

This document is an exact copy (not prepared by the County Recorder)
of a _____
which was recorded in the County Recorder's Office of Los Angeles
County on 11-1-1982 as
Document No. 82-1096001, in Book _____,
Page _____ of _____ Records of
Los Angeles County.

CALIFORNIA LAND TITLE COMPANY
a California corporation

By



Senior Vice President

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO

MARK M. O'BRIEN
248 East Main Street, Suite 202
Alhambra, CA 91801

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP

This Declaration is made February 1, 1982, by
CYPRESS TOWNHOUSES, a Limited Partnership, ("Declarant").

RECITALS:

Declarant is the owner of real property located in
Los Angeles County, California, described in Exhibit A
("real property"). Declarant has improved or intends to
improve the real property in the manner described in Exhibit
B.

DECLARATION:

Declarant declares that the real property is, and shall
be, held, conveyed, hypothecated, encumbered, leased, rented,
used and occupied subject to the following limitations,
restrictions, easements, covenants, conditions, liens and
charges, all of which are declared and agreed to be in
furtherance of a plan of condominium ownership as described
in California Civil Code §§1350-1360 for the subdivision,
improvement, protection, maintenance, and sale of condominiums
within the real property, and all of which are declared and
agreed to be for the purpose of enhancing, maintaining and
protecting the value and attractiveness of the real property.
All of the limitations, restrictions, easements, covenants,
conditions, liens and charges shall run with the land, shall
be binding on and inure to the benefit of all parties having
or acquiring any right, title or interest in the real property,
and shall be binding on and inure to the benefit of the
successors in interest of such parties. Declarant further
declares that it is the express intent that this Declaration
satisfy the requirements of California Civil Code §1355.

1. DEFINITIONS

1.1 The "Articles" mean the Association's Articles of
Association and their amendments.

1.2 The "Association" means the condominium homeowner's
association, an unincorporated association, its successors
and assigns.

1.3 The "Board" means the Board of Directors of the Association.

1.4 The "Bylaws" mean the Association's Bylaws and their amendments.

1.5 The "Common Area" means the entire development except all units as defined in this declaration or as shown on the condominium plan.

1.6 A "condominium" means an estate in real property as defined in California Civil Code §783 consisting of an undivided interest as a tenant-in-common in the common area of the development, together with a fee interest in a unit shown and described on the Condominium Plan.

1.7 The "Condominium Plan" means the condominium plan recorded pursuant to California Civil Code §1351 respecting the development and any amendments to the plan. A copy of the plan is attached as Exhibit C.

1.8 The "Declarant" means CYPRESS TOWNHOUSES, a Limited Partnership, its successors and assigns, if such successors and assigns acquire or hold record title to any portion of the Development for development purposes.

1.9 A "member" means every person or entity who holds a membership in the Association.

1.10 A "mortgage" means a mortgage or deed of trust encumbering a condominium or other portion of the Development. An "institutional mortgagee" is a mortgagee that is a bank or savings and loan association, or established mortgage company or other entity chartered under federal or state laws, any corporation or insurance company, or any federal or state agency. A "mortgagee" shall include the beneficiary under a deed of trust.

1.11 An "owner" means each person or entity holding a fee simple estate of record in a condominium, including Declarant. "Owner" shall not include persons or entities who hold an interest in a condominium merely as security for the performance of an obligation but shall include a contract purchaser of record.

1.12 A "unit" means the elements of a condominium that are not owned in common with the other owners of condominiums in the Development, such units and their respective elements are more particularly described in Exhibit B. The boundaries of a unit are shown and described on the Condominium Plan. In interpreting deeds and plans the existing physical boundaries

of a unit or of a unit reconstructed in substantial accordance with the original plans shall be conclusively presumed to be its boundaries rather than the description expressed in the deed or plans, regardless of minor variance between boundaries shown on the plans or in the deed and those of the building and regardless of settling or lateral movement of the building. Whenever reference is made in this Declaration, in the Condominium Plan, in any deed or elsewhere to a unit it shall be assumed that such reference is made to the unit as a whole, including each of its component elements, and to any and all exclusive easements appurtenant to such unit over the Common Area, if any.

1.13 The "Development" means the entire parcel of real property, divided or to be divided into condominiums, including all structures and improvements on it. The Development is a statutory condominium "project" as defined in California Civil Code §1350(3).

2. DESCRIPTION OF COMMON INTERESTS, PROPERTY RIGHTS, RIGHTS OF ENJOYMENT AND EASEMENTS.

2.1 Ownership of Condominium; Easements. Ownership of each condominium within the development shall include a unit, the respective undivided interest in the Common Area as described in Exhibit B (which undivided interest cannot be altered or changed as long as the prohibition against severability of component interests in a condominium remains in effect as provided in this Declaration), a membership in the Association, and any exclusive or non-exclusive easements or easement appurtenant to such unit over the Common Area as described in this Declaration, or the deed to the unit.

2.2 Owners' Non-Exclusive Easements of Enjoyment, Etc. Every owner of a condominium shall have a non-exclusive easement of use and enjoyment in, to, and throughout the Common Area of the Development and for ingress, egress, and support over and through the Common Area. However, such non-exclusive easements shall be subordinate to, and shall not interfere with, exclusive easements appurtenant to units over the Common Area, if any. Each such easement shall be appurtenant to and pass with the title to every unit, subject to the following rights and restrictions:

2.2.1 The right of the Association to limit the number of guests, and to adopt the Association rules and regulations ("Association rules") regulating the use and enjoyment of the Common Area.

2.2.2 The right of the Association to borrow money to improve the Common Area.

2.2.3 The right of Declarant or its designees, to enter on the Development to construct the Development and to make repairs and remedy construction defects, if such entry shall not interfere with the use of any occupied unit unless authorized by the unit owner.

2.2.4 The right of the Association, or its agents, to enter any unit as necessary in connection with construction, maintenance or emergency repair for the benefit of the Common Area or the owners in common. The right shall be immediate in case of an emergency originating in, or threatening, such unit; otherwise, entry shall be made only after reasonable notice is given to the occupant of the unit.

2.3 Delegation of Use; Tenants. Any owner may delegate his rights of use and enjoyment in the Development, including any recreational facilities, to the members of his family, his guests, invitees, and to such other persons as may be permitted by the Bylaws and the Association rules, subject, however, to this Declaration, to the Bylaws and to the Association rules. Each owner shall notify the secretary of the Association of the names of any tenant of such owner's condominium. Each owner, or tenant also shall notify the secretary of the Association of the names of all persons to whom such owner or tenant has delegated any rights of use and enjoyment in the Development and the relationship that each such person bears to the owner or tenant. Any delegated rights of use and enjoyment are subject to suspension to the same extent as the rights of owners are.

2.4 Minor Encroachments. If any portion of the Common Area encroaches on any unit or if any portion of a unit encroaches on the Common Area, regardless of the cause, a valid easement exists for such encroachment and for the maintenance of it as long as it remains, and all units and the Common Area are made subject to such easement. If any structure containing a unit is partially or totally destroyed and then rebuilt and any encroachment results, a valid easement exists for such encroachment and for the maintenance of it as long as it remains, and all units and the Common Area are made subject to such easement.

2.5 Easements Granted by Association. The Association shall have the power to grant and convey to any third party easements and rights-of-way in, on, over, or under the Common Area for the purpose of constructing, erecting, operating, or maintaining lines, cables, wires, conduits, or other devices for electricity, cable television, power, telephone and other purposes, public sewers, storm water drains, and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes and any similar public or quasipublic

improvements or facilities, and each purchaser, in accepting a deed to a condominium, expressly consents to such easements. However, no such easements can be granted if they would interfere with the use, occupancy or enjoyment by any owner of his unit, any exclusive easements over any Common Area appurtenant to the unit, or the recreational facilities of the Development.

3. USE RESTRICTIONS

3.1 Residential Use. Units shall be used for residential purposes only. Nothing in this Declaration shall prevent an owner from leasing or renting his condominium. However, any lease or rental agreement shall be in writing and any tenant shall abide by and be subject to all provisions of this Declaration, the Articles, Bylaws, and the Association rules, and any lease or rental agreement must specify that failure to abide by such provisions shall be a default under the lease or rental agreement.

3.2 Commercial Use. Except as otherwise provided in this Declaration, including paragraph 3.1, no part of the Development shall be used or caused, allowed, or authorized to be used in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending, or other such non-residential purpose.

3.3 Maintenance. Each owner of a condominium shall be responsible for maintaining his unit, including the equipment and fixtures in the unit and its interior walls, ceilings, windows, and floors, in a clean and sanitary, workable, and attractive condition. However, each owner has complete discretion as to the choice of furniture, furnishings, and interior decorating, but windows can be covered only by drapes, or shades and cannot be painted or covered by foil, cardboard, or other similar materials. Each owner shall be responsible for repair, replacement and cleaning of the windows and glass of his unit, both interior and exterior. Unless otherwise provided in this Declaration, each owner shall clean and maintain exclusive easements appurtenant to any of the units over the Common Area.

3.4. Offensive Conduct; Nuisances. No noxious or offensive activities, including but not limited to, repair of automobiles or other motorized vehicles, shall be carried on, or within the Development. Nothing shall be done on or within the Development that may be or may become a nuisance to the residents of the Development, or that in any way interferes with the quiet enjoyment of occupants of condominiums.

3.5 Parking Restrictions; Use of Garage. Unless otherwise permitted by the Board, no automobile shall be parked or left on any property subject to this Declaration other than on or within a garage, carport, or assigned or appurtenant parking stall or space. No boat, trailer, recreational vehicle, camper truck or commercial vehicle shall be parked or left on any part of the Development other than in any parking area designated by the Board for parking and storage of vehicles. Any garages and carports shall be used for parking vehicles only and shall not be converted for living or recreational activities.

