

FULOP, ROLSTON, BURNS & MCKITTRICK
A LAW CORPORATION

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September 24, 1976

OF COUNSEL
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PLEASE REPLY TO:
Beverly Hills
File No. 4774

George M. Jamieson
Lake Arrowhead Property Owners
Association
P. O. Box 147
Lake Arrowhead, California 92352

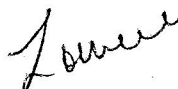
Ralph Wagoner
Arrowhead Lake Association
P. O. Box 1119
Lake Arrowhead, California 92352

Craig McManigal, Esq.
619 West Foothill Boulevard
Claremont, California 91711

Gentlemen:

Enclosed for your records is a fully executed copy of
the ALA/LAPOA Agreement.

Yours truly,



Lowell R. Marks of
FULOP, ROLSTON, BURNS & MCKITTRICK

LRM/cd
Encl.

A G R E E M E N T

THIS AGREEMENT made and entered into this ____ day of June, 1976, by and between ARROWHEAD LAKE ASSOCIATION, a California non-profit corporation (ALA), and LAKE ARROWHEAD PROPERTY OWNERS ASSOCIATION, a California non-profit corporation (LAPOA);

R E C I T A L S

A. LAPOA and a previous owner of Lake Arrowhead entered into an agreement of settlement and compromise ("1964 Agreement") dated August 22, 1964, recorded October 29, 1964, Book 6262, Page 1, Official Records of San Bernardino County.

B. A complaint was filed by LAPOA and others in Superior Court of California, San Bernardino County, No. 155721, relating to, among other things, the interpretation of the 1964 Agreement. The complaint has now been dismissed without prejudice.

C. LAPOA desires to have an agreement with ALA with respect to the 1964 Agreement and ALA is willing to enter into such an agreement.

D. ALA desires to transfer certain rights with respect to the Architectural Control Committee, which rights were acquired by ALA from Boise Cascade Home & Land Corporation in that certain purchase agreement dated October 30, 1975, ("1975 Agreement").

A G R E E M E N T

1. The Recitals are a material part of this Agreement and incorporated herein by reference.

2. ALA is the owner of Lake Arrowhead, the reserve strips and reserve strip additions, as such terms are used in the 1964 Agreement, together with certain other real property within Arrowhead Woods.

3. ALA acquired such real property pursuant to that certain Purchase Agreement dated October 30, 1975, by and among Lake Arrowhead Dam Corporation, Boise Cascade Home & Land Corporation and Arrowhead Lake Association and such real property was acquired subject to the terms and conditions of the 1964 Agreement.

4. ALA intends to be bound by and own and operate Lake Arrowhead subject to the terms and conditions of the 1964 Agreement, provided, however, ALA reserves the right to permit any property owner within Arrowhead Woods to purchase an existing and proven dock right and become a dock member of ALA, notwithstanding the provisions of the second paragraph of Paragraph 9 of the 1964 Agreement.

5. Paragraph 6.1 of the agreement of October 30, 1975, reads as follows:

"From time to time prior to the date hereof, certain covenants, conditions and restrictions (collectively the "CC&R's") similar to those attached hereto as Exhibit "H" have been recorded

against property in Arrowhead Woods. The CC&R's established a single Architectural Control Committee (the "Committee") regulating construction of dwellings and related structures on the real property described in the CC&R's. On the Closing Date, BCH&L, to the extent permitted by the CC&R's, shall assign to Buyer all its rights to appoint or elect members of the Committee."

ALA does hereby assign to LAPOA all of its rights received under said Paragraph 6.1.

6. All of the terms and provisions of this agreement shall be binding upon and inure to the benefit of and be enforceable by the successors and assigns of the parties hereto.

IN WITNESS WHEREOF the parties hereto have executed this agreement the day and year first above written.

ARROWHEAD LAKE ASSOCIATION

By Ralph Wagner 6-19-76
Its President

LAKE ARROWHEAD PROPERTY
OWNERS ASSOCIATION

By _____
Its President

APPROVED as to form:

R. Craig McManigal
R. Craig McManigal
Counsel for "ALA"

Fulop, Rolston, Burns & McKittrick

By _____
Counsel for "LAPOA"