is approved by this corporation and is approved by the restrictions applicable thereto and thereby allowed to be used as a building site; or

3. Any subdivision or re-subdivision of any land which hereafter becomes subject to the jurisdiction of this corporation by virtue of the restrictions, conditions, covenants, and/or agreements relating thereto and by acceptance of said jurisdiction by the Board of Directors of this corporation; or

4. Any common interest development, as defined in California Civil Code section 1351, or successor statute, affecting the real property described in subparagraphs (1) through (3), inclusive, of this paragraph (a) (but excluding a planned development as defined in California Civil Code section 1351 (k)(2) and as to which California Civil Code section 1351(k)(1) is not applicable) provided, however, that any such common interest development shall be deemed to be two building sites.

(b) Persons holding title to any building site as above defined shall be qualified to be and shall become, ipso facto, members of this corporation; provided, however, that an association managing a common interest development described in sub-paragraph (4) of paragraph (a) of this Article VI shall be deemed to be the sole person holding title to any and all building sites within any part of such common interest development and no other person or persons shall be deemed to be a member of this corporation without regard to whether such person or persons hold title to or an interest in any separate interest as defined in California Civil Code section 1351(1), or successor statute, or building site within such common interest development; and provided further, that when title to or an interest in a building site is vested in or is in the name of two or more persons in joint tenancy or otherwise, the several owners or contract holders or purchasers of said building site shall collectively be entitled to only one vote unless provided otherwise in the Bylaws of this corporation. Whenever a person becomes disqualified through transfer or disposal of all his building sites, such person shall, ipso facto, cease to be a member of this corporation.

(c) Each member of this corporation shall have the right to cast one vote at any meeting of the members of this corporation, regardless of the number of building sites to which, as shown by the records of the corporation, such member holds the title; provided, however, that no person holding title as security for payment of money or performance of other obligations shall have the right to vote by reason thereof.

(d) Each member of this corporation shall have an equal interest in all the property owned by this corporation; provided, however, that (i) in the event title to any one building site is held by more than one member, no more than one such member shall be entitled to hold membership in the Rancho Santa Fe Golf Club, (ii) in the event a member holds title to more than one building site, such member shall not, by reason thereof, be entitled to more than one membership in the Rancho Santa Fe Golf Club, (iii) during the continuance and life of this corporation and renewals thereof, no member of this corporation shall have the right of distribution of any real or personal property held by or in the possession or control of this corporation; and (iv) those persons who are members of this corporation at the time of its dissolution may, upon said dissolution, be and become entitled to such property as may be owned by this corporation and as may be subject to distribution among its members in proportion to their interests and property rights as above determined and according to the law then in force.

(e) Nothing contained in paragraph (d) of this Article VI shall divest any member of membership in the Rancho Santa Fe Golf Club acquired on or before July 1, 1992.

VII

□□□Any other provision of these Articles or of the Bylaws of this Corporation to the contrary notwithstanding, the Association shall not approve or enter into any covenant or other written instrument for the purpose of making any lands of property subject to the provisions of Rancho Santa Fe Protective Covenant, or the jurisdiction of the Association, except in compliance with the provisions of this Article. For the purpose of this Article, any such action taken by the Board may be referred to as an "annexation."

(a) No annexation shall be valid unless and until the Board of Directors shall first conduct a hearing thereon at which Association members shall have the right to speak. Notwithstanding the existence of a quorum at a meeting of the Board of Directors, approval by the Board of any annexation shall require the affirmative vote of at least a majority of all members of the Board.

(b) With respect to any lands or property within any of Block 1 through 48, inclusive, and within any of Blocks A through H, inclusive, as described in Map 1742, filed in the Office of the County Recorder of San Diego County, California on December 28, 1922, or within any of part of Map 2089 filed in the Office of said County Recorder on April 17, 1928, or within any of part of Map 2129 filed in the Office of said County Recorder on November 22, 1928, no such approval by the Board of Directors shall become effective until thirty (30) days written notice of such approval has been given by mail to all members of the Association. If during such thirty (30) day period there shall be presented to the Secretary of the Association a petition signed by one hundred (100) of the voting members of the Association, protesting the approval, then such approval shall not become effective unless thereafter approved by the vote of a majority of the members of the Association present and voting at a members meeting (at which a quorum is present) called and held as prescribed in the Bylaws for special meetings, or by written ballot as prescribed in the California Corporations Code.

(c) With respect to any other real property, with the exception of that described in the foregoing paragraph (b), no such approval given by the Board of Directors for any annexation shall become effective unless and until approved by a majority of the members of the Association present and voting at a members meeting (at which a quorum is present), called and held as prescribed in the Bylaws for special meetings, or by written ballot as prescribed in the California Corporations Code. Notice of any such special meeting shall first have been given by mail to all members of the Association not less than thirty-five (35) days prior thereto.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 14th day of July, 1927.

(Sgd.) Ranald MacDonald,

“ A.H. Barlow, **
“ Briggs C. Keck,
“ Barton Millard,
“ B.R. Nelson.

*Resigned. D.M. Richards elected to the vacancy.

**Resigned. D.M. Richards elected to the vacancy.

□ Changed from five (5) to seven (7) by amendment 1950.

□□ Amended by Resolution Board of Directors, March 4, 1971.

□□□ Amended by vote of Association membership, November 5, 1980.

□□□□ Amended by vote of Association membership, May 12, 1992.