3.6 Signs. No signs of any kind shall be displayed to the public view on or from any condominium or the Common Area without the approval of the Board. However, one sign of customary and reasonable dimensions advertising a condominium for sale or for rent may be placed within each unit or within the Common Area immediately adjacent by the owner, the location and design of it to be subject to approval by the Board.

3.7 Fences, Etc. No fences, awnings, ornamental screen doors, sunshades or walls of any nature shall be erected or maintained on or around any portion of any structure or elsewhere within the Development except those that are installed in accordance with the original construction of the Development, and their replacements, or as are authorized and approved by the Board.

3.8 Animals. No animals, reptiles, rodents, birds, fish, livestock, or poultry shall be kept in any condominium or elsewhere in the Development except that domestic dogs, cats, fish, and birds inside bird cages may be kept as household pets within any unit, if they are not kept, bred or raised for commercial purposes. The Board can prohibit maintenance of any animal that constitutes a nuisance to any other owner in the sole and exclusive opinion of the Board.

3.9 Restricted use of Recreational Vehicles, etc. No boat, truck, trailer, camper, recreational vehicle or tent shall be used as a living area while located on the Development.

3.10 Outside Drying and Laundering. No exterior clotheslines shall be erected or maintained and there shall be no exterior drying or laundering of clothes on balconies, patios, porches or other areas.

3.11 Structural Alterations. No owner shall at his expense or otherwise make any alterations or modifications to the exterior of the buildings, fences, railings, or walls situated within the Development without the prior written consent of the Board. ✓

3.12 Compliance with Laws, etc. Nothing shall be done or kept in any unit or in the Common Area that might increase the rate of, or cause the cancellation of, insurance of the Development, without the prior written consent of the Board. No owner shall permit anything to be done or kept in his unit that violates any law, ordinance, statute, rule or regulation of any local, county, state or federal body.

3.13 Owner's Obligation for Taxes. To the extent allowed by law, all units, including their pro rata undivided interest in the Common Area and the membership of an owner in the Association, shall be separately assessed and taxed so that all taxes, assessments, and charges which may become liens prior to first mortgages under local law shall relate only to the individual units and not to the condominium development as a whole. Each owner shall be obligated to pay any taxes or assessments assessed by the county assessor of said county against his condominium and against his personal property.

3.14 Enforcement. The failure of any owner to comply with any provision of this Declaration or the Articles or Bylaws shall give rise to a cause of action in the Association and any aggrieved owner for the recovery of damages or for injunctive relief, or both.

4. THE ASSOCIATION

4.1 Formation. The Association is an unincorporated association formed under the laws of California. On the close and recording of the first condominium sale to an owner, the Association shall be charged with the duties and invested powers set forth in the Articles, the Bylaws and this Declaration, including, but not limited to, control and maintenance of the Common Area and any Common Area facilities.

4.2 Association Action; Board of Directors and Officers. Except as to matters requiring approval of members as set forth in this Declaration, the Articles, or the Bylaws, the affairs of the Association shall be conducted by the Board and such officers as the Board may elect or appoint. Such election or appointment shall be in accordance with this Declaration or the Bylaws and their amendments.

4.3 Powers and Duties of the Association.

4.3.1 Powers. The Association shall have the power to do any lawful thing that may be authorized, required, or permitted to be done under this Declaration, the Articles and the Bylaws, and to do and perform any act that may be necessary

or proper for, or incidental to, the exercise of any of the express powers of the Association, including, without limitation the following:

4.3.1.1 Assessments. That Association shall have the power to establish, fix, levy assessments against the owners of condominiums and to enforce payment of such assessments in accordance with the provisions of this Declaration.

4.3.1.2 Right of Enforcement. The Association in its own name and on its own behalf, or on behalf of any owner who consents can commence and maintain actions for damages or to restrain and enjoin any actual or threatened breach of any provisions of this Declaration or of the Articles or Bylaws, or of the Association rules or any resolutions of the Board, and to enforce by mandatory injunction, or otherwise, all of those provisions. In addition, the Association, through its Board of Directors, can suspend the voting rights, can suspend use privileges of the Common Area or can assess monetary penalties against any owner or other person entitled to exercise such rights or privileges for any violation of this Declaration or the Articles, Bylaws, Association's rules, or Board resolutions. However, any such suspension of use privileges cannot exceed a period of thirty (30) days for any one violation and cannot exceed Twenty-Five Dollars (\$25.00) for any one violation. No discipline against an owner may be imposed unless the accused owner is given 15 days' prior notice of the proposed discipline and the reasons therefore and the accused owner is given the opportunity to be heard, orally or in writing, not less than 5 days before the proposed discipline becomes effective. Such prior notice may be given by any method reasonably calculated to provide actual notice. Any notice given by mail must be given by first-class or registered mail sent to the owner, all according to the provisions of 17.5 of the Declaration. No discipline shall be imposed against the owner unless procedures for notice and hearing satisfying the minimum requirements of Corporation Code Section 7341 are followed with respect to the accused owner before a decision to impose discipline is reached. The Association is prohibited from causing a forfeiture or abridgement of an owner's right to the full use and enjoyment of his unit because of his failure to comply with provisions of the Declaration, Bylaws, Articles, or duly-enacted rules of operation for the Common Area and facilities except by court judgment, arbitration award, or on account of a foreclosure or sale under a power of sale for his failure to pay assessments duly levied by the Association. Any monetary penalty imposed by the Association as a disciplinary measure for failure of a member to comply with provisions of the Declaration, Bylaws, Articles, or said rules or as a means of reimbursing the Association for its costs incurred in the repair of damage to the Common

Area and facilities for which the member was allegedly responsible shall not give rise to a lien against the member's unit and shall not be enforceable under Section 7 of the Declaration. Notwithstanding the foregoing, charges imposed against an owner consisting of reasonable late payments, penalties for loss of interest, and costs and attorney's fees reasonably incurred by the Association in its efforts to collect delinquent assessments shall give rise to lien rights under Section 7 of the Declaration.

4.3.1.3 Delegation of Powers. The Association, acting by and through the Board, can delegate its powers, duties, and responsibilities (except with regard to imposing discipline, levying fines, or holding hearings) to committees or employees, including a professional managing agent ("manager"). Any agreement for professional management of the condominium project shall be terminable by either party with or without cause and without payment of a termination fee on thirty (30) days' written notice. The term of any such agreement shall not exceed one (1) year, although such agreement may be renewed from year to year by the Board.

4.3.1.4 Association Rules. The Association shall have the power to adopt, amend, repeal its rules as it deems reasonable. However, the Association rules shall not be inconsistent with or materially alter any other provisions of this Declaration, the Articles, or the Bylaws. A copy of the Association rules as adopted, amended or repealed, shall be mailed or otherwise delivered to each owner and a copy shall be posted in a conspicuous place within the Development. In case of conflict between the Association rules and any other provisions of this Declaration, the Articles, or Bylaws, the provisions of the Association rules shall be deemed superseded by the provisions of this Declaration, the Articles or the Bylaws to the extent of any such inconsistency.

4.3.2 Duties of the Association. In addition to the powers delegated to it by its Articles or the Bylaws, and without limiting their generality, the Association, acting by and through the Board, or persons or entities described in Section 4.3.1.3, has the obligation to conduct all business affairs of common interest to all owners and to perform each of the following duties:

4.3.2.1 Operation and Maintenance of Common Area. To operate, maintain, and otherwise manage or provide for the operation, maintenance, and management of the Common Area, and all its facilities, improvements, and landscaping, including private driveways, and any other property acquired by the Association, including personal property, in a first-class condition and in a good state of repair. In this

connection, the Association may enter into contracts for services or materials for the benefit of the Association or the Common Area, including contracts with Declarant. The duration and term of all such contracts shall comply with Article VIII, Section 16 of the Bylaws.

4.3.2.2 Taxes and Assessments. To pay all real and personal property taxes and assessments and all other taxes levied against the Common Area, personal property owned by the Association, or against the Association.

4.3.2.3 Water and Utilities. To acquire, provide and pay for water, sewer, garbage disposal, refuse and rubbish collection, electrical, telephone, gas and other necessary utility services for the Common Area and for condominiums when the condominiums are not separately billed. The term of any contract to supply any of the listed services shall not exceed one (1) year or, if the supplier is a regulated public utility, the shortest term for which the supplier will contract at the applicable regulated rate.

4.3.2.4 Insurance. To obtain from reputable insurance companies and maintain the insurance described in Section 8.

4.3.2.5 Enforcement of Restrictions and Rules. To perform such other acts, whether or not expressly authorized by this Declaration, that may be reasonably necessary to enforce any of the provisions of this Declaration, the Articles and Bylaws, and the Association's rules and Board resolutions.

4.3.3 Limitations on Authority of Board. Except with the vote or written assent of (1) a majority of the total voting power of the membership and (2) a majority of members other than Declarant, the Board shall not take any of the following actions:

4.3.3.1 Incur aggregate expenditures for capital improvements to the Common Area in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year; or

4.3.3.2 Sell during any fiscal year property of the Association having aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year; or

4.3.3.3 Pay compensation to members of the Board or to officers of the Association for services performed in the conduct of the Association's business. However, the Board may cause a member of the Board or an officer to be reimbursed for expenses incurred in carrying on the business of the Association.

4.4 Regular Meeting and Notice. An organizational meeting shall be held as soon as practicable after creation of the Association, and the Directors elected then shall hold office until the first annual meeting. All offices of the Board of Directors shall be filled at the organizational meeting. The first annual meeting of members of the Association shall be held within forty-five (45) days after the closing of the sale of the condominium that represents the fifty-first (51st) percentile interest authorized for sale by the California Commissioner of Real Estate under the first Public Report for the Development, but in no case later than six (6) months after the closing and recording of the sale of the first condominium within the Development. Thereafter, regular meetings of members of the Association shall be held at least once in each calendar year at a time and place as prescribed in the Bylaws.

