Historical Documents

Ranch at the Canyons

Landholding Responsibility and Maintenance Summary

As many of you aware, each landholding on the Ranch provides for a Building Envelope, a Landscaping Envelope, Private Area "A", and/or Private Area "B". There are some landholding that do not have any Private Area "A". We have included the appropriate landholding map illustrating these areas for your convenience.

The Building Envelope and the Landscaping Areas are pretty straightforward and easy to understand. These areas are the full responsibility of the landholding owner to maintain and keep maintained. If the Ranch at the Canyons Association staff needs to, or asked to, provide maintenance in these areas, the individual landholding owner will be billed.

Private Areas "A" and "B" have been a bit less clear. The goal of this brief memo is to help summarize the respective responsibilities of Owners for Private Areas "A" and "B". As described in Page 2 of the CC&Rs (Article 1 Section 11), the entire boundary of a landholding is granted to an owner for use. The building envelope and landscaping envelope provide an exclusive right. The right to the balance identified in the grant as the "Private Area" is generally for private use and enjoyment purposes, subject to such rights as are reserved by Declarant for itself or the Association in the grant or in the Declaration. Although granted the rights, as discussed below, it does not obligate the Association to use the right(s) or for any maintenance as a result of being granted the right. Section 7 (c) on page 7 of the CC&Rs states: "The easements granted in this section shall be for the benefit of the Association only and shall not be read so as to require the Association to engage in any agricultural or grazing activities."

Private Area "A":

As stated on the face of the landholding map that was included as part of the sale documents, the Ranch at the Canyons Association Inc. (Ranch Management) has the *right* to access the designated private area "A" of each landholding for the purposes of:

- 1. Farming, Grazing and Related Agricultural purposes
- 2. Construction, use, and maintenance/repair of agricultural related improvements
- 3. Irrigation
- 4. Juniper management
- 5. General ranch management.

Additionally, rights are reserved for the Association and its Members for access to private area "A" for the purpose of equestrian, pedestrian, and recreational uses.

Private Area "B":

Similar to Private Area "A", the Ranch at the Canyons Association Inc. (Ranch Management) has the *right* to access the designated private area "B" of each landholding for the purposes of:

Owner Landholding Maintenance Areas June 2016

Historical Documents

- 1. Farming, Grazing and Related Agricultural purposes
- 2. Irrigation
- 3. Juniper management
- 4. General ranch management.

You will note two primary differences between Private Area "A" and Private Area "B".

- One is that Private Area "A" allows construction, use, and maintenance/repair of agricultural related improvements. Private Area "B" does not.
- A second is that Private Area "A" allows for Association and Members access for equestrian, pedestrian and recreational purposes. Private Area "B" does not.

Examples of private area accessed by the Association on the Ranch:

- Landholding 29 (DeGennaro): The Cottonwood block of Monkey Face Vineyard lies within the
 private area A of landholding 29. According to the Ranch's legal documents, the Association
 was allowed to construct the vineyard and is allowed use and maintain agricultural
 improvements in this area because it is a Private Area "A". This would not have been allowed
 in a Private Area "B".
- Landholding 8 (Coombe): A portion of the trails used by owners and for the ranch equestrian
 trail riding program require access through the Private Area "A" of landholding 8. This is
 allowed under the HOA's right of access provided with Private Area "A".
- Landholding 2 (Sawyer/Wendel): For landholding 2, the majority of the Private Area "B" is farmed by the Association. As it is farmed and irrigated by the Association, the Association bears the cost and responsibility for the farming.
- 4. Rim Landholdings: Most rim landholdings have a Private Area "A" that runs all the way to the Crooked River. This provides access to the Association and all members to these areas. For any private area located in the canyon, the Association is responsible for maintenance.

Maintenance of Private Area "A" and "B":

Although the Association has reserved rights over these Private Areas as previously described, ultimately it remains the Owners responsibility to maintain Private Areas "A" and "B". This responsibility includes ensuring there are no noxious weeds and there is no undue fire danger. We have found that simply pulling, spraying or cutting weeds is not enough. This land should be "covered" with native seed to displace noxious weeds. Once planted, native grass should require minimal attention after two years.

The Association has identified certain areas that it will mow, water and maintain throughout the Ranch to ensure the Ranch looks consistently maintained. Some of these areas will include portions of Private

Owner Landholding Maintenance Areas June 2016

Historical Documents

Areas "A" and "B" belonging to Owners. These areas have been documented on the attached landholding maps in green.

The areas that the Association farms and therefore maintains are noted in blue. Private area "A" in the Canyon that the association maintains are noted in pink. The balance of the landholding, as highlighted in yellow, is each individual landholding owners responsibility.

For work the Association completes on an Owners Private Area "A" and "B" that is **not** identified as an Association maintenance area or farm area, the individual landholding owner will be billed by the Association. All work shall be coordinate and completed by the Association unless otherwise approved. Periodic work exceeding \$500 per calendar year will be described to you in advance of the work being performed so that you can inquire about the nature and scope of the work before it is started. In cases where landholdings are not yet seeded with ground covering natives, the cost for seed is about \$200 per acre, plus about \$1,000 per year for irrigation and weeding for each of the first two years.

Improvements to Private Area "A" and "B":

Although technically outside of the landscaping envelope, from time to time an owner will want to water or provide some degree of improvements to Private Area "A" and "B". In the past the protocol was for an Owner to submit a proposal of what is being requested for the Declarant to approve. All work was to be done at the Owners cost. Moving forward, we will follow a similar procedure. If you wish to enhance your Private Area "A" or "B" please provide a plan in writing to the Board. The Board will review this plan with Ranch Management. The Board does reserve the right to disapprove any request. Any approved requests will be at the Owners expense and the Owner is responsible for maintaining.

After reviewing this letter and the maps provided, please do not hesitate to contact me if you have specific questions about your landholding. The ultimate goal is to help properly define responsibility for each area so both the Association and Owners can develop long-term plans for maintenance and care.

Respectfully,

Patrick Ginn

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Owner Landholding Maintenance Areas June 2016