4.5 Special Meetings. Special meetings may be called as provided for in the Bylaws. Written notice of all members' meetings, regular or special, shall be given by regular mail, personal delivery, or telegram to all owners and to any mortgagee who has requested in writing that such notice be sent to it and, except in emergency situations, shall be given not less than ten (10) days nor more than sixty (60) days before the time of the meeting and shall set forth the place, date, and hour of the meeting, and the nature of the business to be undertaken. Any mortgagee, through its designated representative, shall be entitled to attend any such meeting but shall not be entitled to vote at the meeting. All such meetings shall be held within the Development or at a place as close thereto as possible. The presence at any meeting in person or by proxy of members entitled to cast at least fifty percent (50%) of the total votes of all members of the Association shall constitute a quorum. If any meeting cannot be held because a quorum is not present, members representing a majority of the votes present, either in person or by proxy, may adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the date that the original meeting was called, at which adjourned meeting the quorum requirement shall be at least twenty-five percent (25%) of the total votes. Any meeting of members at which a quorum is present may be adjourned for any reason to a time not less than five (5) days nor more than thirty (30) days from the time of such meeting by members representing a majority of the votes present in person or by proxy. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to members in the manner prescribed for regular meetings.

4.6 Financial Statements of the Association. The Association shall prepare, or cause to be prepared, a balance sheet and an operating statement for the Association as of the accounting dates set forth in this Declaration, and copies of each shall be distributed to each member as specified herein. In any fiscal year in which the gross receipts of the Association exceed Seventy-Five Thousand Dollars (\$75,000.00), the annual report referred to in Section 4.6.2 herein shall be prepared by an independent public accountant. If said annual report is not prepared by an independent public accountant, it shall be accompanied by a certificate of an authorized officer of the Association that the statement was prepared without audit from the Association's books and records. For those purposes, the accounting dates for the preparation of the balance sheet and operating statement are as follows:

4.6.1 The first accounting date shall be the last day of the month closest in time to six (6) months from the date of closing of the first sale of a condominium within the Development. The balance sheet shall be rendered as of that date, and the operating statement shall be rendered for a period commencing with the date of closing of the first sale of a condominium within the Development and ending as of the first accounting date. The operating statement for the first six (6) months' accounting period shall include a schedule of assessments received or receivable, itemized by unit number and by the name of the person or entity assessed. Said documents shall be distributed to each owner within sixty (60) days after the first accounting date.

4.6.2 The second and subsequent accounting date shall be the last day of the Association's fiscal year (which fiscal year shall be a calendar year unless a different fiscal year is adopted). An annual report consisting of the following shall be distributed to each owner within 120 days after the close of the fiscal year. Said report shall include a balance sheet as of the end of the fiscal year, an operating statement for the fiscal year, a statement of changes in financial position for the fiscal year, and any information required to be reported under Corporations Code Section 8322.

4.6.3 Not less than sixty (60) days before the beginning of each fiscal year of the Association, the Association shall prepare, or cause to be prepared, a pro forma operating statement (budget) for the coming fiscal year and shall distribute a copy to each owner.

4.6.4 Copies of each such balance sheet, operating statement and pro forma operating statement for the Association shall be mailed to any mortgagee who has requested that such copies be sent to it.

4.7 Inspection of Association Books and Records.

4.7.1 Any membership register, books of account and minutes of meetings of members, the Board, and committees of the Board of the Association shall be made available for inspection and copying by any member of the Association, or his duly appointed representative, or any mortgagee, at any reasonable time and for the purpose reasonably related to his interest as a member, at the office of the Association or at such other place within the Development as the Board prescribes.

4.7.2 The Board shall establish by resolution reasonable rules with respect to:

4.7.2.1 Notice to be given to the custodian of the records of the Association by the member, representative, or mortgagee desiring to make an inspection.

4.7.2.2 Hours and days of the week when the inspection may be made.

4.7.2.3 Payment of the cost of reproducing copies of documents requested by a member or by a representative or mortgagee.

4.7.3 Every Director of the Association shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents.

5. MEMBERSHIP AND VOTING RIGHTS

5.1 Membership

5.1.1 Qualifications. Each owner of a condominium, including Declarant, shall be a member of the Association and shall hold one membership interest in the Association for each condominium owned. Ownership of a condominium or interest in it shall be the sole qualification for membership in the Association. Each owner shall remain a member of the Association until his ownership interest in all condominiums in the Development ceases, at which time his membership in the Association shall automatically cease.

5.1.2 Members' Rights and Duties. Each member shall have the rights, duties, and obligations set forth in this Declaration, the Articles, Bylaws, and the Association rules and all their amendments.

5.1.3 Transfer of Membership. The Association membership of each person or entity who owns, or owns an interest

in, one or more condominiums shall be appurtenant to each such condominium, and shall not be assigned, transferred, pledged, hypothecated, conveyed, or alienated in any way except on a transfer of title to each such condominium or interest in it and then only to the transferee. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a condominium or interest in it shall operate automatically to transfer the appurtenant membership rights in the Association to the new owner.

5.2 Voting.

5.2.1 Number of Votes. Each member shall be entitled to one (1) vote for each condominium in which such member owns an interest. However, when more than one member owns an interest in a condominium, the vote shall be exercised as they themselves determine, but in no case shall more than one (1) vote be cast with respect to any one condominium.

5.2.2 Joint Owner Votes. The voting rights for each condominium may not be cast on a fractional basis. If the joint owners of a condominium are unable to agree among themselves as to how their voting rights shall be cast, they shall forfeit the vote on the matter in question. If any owner exercises the voting rights for a particular condominium, it will be exclusively presumed for all purposes that he was acting with the authority and consent of all other owners of the same condominium. If more than one (1) person or entity exercises the voting rights for a particular condominium, their votes shall not be counted and shall be deemed void.

5.2.3 Cumulative Voting. Election to and from the Board shall be by cumulative voting and such voting shall be by secret written ballot. If more than two (2) positions on the Board are to be filled, each member shall be entitled to cumulate his votes, in person or by proxy, for one or more candidates for the Board, if the candidate's name has been placed in nomination prior to voting and if the member has given notice at the meeting prior to the voting of his intention to cumulate votes. If any one member has given such notice, then all members will be entitled to cumulate their votes for candidates. The candidate receiving the highest number of votes up to the number of Board members to be elected shall be deemed elected. Unless the entire Board is removed from office by vote of the members, a Director shall not be removed before his term expires if the number of votes cast against removal would be sufficient to elect said Director if voted cumulatively at an election at which the same total number of votes were cast and the entire number of Directors authorized at the time of the most recent election of the Board were then being elected. A Director who has been elected to office solely by votes of members other than Declarant may be removed from office

prior to the expiration of his term only by the vote of at least a simple majority of the voting power residing in members other than the Declarant.

5.2.4 Special Election Procedure. From the first election of the Board of Directors and thereafter for so long as Declarant holds a majority of the Association's voting power, Declarant shall be allowed to vote for all but one of the five offices of the Board of Directors, to insure the election of twenty percent (20%) of the Board members by the owners other than Declarant. This procedure shall be limited to the election of only one Board member and subject to all other provisions of this Declaration.

6. ASSESSMENTS

6.1 Agreement to Pay. The Declarant, for each condominium owned by the Declarant that is expressly made subject to assessment as set forth in this Declaration, and each purchaser of a condominium by his acceptance of a deed covenants and agrees, for each condominium owned, to pay to the Association regular assessments and special assessments, such assessments to be established, made, and collected as provided herein.

6.2 Personal Obligations. Each assessment or installment, interest, collection costs, and reasonable attorney's fees, shall be the personal obligation of the person or entity who was an owner at the time such assessment, or installment, became due and payable. If more than one person or entity was the owner of a condominium, the personal obligation to pay such assessment, or installment, respecting such condominium shall be both joint and several. The personal obligation for delinquent assessments, or delinquent installments, and other such sums, shall not pass to an owner's successors in interest unless expressly assumed by them. No owner of a condominium may exempt himself from payment of assessments, or installments, by waiver of the use or enjoyment of all or any portion of the Common Area or by waiver of the use and enjoyment of, or by abandonment of, his condominium.

6.3 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the members of the Association, the improvement, replacement, repair, operation and maintenance of the Common Area and the performance of the duties of the Association as set forth in this Declaration.

6.4 Assessments.

6.4.1 Regular Assessments. At least sixty (60) days before the beginning of each fiscal year the Board shall

estimate the total amount of funds necessary to defray the common expenses of the Association for the next fiscal year. If the amount is approved by a majority vote of the Board, without a vote of the members of the Association, the estimates shall become the regular assessment for such year. However, the Board may not increase the amount of regular assessment for any fiscal year of the Association by more than twenty percent (20%) above the amount of the prior year's regular assessment (except the first such year if it should be less than twelve (12) months) without approval by vote or written consent of (1) a majority of the total voting power of the membership and (2) a majority of members other than Declarant. The assessments shall be uniform and shall be determined as provided in Section 6.5. The regular assessments shall be payable in regular installments as provided in this Declaration and shall include adequate reserve funds for contingencies, and for maintenance, repairs, and replacement of the Common Area improvements that must be replaced on a periodic basis sufficient to satisfy the requirements of any mortgagee.

6.4.2 Special Assessments. If the Board determines that the estimated total amount of funds necessary to defray the common expenses of the Association for a given fiscal year is or will become inadequate to meet expenses for any reason (including, but not limited to, unanticipated delinquencies, costs of construction, unexpected repairs or replacements of capital improvements on the Common Area) the Board shall determine the approximate amount necessary to defray such expenses, and if the amount is approved by a majority vote of the Board it shall become a special assessment. The Board may, in its discretion, pro rate such special assessment over the remaining months of the fiscal year or levy the assessment immediately against each condominium.

6.4.3 Limitation Respecting Special Assessments. Any special assessment in excess of five percent (5%) of the budgeted gross expense of the Association for the fiscal year in which a special assessment is levied shall require approval by vote or the written consent of (1) a majority of the total voting power of the membership and (2) a majority of members other than Declarant except in case of a special assessment against an owner as a remedy utilized by the Board to reimburse the Association for costs incurred in bringing the member or his condominium into compliance with the provisions of this Declaration.

6.5 Uniform Rate of Assessment. Except as herein stated, regular and special assessments must be fixed on an equal basis and at a uniform rate for all condominiums and shall be determined by dividing the amount by the total number of condominiums within the Development and subjected to assessments. Notwithstanding the foregoing, a special

assessment against owners to raise funds for the rebuilding or major repair of the structural Common Area housing units of the Development shall be levied upon the basis of the ratio of the square footage of the floor area of the unit to be assessed to the total square footage of floor area of all units to be assessed. The limitations herein shall not apply in the case where the special assessment against an owner is a remedy utilized by the Board to reimburse the Association for costs incurred in bringing the owner and his unit into compliance with provisions of the Declaration and Bylaws.

6.6 Assessment Period. The regular assessment period shall commence on January 1 of each year and shall terminate on December 31 of each year, and regular assessments shall be payable in equal monthly installments unless the Board adopts some other basis for collection. However, the initial regular assessment period for all units, including those owned by Declarant, shall commence on the first day of the calendar month following the date on which the sale of the first condominium to a purchaser is closed and recorded (the "initiation date") and shall terminate on December 31 of the year in which the initial sale is closed and recorded. The first regular assessment and all special assessments shall be adjusted according to the number of months remaining in the fiscal year and shall be payable in equal monthly installments unless the Board adopts some other basis for collection.

6.7 Notice and Assessment Installment Due Dates. A single ten (10) day written prior notice of each annual regular assessment and each special assessment shall be given to each owner of every condominium subject to assessment in which the due dates for the payments of installments shall be specified. The due dates for the payment of installments normally shall be the first day of each month unless some other due date is established by the Board. Each installment of regular assessments and special assessments shall become delinquent if not paid within fifteen (15) days after its due date.

7. COLLECTION OF ASSESSMENTS; LIENS

7.1 Right to enforce. The right to collect and enforce assessments is vested in the Board acting by and on behalf of the Association. The Board or its authorized representative, including any manager, can enforce the obligations of the owners to pay assessments provided for in this Declaration by commencement and maintenance of a suit at law or in equity, or the Board may foreclose by judicial proceedings or through the exercise of the power of sale

pursuant to Section 7.2 to enforce the lien rights created. Suit to recover a money judgment for unpaid assessments together with all other amounts described in Section 6.2 shall be maintainable without foreclosing or waiving the lien rights.

* 7.2 Creation of Lien. If there is a delinquency in the payment of any assessment, or installment on a condominium, as described in Section 6.7, any amounts that are delinquent together with interest at the rate of seven percent (7%) per annum, and all costs that are incurred by the Board or its authorized representative in the collection of the amounts, including reasonable attorney's fees, shall be a lien against such condominium on the recordation in the office of the county recorder of Los Angeles County of a notice of assessment as provided in California Civil Code §1356. The notice of assessment shall not be recorded unless and until the Board or its authorized representative has delivered to the delinquent owner or owners of such condominium, not less than fifteen (15) days before recordation of the notice of assessment, a written notice of default and a demand for payment, and unless such delinquency has not been cured within fifteen (15) days after delivery of notice. The lien shall expire and be void unless extended as provided in Civil Code Section 1356.

7.3 Notice of Default; Foreclosure. Not more than one (1) year nor less than ten (10) days after the recording of the notice of assessment, the Board or its authorized representative can record a notice of default and can cause the condominium to be sold in the same manner as a sale is conducted under California Civil Code §§2924b-2924c, or through judicial foreclosure. However, as a condition precedent to the holding of any such sale under Section 2924c appropriate publication shall be made. In connection with any sale under Section 2924c the Board is authorized to appoint its attorney, any officer or Director, or any title insurance company authorized to do business in California as trustee for purposes of conducting the sale. If a delinquency is cured before sale, or before completing a judicial foreclosure the Board or its authorized representative shall cause to be recorded in the office of the County Recorder of Los Angeles County a certificate setting forth the satisfaction of such claim and release of such lien on payment of actual expenses incurred, including reasonable attorney's fees not to exceed One Hundred Fifty Dollars (\$150.00) by any delinquent owner. On becoming delinquent in the payment of any assessments or installments, each delinquent owner shall be deemed to have absolutely assigned all rent, issues and profits of his condominium to the Association and shall further be deemed to have consented to the appointment of a receiver

(which appointment may, at the election of the Association, be enforced by the Association through specific performance). The Association, acting on behalf of the owners, shall have the power to bid in the condominium at a foreclosure sale and to acquire, hold, lease, mortgage and convey the condominium.

7.4 Waiver of Exemptions. Each owner, to the extent permitted by law, waives, to the extent of any liens created pursuant to Section 7, the benefit of any homestead or exemption laws of California in effect at the time any assessment, or installment becomes delinquent or any lien is imposed.

8. INSURANCE

8.1 Liability Insurance. The Association shall obtain and maintain comprehensive public liability insurance insuring the Association, any manager, the Declarant, and the owners and occupants of condominiums, and their respective family members, guests, invitees, and the agents and employees of each, against any liability incident to the ownership or 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 \$300,000.00 covering all claims of death, personal injury and property damage out of a single occurrence. Such insurance shall include coverage against any liability or risk customarily covered with respect to projects similar in construction, location, and use.

8.2 Fire and Extended Coverage Insurance. The Association also shall obtain and maintain a master or blanket policy of fire insurance for the full insurable value of all of the improvements within the Development. The form, content, and term of the policy and its endorsements and the issuing company must be satisfactory to all institutional mortgagees. If more than one institutional mortgagee has a loan of record against the Development, or any part of it, the policy and endorsement shall meet the maximum standard of the various institutional mortgagees represented in the Development. The policy shall contain an agreed amount endorsement or a contingent liability from operation of building laws endorsement or their equivalent, an extended coverage endorsement, vandalism, malicious mischief coverage, a special form endorsement and a determinable cash adjustment clause or a similar clause to permit cash settlement covering full value of the improvements in case of partial destruction and a decision not to rebuild. The policy shall be in the amounts as shall be determined by the Board. The policy shall name as

insured the Association, the owners, and Declarant, as long as Declarant is the owner of any condominiums and all institutional mortgagees as their respective interests may appear, and may contain a loss payable endorsement in favor of the trustee described in this Declaration.

8.3 Individual Fire Insurance Limited. Except as provided in this section no owner can separately insure his unit or any part of it against loss of fire or other casualty covered by any insurance carrier under paragraph 8.2. If any owner violates this provision, any diminution in insurance proceeds otherwise payable pursuant to the provisions of Section 8.4 that results from the existence of such other insurance will be chargeable to the owner who acquired other insurance, and the owner will be liable to the Association to the extent of any such diminution. An owner can insure his personal property against loss. In addition, any improvements made by an owner to the real property within his unit may be separately insured by the owner, but the insurance is to be limited to the type and nature of coverage commonly known as tenant's improvements. All such insurance that is individually carried must contain a waiver of subrogation rights by the carrier as to the owners, the Association and Declarant.

8.4 Owner's Insurance. An owner may carry whatever personal liability and property damage liability insurance with respect to his condominium that he desires. However, any such policy shall include a waiver of subrogation clause acceptable to the Board and to any mortgagee.

9. DESTRUCTION OF IMPROVEMENTS.

9.1 Destruction; Proceeds Over 85%. If there is a total or partial destruction of the improvements in the Development, and if the available proceeds of the insurance carried pursuant to Section 8 are sufficient to cover not less than eighty-five percent (85%) of the costs of repair and reconstruction, the improvements shall be promptly rebuilt unless, within ninety (90) days from the date of destruction, members then holding at least seventy-five percent (75%) of the total voting power of members present and entitled to vote, in person or by proxy, at a duly constituted meeting shall determine that such repair and reconstruction shall not take place. If repair and reconstruction is to take place, the Board shall be required to execute, acknowledge and record in the office of the Los Angeles County Recorder, not later than one hundred twenty (120) days from the date of such destruction, a certificate declaring the intention of the members to rebuild.

9.2 Destruction; Proceeds Less Than 85%. If the proceeds of the insurance are less than eighty-five percent (85%) of the costs of repair and reconstruction, repair and reconstruction may nevertheless take place if, within ninety (90) days from the date of destruction, members then holding at least fifty-one percent (51%) of the total voting power of members present and entitled to vote, in person or by proxy, at a duly constituted meeting, determine that such repair and reconstruction shall take place. If repair and reconstruction is to take place, the Board shall be required to execute, acknowledge and record in the office of the Los Angeles County Recorder, not later than one hundred twenty (120) days from the date of such destruction, a certificate declaring the intention of the members to rebuild.

9.3 Rebuilding Procedures. If the members determine to rebuild, pursuant to paragraphs 9.1 or 9.2, the owner of each unit located within a structure that has been totally or partially destroyed shall be obligated to contribute his proportionate share of the cost of reconstruction or restoration of the structure containing his unit, over and above the available insurance proceeds. All owners shall contribute their proportionate share of the cost of reconstruction and restoration of any portion of the Common Area not comprising the structure within which a unit is located, and the proportionate share of each owner shall be equal to a fraction the numerator of which is one (1) and the denominator of which is the number of condominiums then comprising part of the Development. If any owner fails or refuses to pay his proportionate share, the Board may levy a special assessment against the condominium of such owner which may be enforced under the lien provisions contained in Section 7 or in any other manner provided in this Declaration. If any owner disputes the amount of his proportionate liability under this section, such owner may contest the amount of liability by submitting to the Board within ten (10) days after notice to the owner of his share of the liability written objections supported by cost estimates or other information that the owner deems to be material and may request a hearing before the Board where he may be represented by counsel. Following such hearing, the board shall give written notice of its decision to all owners. If such adjustments are recommended, the notice shall schedule a special meeting of members for the purpose of acting on the Board's recommendation, including making further adjustments, if deemed by the members to be necessary or appropriate. All adjustments shall be affirmed or modified by a majority of the total voting power of members. If no adjustments are recommended by the Board, the decision of the Board shall be final and binding on all owners, including any owner filing objections.

9.4 Rebuilding Contract. If the members determine to rebuild, 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 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 of the agreement. It shall be the obligation of the Board to take all steps necessary to assure the commencement and completion of authorized repair and reconstruction at the earliest possible date.

9.5 Rebuilding Not Authorized. If the members determine not to rebuild, any insurance proceeds then available for such rebuilding shall be distributed to the owner of each condominium and their respective mortgagees proportionately according to the respective fair market values of the units at the time of destruction as determined by an independent appraisal in accordance with the procedure specified in Section 10.5 herein. The Board shall have the duty within one hundred and twenty (120) days from the date of such destruction, to execute, acknowledge and record in the Office of the County Recorder of Los Angeles County, a certificate declaring the intention of the members not to rebuild.

9.6 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 Twenty Thousand Dollars (\$20,000). The Board is expressly empowered to levy a special assessment for the cost of repairing and reconstructing improvements to the extent insurance proceeds are unavailable, such assessment to be levied as described in Section 9.3 (but without the consent or approval of members despite any contrary provisions) in this Declaration.

9.7 Revival of Right to Partition. On recordation of a certificate described in Section 9.5, the right of any owner to partition through legal action as described in Section 11 shall revive immediately.

10. CONDEMNATION.

10.1 Sale by Unanimous Consent. If an action for condemnation of all or a portion of the Development is proposed or threatened by any governmental agency having the right of eminent domain, then, on unanimous written consent of all of the owners and after written notice to all mortgagees, the Development, or a portion of it may be sold.

10.2 Distribution of Proceeds of Sale. On a sale occurring under Section 10.1, the proceeds shall be distributed to the owner and the mortgagees of each condominium as their respective interests may appear according to the unanimous consent of the owners affected or, if said consent is not forthcoming, according to the relative values of the affected units as determined by Section 10.5 herein.

10.3 Distribution of Condemnation Award. If the Development, or a portion of it, is not sold but is instead taken, the judgment of condemnation shall by its terms apportion the award among the owners and their respective mortgagees, according to the relative values of the units affected by the condemnation as determined by Section 10.5 herein.

10.4 Revival of Right to Partition. On sale or on taking that renders more than fifty percent (50%) of the units in the Development uninhabitable, the right of any owner to partition through legal action shall revive immediately.

10.5 Procedures for Independent Appraisal. The Board shall obtain an independent appraisal of the affected condominium units by selecting two appraisers who shall select a third appraiser. In the event the two appraisers selected shall fail, within 10 days after their selection, to agree upon the third, then the Presiding Judge of the Superior Court of the county in which the Development is located shall, upon the Board's request, appoint within ten (10) days after such request, a third appraiser. The appraisers so selected or appointed shall promptly proceed to determine the fair market value of the affected units; any valuation agreed upon by a majority of such appraisers shall be accepted as final and conclusive by the Association and by any court of competent jurisdiction and shall ipso facto become the fair market value of the units. All appraisers shall be members of the American Institute of Real Estate Appraisers.

11. PARTITION.

11.1 Suspension. The right of partition is suspended pursuant to California Civil Code §1354 as to the Development. Additionally, partition of the Development can be had on a showing that the conditions for partition as stated in Section 9.7 or Section 10.4 have been met. Nothing in this Declaration shall prevent partition or division of interest between joint or common owners of one (1) condominium.

Proceeds or property resulting from partition shall be distributed to and among the respective owners and their mortgagees as their interests appear according to the ratio created by comparing the fair market value of one unit with the fair market value of all units immediately prior to destruction or condemnation as determined according to Section 10.5 herein.

11.2 Power of Attorney. Pursuant to California Civil Code § 1355(b)(9), each owner grants the Association an irrevocable power of attorney to sell the Development for the benefit of the owners when partition can be had. Exercise of the power is subject to the approval of the members.

12. NONSEVERABILITY OF COMPONENT INTERESTS IN A CONDOMINIUM

12.1 Prohibition against Severability. An owner shall not be entitled to sever his unit in and his membership from his undivided interest in the Common Area specified in Exhibit B for any purpose. None of the component interests can be severally sold, conveyed, encumbered, hypothecated or otherwise dealt with, and any violation or attempted violation of this provision shall be void. Similarly, no owner can sever any exclusive easement appurtenant to his unit over the Common Area from his condominium, and any attempt to do so shall be void. The suspension of his right of severability will not extend beyond the period set forth in Section 11 respecting the suspension of partition. It is intended hereby to restrict severability pursuant to California Civil Code §1355(g).

12.2 Conveyance. After the initial sale of the condominiums, any conveyance of a unit, or of the component interest in the common area, by the owner of any condominium, shall be presumed to convey the entire condominium, however, nothing contained in this section shall preclude the owner of any condominium from creating a cotenancy with any other person or persons.

13. TERM OF DECLARATION.

This Declaration shall run with the land, and shall continue in full force and effect for a period of fifty (50) years from the date on which this Declaration is executed. After that time this Declaration and all covenants, conditions, restrictions and other provisions shall be automatically extended for successive periods of ten (10) years each, unless extinguished by a written instrument executed by at least seventy-five percent (75%) of the owners of the condominiums and recorded in the office of the Los Angeles County Recorder within one (1) year prior to the expiration of said fifty (50) year period or the expiration of said ten (10) year period as the case may be.

14. PROTECTION OF MORTGAGEES.

14.1 Mortgage Permitted. Any owner may encumber his condominium with a mortgage.

14.2 Subordination. Any lien created or claimed under the provisions of this Declaration is expressly made subject and subordinate to the rights of any first mortgage that encumbers all or a portion of the Development, or any condominium, made in good faith and for value, and no such lien shall in any way defeat, invalidate, or impair the obligation or priority of such mortgage unless the mortgagee subordinates his interest, in writing to such lien.

14.3 Amendment. No amendment to this Declaration, the Articles or the Bylaws shall affect the rights of any mortgagee under any mortgage made in good faith and for value and recorded before the recordation of any such amendment unless the mortgagee either joins in the execution of the amendment or approves it in writing as a part of such amendment.

14.4 Foreclosure. If any condominium is encumbered by a first mortgage made in good faith and for value, the foreclosure of any lien created by any provision set forth in this Declaration for assessments, or installments of assessments shall not operate to affect or impair the lien of the mortgage. On foreclosure of the mortgage, the lien of assessments or of installments that have accrued up to the time of foreclosure shall be subordinate to the lien of the mortgage, with the foreclosure purchaser taking title to the condominium free of the lien. On taking title to the condominium the foreclosure purchaser shall only be obligated to pay assessments or other charges levied or assessed by the Association after the foreclosure purchaser acquired title to the condominium. The term "foreclosure" as used in the Declaration shall include the exercise of a power of sale involving a default under said mortgage.

14.5 Restrictions on Certain Changes. Except as may be provided by statute in case of condemnation or substantial loss to the units or Common Area, unless at least two-thirds (2/3) of the first mortgagees (based upon one vote for each first mortgage owned), or owners other than Declarant of the individual units have given their prior written approval, the Association shall not be entitled:

14.5.1 By act or omission to seek to abandon or terminate the condominium project;

14.5.2 To change the pro rata interest or obligations of any individual unit for the purpose of (a) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (b) determining the pro rata share of ownership of each unit in the Common Area;

14.5.3 To partition or subdivide any unit;

14.5.4 By act or omission to seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Area. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area by the Association or the owners shall not be deemed a transfer within the meaning of this clause;

14.5.5 To use hazard insurance proceeds for losses to units or the Common Area for other than the repair, replacement, or reconstruction of such property, except as provided by statute in case of substantial loss to the units or the Common Area.

14.6 Right to Examine Books and Records. First mortgagees can examine the books and records of the Association or the Development and can require the submission of financial data concerning the Association or the Development, including annual audit reports and operating statements as furnished to the owners.

14.7 Distribution of Insurance and Condemnation Proceeds. No unit owner, or any other party, shall have priority over any right of first mortgagees of units pursuant to their mortgages in case of a distribution to unit owners of insurance proceeds or condemnation awards for losses to or a taking of units or Common Area. Any provision to the contrary in this Declaration, the Bylaws, or other documents relating to the Development is to such extent void. All applicable fire and all physical loss or extended coverage insurance policies (except those relating to personal property owned by unit owners) shall contain loss payable clauses acceptable to the affected mortgagees naming the mortgagees, as their interests may appear.

14.8 Notices to Mortgagees of Record. On any loss to any unit covered by a mortgage, if such loss exceeds \$1,000, or on any loss to the Common Area, if such loss exceeds \$10,000, or on the taking of the Common Area, notice in writing of such loss or taking shall be given to each mortgagee of record. If any owner of a unit is in default under any provisions of this Declaration, the Bylaws, or the Association's rules and regulations, which default is not cured within thirty (30) days after written notice to such owner, the Association shall give to the mortgagee of record of such owner written notice of such default and of the fact that said 30 day period has expired.

14.9 Effect of Breach. No breach of any provisions of this Declaration shall invalidate the lien of any mortgage in good faith and for value; this Declaration shall be binding on any owner whose title is derived through foreclosure sale, trustee's sale, or otherwise.

14.10 Non-Curable Breach. Any mortgagee who acquired title to a condominium by foreclosure shall not be obligated to cure any breach of this Declaration that is non-curable or of a type that is not practicable or feasible to cure.

14.11 Loan to Facilitate. Any mortgage given to secure a loan to facilitate the resale of a condominium after acquisition by foreclosure shall be deemed to be a loan made in good faith and for value and entitled to all of the rights and protections of Section 14.

14.12 Appearance at Meetings. Because of its financial interest in the Development, any mortgagee may appear at meetings of the members and the Board to draw attention to violations of this Declaration that have not been corrected or made the subject of remedial proceedings or assessments.

15. CONTRACTS WITH DECLARANT

Any agreement between the Association and Declarant pursuant to which Declarant agrees to provide services shall provide for termination by either party without cause or payment of a termination fee on thirty (30) days' written notice and shall have a maximum contract term of one (1) year; provided that the Board can renew any such contract on a year-to-year basis.

16. AMENDMENT.

16.1 Amendment Before Close of First Sale. Before the close of the first sale in the Development to a purchaser other than Declarant, this Declaration and any amendments to it may be amended in any respect or revoked by the execution by Declarant and any mortgagee of record of an instrument revoking the Declaration. The amending or revoking instrument shall make appropriate reference to this Declaration and its amendments and shall be acknowledged and recorded in the office of the Los Angeles County Recorder.

16.2 Amendment After Close of First Sale. After the close of the first sale of a condominium in the Development to a purchaser other than Declarant, this Declaration may be amended or revoked in any respect by the vote or written consent of the holders of not less than seventy-five percent (75%) of the total voting power of the Association and

fifty-one percent (51%) of the voting power of members other than Declarant. If any provision of this Declaration requires a greater or lesser percentage of the voting rights of members in order to take affirmative or negative action under such provision, the same percentage of such members shall be required to amend or revoke such provision. Any amendment or revocation subsequent to the close of such first sale shall be evidenced by an instrument certified by the Secretary or other duly authorized officer of the Association and shall make appropriate reference to this Declaration and its amendments and shall be acknowledged and recorded in the office of the Los Angeles County Recorder.

17. GENERAL PROVISIONS.

17.1 Headings. The headings used in this Declaration are for convenience only and are not to be used to interpret the meaning of any of the provisions of this Declaration.

17.2 Severability. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability of any provisions shall not invalidate any other provisions.

17.3 Cumulative Remedies. Each remedy provided for in this Declaration shall be cumulative and not exclusive. Failure to exercise any remedy provided for in this Declaration shall not, under any circumstances, be construed as a waiver thereof.

17.4 Violations as Nuisance. Every act or omission in violation of the provisions of this Declaration shall constitute a nuisance and may be enjoined or abated whether or not the relief sought for is negative or affirmative action by Declarant, the Association, or any owners.

17.5 Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the unit of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.

17.6 Number; Gender. The singular shall include the plural and the plural the singular unless the context requires the contrary, and the masculine, feminine, and the neuter shall include masculine, feminine, or neuter, as the context requires.

17.7 Exhibits. All exhibits referred to are attached to this Declaration and incorporated by reference.

17.8 Easements Reserved and Granted. Any easement referred to in this Declaration shall be deemed reserved or granted, or both reserved and granted, by reference to this Declaration in a deed to any condominium.

17.9 Binding Effect. This Declaration shall inure to the benefit of and be binding on the successors and assigns of the Declarant, and the heirs, personal representatives, grantees, tenants, successors and assigns of the owners.

17.10 Attorney's Fees. If any owner defaults in making a payment of assessments or in the performance of any provision in this Declaration, and the Association has obtained the services of any attorney with respect to the defaults involved, the owner covenants and agrees to pay the Association all costs and fees incurred, including reasonable attorney's fees, regardless of whether legal proceedings are instituted. In case a suit is instituted the owner shall also pay the cost of the suit, in addition to such costs and fees.

18. COVENANTS IN FAVOR OF CITY OF MONROVIA

18.1 The Board of Directors of the Association shall be bound, in favor of the City of Monrovia, to the following covenants and conditions:

18.1.1 Guarantee of access and entry to the development, all buildings, and structures for any authorized fire inspector, building official, or any other official charged with carrying out the laws of the City of Monrovia, State of California, or the United States of America.

18.1.2 Guarantee payment of any invoice by the City of Monrovia for water, sewer service charge, garbage, trash or rubbish charge, in such manner that either the Board of Directors, unit owners, or management agents shall continually guarantee payment to said City.

18.1.3 Guarantee that no sign of any kind may be displayed advertising any service, business, or other commercial project or venture in any unit.

18.1.4 Guarantee that the names of the officers and members of the Board of Directors of the Association shall be filed annually with the Monrovia City Clerk during the month of July.

18.1.5 Guarantee that the Association will consent to the adoption of any municipal resolution or ordinance in accordance with the provisions of California Vehicle Code Section 21107.7.

18.1.6 Guarantee that, to the extent allowed by law, no unit shall be used for any purpose other than as a residence for a single family. The term "family," as used herein, shall mean (a) an individual or (b) 2 or more persons related by blood, marriage or adoption, or (c) a group of not more than 5 persons, excluding servants, who need not be related by blood, marriage or adoption living together as a single housekeeping unit.

Declarant has executed this instrument as of February 1, 1982, at Monterey Park, California.

CYPRESS TOWNHOUSES,
A Limited Partnership

By

J. E. PLOUNT AND COMPANY, INC.,
General Partner, By Its President
JOHN E. PLOUNT

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } ss.

On August 30, 1982 me, the undersigned, a Notary
Public in and for said County and State, personally appeared JOHN E. PLOUNT

☐ personally known to me;

☒ proved to me on the basis of satisfactory evidence,

to be the President, the corporation

that executed the within instrument and known to me to be the persons
who executed the within instrument on behalf of said corporation,
said corporation being known to me to be one of the partners

of CYPRESS TOWNHOUSES, a Limited Partnership General Partners

the partnership that executed the within instrument, and acknowledged to
me that such corporation executed the same as such partner and that such
partnership executed the same.

Signature

Becky A. Horn
BECKY A. HORN

Name (Typed or Printed)

Notary Public in and for said County and State

1-119A MAINE

CORPORATION AS PARTNER



FOR NOTARY SEAL OR STAMP

EXHIBIT "A"

That real property located in the City of Monrovia, County of Los Angeles, State of California, and more particularly described as:

Lot 1, Tract 42596, as per map recorded in Book 1004, Pages 48 to 49 of Maps, Official Records of the Office of the County Recorder of said County.

EXHIBIT "B"

1. Declarant proposes to improve the real property by constructing on it improvements containing twelve dwelling units, all in accordance with plans and specifications for it on file with the County of Los Angeles, California.

2. The Common Area consists of Lot 1 of said Tract No. 42596 excepting the twelve units of the Development, which twelve units are more specifically defined in the Condominium Plan.

3. The respective interest in the Common Area to be conveyed with each unit comprises an undivided one-twelfth interest.

4. Each unit shall be a separate element consisting of the space bounded by and contained within the interior surfaces of the perimeter walls, floors, ceiling, windows, and doors of each unit, together with an exclusive appurtenant easement with respect to each unit as shown and defined in the Condominium Plan. Said easement shall be for the exclusive use and enjoyment of the owner of the unit to which it is appurtenant for all purposes not inconsistent with the provisions, restrictions and limitations contained in this Declaration and in the Bylaws. This includes the right of the Association to service, maintain, landscape, and otherwise care for the Common Area. The term "unit" means and includes, for the purposes of this Declaration, all of the above described ownership interests, except when the context clearly indicates to the contrary. Each unit includes both the portions of the building and the airspace so encompassed, excepting therefrom any central services, pipes, ducts, chutes, conduits, and wires, wherever located within the unit, (excluding from this exception outlets within the unit.)

ENGLES SHEN & ASSOC.
19438 PINE VALLEY AVE.
NORTHRIDGE, CA. 91326

SHEET 1 OF 9 SHEETS

TRACT NO. 42596
CONDOMINIUM PLAN

FOR LOT 1 OF TRACT NO. 42596, IN THE CITY OF MONROVIA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 1004, PAGES 48 AND 49 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. A DIAGRAMMATIC FLOOR PLAN OF THE BUILDING BUILT ON SAID LAND AND CERTIFICATE AS REQUIRED UNDER CALIFORNIA CIVIL CODE, SECTION 1351.

WE HEREBY CERTIFY THAT WE ARE THE OWNERS OR ARE INTERESTED IN THE LAND INCLUDED WITHIN THE PROJECT SHOWN ON THIS MAP, AND THAT WE CONSENT TO THE RECORDING OF THE WITHIN PLAN PURSUANT TO THE PROVISIONS OF CHAPTER 1, TITLE 6, PART 4, DIVISION SECOND OF THE CALIFORNIA CIVIL CODE.

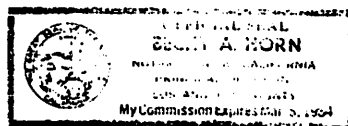
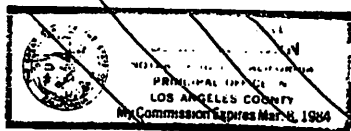
CYPRESS TOWNHOUSES, A LIMITED PARTNERSHIP, OWNER

BY: J. E. PLOUNT & COMPANY, INC., GENERAL PARTNER

BY: 
J. E. PLOUNT, PRESIDENT

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS

ON THIS 19TH DAY OF MAY, 1982 BEFORE ME
JOHN E. PLOUNT, A NOTARY PUBLIC IN AND FOR
SAID STATE, PERSONALLY APPEARED J. E. PLOUNT KNOWN TO ME TO BE THE
PRESIDENT OF J. E. PLOUNT & COMPANY, INC., THE CORPORATION THAT
EXECUTED THE WITHIN INSTRUMENT AND KNOWN TO ME TO BE THE PERSON
WHO EXECUTED THE WITHIN INSTRUMENT ON BEHALF OF SAID CORPORATION;
SAID CORPORATION BEING KNOWN TO ME TO BE THE GENERAL PARTNER OF
CYPRESS TOWNHOUSES, THE LIMITED PARTNERSHIP THAT EXECUTED THE
WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION
EXECUTED THE SAME AS GENERAL PARTNER AND SUCH LIMITED PARTNERSHIP
EXECUTED THE SAME.




NOTARY PUBLIC

TRACT NO. 42596
CONDOMINIUM PLAN

CONTINENTAL BANK, A CALIFORNIA CORPORATION, RECORD HOLDER OF
SECURITY INTEREST UNDER A DEED OF TRUST RECORDED SEPTEMBER 1, 1982
AS INSTRUMENT NO. 82-892911, OFFICIAL RECORDS.

John Munger
PRESIDENT

Vida J. Truon
ASST. SECRETARY

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } SS

ON THIS 16th DAY OF September, 1982 BEFORE ME
CAROL ERSBAK, A NOTARY PUBLIC IN AND FOR
SAID STATE, PERSONALLY APPEARED JOHN MUNGER
KNOWN TO ME TO BE THE PRESIDENT AND
VIGLAS MARON KNOWN TO ME TO BE THE ASST.
SECRETARY OF CONTINENTAL BANK, THE CORPORATION THAT EXECUTED THE
WITHIN INSTRUMENT AND KNOWN TO ME TO BE THE PERSONS WHO EXECUTED THE
WITHIN INSTRUMENT ON BEHALF OF THE CORPORATION HEREIN NAMED
AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE SAME AS
BENEFICIARY.



Carol Erszak
NOTARY PUBLIC
CAROL ERSBAK

TRACT NO. 42596
CONDOMINIUM PLAN

ENGINEER'S CERTIFICATE:

I HEREBY CERTIFY THAT I AM A REGISTERED CIVIL ENGINEER OF THE STATE OF CALIFORNIA, THAT THIS PLAN CONSISTING OF 9 SHEETS CORRECTLY REPRESENTS A TRUE AND COMPLETE BOUNDARY SURVEY OF THIS CONDOMINIUM PROJECT MADE UNDER MY SUPERVISION ON JANUARY 9, 1982.


ENGLES S. SHEN R.C.E. 18906

BASIS OF BEARINGS:

THE BEARINGS SHOWN HEREON ARE BASED ON THE BEARING N 88 33' 30" E OF THE SOUTHERLY LINE OF CYPRESS AVENUE AS SHOWN ON TRACT NO. 7824, M.B. 184-34.

BENCH MARK:

B. M. 72-16
CHISEL AT N.E. CB RET B.C.R. CYPRESS AVE & MAGNOLIA AVE.
ELEV. = 486.705

INDICATES THE BOUNDARY OF
THIS CONDOMINIUM PROJECT

TRACT NO. 42596
CONDOMINIUM PLAN
NOTES AND DEFINITIONS

1. THE COMMON AREA OF THIS PROJECT IS THE LAND AND REAL PROPERTY INCLUDED WITHIN THE BOUNDARY LINES OF LOT 1 OF TRACT NO. 42596 IN THE CITY OF MONROVIA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 1004 PAGES 48 AND 49 OF MAPS, IN THE OFFICE OF COUNTY RECORDER OF SAID COUNTY, EXCEPT THOSE PORTIONS SHOWN AND DEFINED AS UNITS 1 TO INCLUSIVE.
2. THIS TRACT IS A CONDOMINIUM PROJECT WHEREBY THE OWNERS OF THE UNITS WILL ALSO HOLD AN UNDIVIDED INTEREST IN THE COMMON AREAS WHICH WILL, IN TURN, PROVIDE ACCESS AND UTILITY EASEMENT FOR THE UNITS.

3. ALL UNITS ARE COMPOSED OF AIR SPACE ELEMENTS AS TABULATED:

UNIT_	COMPOSED OF AIR SPACES
1	1A, 1C, 1G, 1B
2	2A, 2C, 2G, 2B
3	3A, 3C, 3G, 3B
4	4A, 4C, 4G, 4B
5	5A, 5C, 5G, 5B
6	6A, 6C, 6G, 6B
7	7A, 7C, 7G, 7B
8	8A, 8C, 8G, 8B
9	9A, 9C, 9G, 9B
10	10A, 10C, 10G, 10B
11	11A, 11C, 11G, 11B
12	12A, 12C, 12G, 12B

4. THE FOLLOWING ARE NOT A PART OF A UNIT:
BEARING WALLS, COLUMNS, VERTICAL SUPPORTS, HORIZONTAL SUPPORTS, FLOORS, ROOFS, FOUNDATIONS, BEAMS, CENTRAL SERVICES, PIPES, DUCTS, CONDUITS, WIRES AND OTHER UTILITIES, WHEREVER LOCATED, EXCEPT THE OUTLETS THEREOF WITHIN THE UNITS.
5. EACH OF THE AIR SPACE ELEMENTS DESIGNATED AS "A" AND "C" ARE DWELLING AREAS. THE AIR SPACE ELEMENTS DESIGNATED AS "G" ARE GARAGES AND THE AIR SPACE ELEMENTS DESIGNATED AS "B" ARE BALCONIES.
6. THE BOUNDARIES OF EACH ELEMENT ARE THE INTERIOR FINISHED SURFACES OF THE PERIMETER WALLS, FLOORS, CEILINGS, WINDOWS, AND DOORS THEREOF AND EACH SUCH ELEMENT INCLUDES THE SURFACES SO DESCRIBED, AND PORTIONS OF THE BUILDING AND IMPROVEMENTS LYING WITHIN SAID BOUNDARIES (EXCEPT AS STATED IN NOTE 4) AND THE AIR SPACE SO ENCOMPASSED, EXCEPTING BALCONIES.
7. THE BOUNDARIES OF EACH BALCONY ARE AS FOLLOWS:
 - (A). THE LOWER VERTICAL BOUNDARY IS A HORIZONTAL PLANE AT THE ELEVATION OF THE ADJACENT DWELLING ELEMENT.
 - (B). THE UPPER VERTICAL BOUNDARY IS A HORIZONTAL PLANE, THE ELEVATION OF WHICH IS THE ELEVATION OF THE FINISHED SCILLING OF THE ADJACENT DWELLING ELEMENT.
 - (C). THE LATERAL BOUNDARIES ARE THE EXTERIOR FINISHED SURFACES OF THE PERIMETER WALLS, WINDOWS AND DOORS OF THE ADJOINING BUILDING WALLS, WHERE THEY EXIST, OTHERWISE THE LATERAL BOUNDARIES ARE VERTICAL PLANES AT THE LIMITS OF THE HORIZONTAL DIMENSIONS AS SHOWN HEREON.

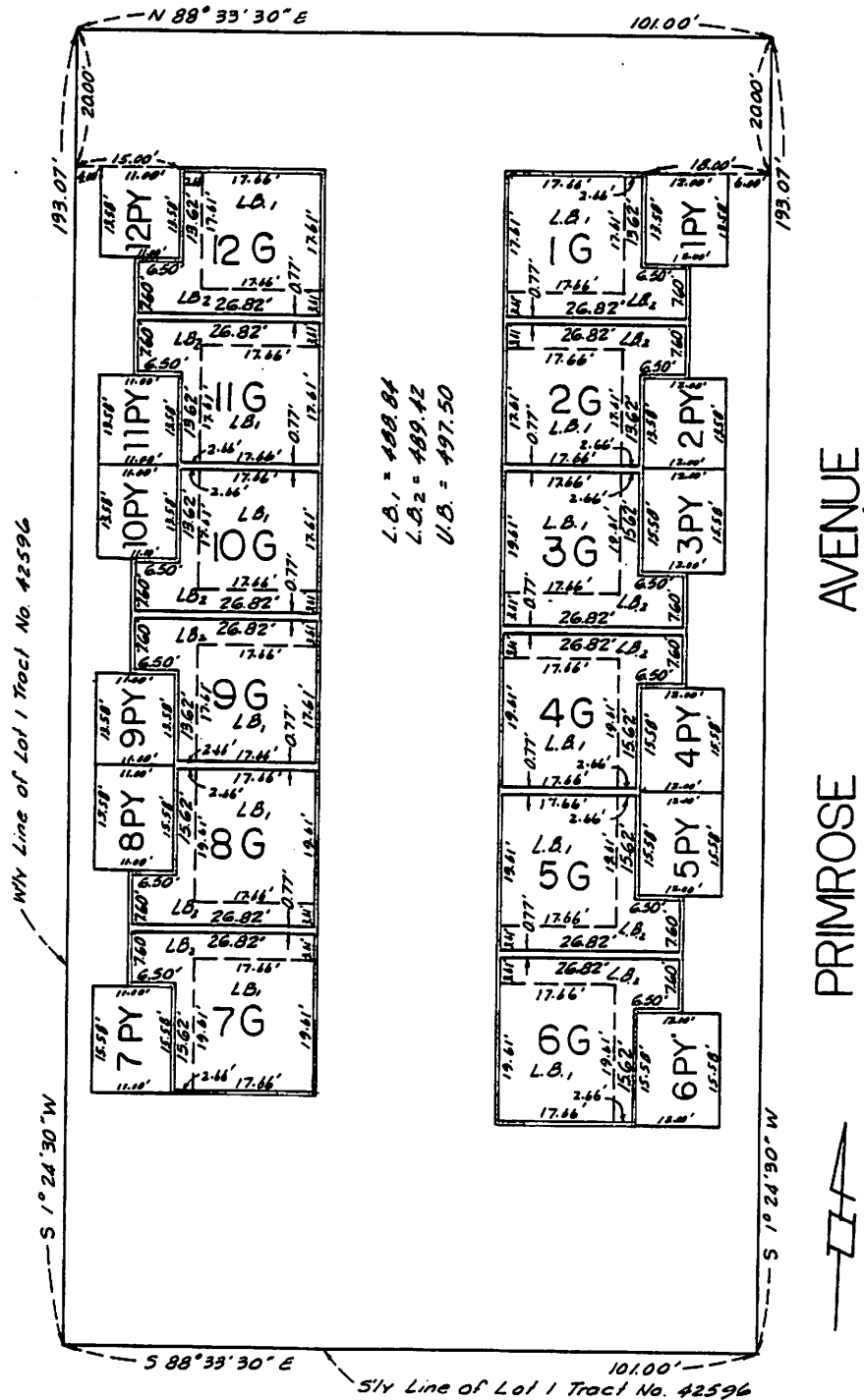
EACH SUCH BALCONY INCLUDES ONLY THE AIR SPACE SO ENCOMPASSED BY SAID BOUNDARIES.

CONDOMINIUM PLAN
NOTES AND DEFINITIONS

8. EACH OF THE AIR SPACE ELEMENTS DESIGNATED AS "PY" ARE PRIVATE YARD, RESTRICTED COMMON AREAS, ASSIGNED TO THE ADJACENT DWELLING ELEMENT BEARING AN IDENTICAL NUMBER DESIGNATION. THE BOUNDARIES OF EACH SUCH PRIVATE YARD ARE AS FOLLOWS:
- (A). THE LOWER VERTICAL BOUNDARY IS A HORIZONTAL PLANE AT THE ELEVATION OF THE ADJACENT DWELLING ELEMENT BEARING AN IDENTICAL NUMBER DESIGNATION.
 - (B). THE UPPER VERTICAL BOUNDARY IS A HORIZONTAL PLANE, THE ELEVATION OF WHICH IS THE ELEVATION OF THE FINISHED CEILING OF THE ADJACENT DWELLING BEARING AN IDENTICAL NUMBER DESIGNATION.
 - (C). THE LATERAL BOUNDARIES ARE THE EXTERIOR FINISHED SURFACES OF THE PERIMETER WALLS, WINDOWS AND DOORS OF THE ADJOINING BUILDING WALLS, WHERE THEY EXIST, OTHERWISE THE LATERAL BOUNDARIES ARE VERTICAL PLANES AT THE LIMITS OF THE HORIZONTAL DIMENSIONS AS SHOWN HEREON.
- EACH SUCH PRIVATE YARD INCLUDES ONLY THE AIR SPACE SO ENCOMPASSED BY SAID BOUNDARIES.
9. ALL AIR SPACE BOUNDARY LINES INTERSECT AT RIGHT ANGLES, UNLESS OTHERWISE NOTED.
10. ALL TIES FROM LOT LINES ARE TO EXTERIOR BOUNDARIES OF BUILDING, UNLESS OTHERWISE NOTED.
11. ALL WALL THICKNESS ARE 0.37 FEET, UNLESS OTHERWISE NOTED.
12. THE VERTICAL LIMITS OF THE ELEMENTS SHOWN HEREIN ARE HORIZONTAL PLANES DESCRIBED BY ELEVATIONS SHOWN ON THE RESPECTIVE PORTIONS THEREOF AS LOWER VERTICAL BOUNDARY (L.B.) AND UPPER VERTICAL BOUNDARY (U.B.).

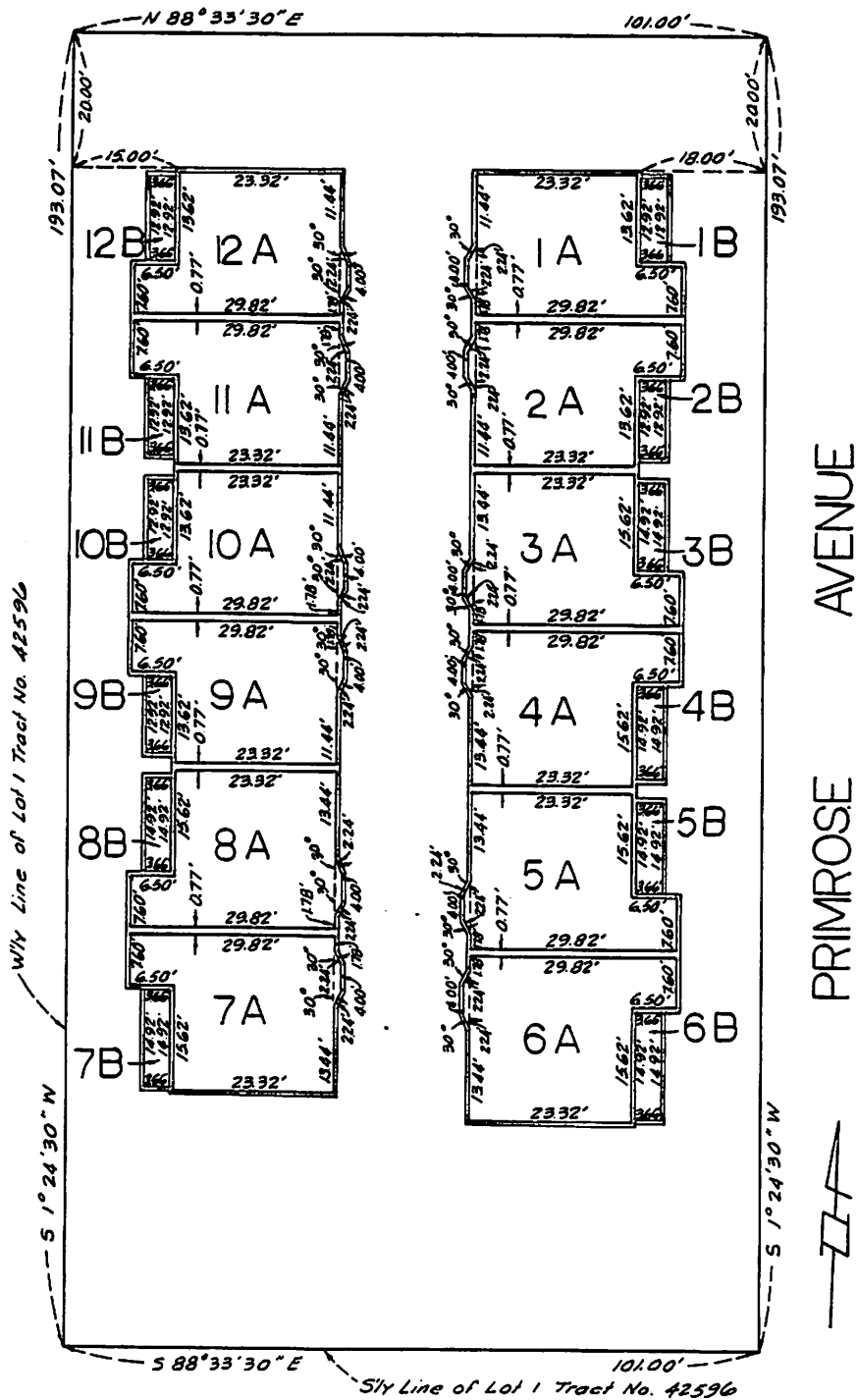
TRACT NO. 42596
CONDOMINIUM PLAN
UNDERGROUND LEVEL

CYPRESS AVENUE



TRACT NO. 42596
CONDOMINIUM PPLAN
FIRST LEVEL

CYPRESS AVENUE



L.B. = LOWER VERTICAL BOUNDARY = 489.44
U.B. = UPPER VERTICAL BOUNDARY = 526.52

PRIMROSE

SEP 17 1999

RECORDING REQUEST BY:
Cypress Townhomes Homeowners
Association

WHEN RECORDED MAIL TO:

Cypress Townhomes Homeowners
C/o Margaret Cooley, Secretary
202-F West Cypress Ave.
Monrovia, California 91016

COPY of Document Recorded

.....
99 1772718
Has not been compared with original.
Original will be returned when
processing has been completed.
LOS ANGELES COUNTY REGISTRAR - RECORDED

**AMENDMENTS TO THE CC&Rs OF THE CYPRESS TOWNHOMES
HOMEOWNERS ASSOCIATION**

(Location of Cypress Townhomes: 202 and 206 West Cypress Avenue, Monrovia, CA 91016)

The Board of Directors of the Cypress Townhomes Homeowners Association hereby amends as follows provisions of the CC&Rs recorded on November 1, 1982, Document No. 82-1096002, File No. 053797LA-FOO:

- 1) Paragraph 3.5 has been deleted in its entirety and has been replaced pursuant to the terms described in Attachment A.
- 2) A new Section 4 has been added to Article XIV of the Association Bylaws pursuant to the terms described in Attachment B.

The undersigned hereby states under penalty of perjury that the above amendments were enacted pursuant to the provisions stated in the CC&Rs of the Cypress Townhomes Homeowners Association.

Dan Lang AUG 16, 1999
Dan Lang, President Date

Margaret Cooley August 16, 1999
Margaret Cooley, Secretary Date

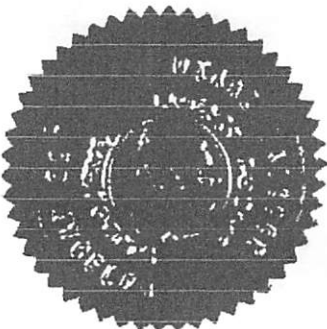
State of California)
)
County of LOS ANGELES)

On AUGUST 16, 1999 before me, DIANE BABCOCK, NOTARY PUBLIC,
personally appeared DAN LANG AND MARGARET COOLEY

personally known to me (or proved to me the basis of satisfactory evidence)
to be the person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf of
which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature *Diane Babcock*



ATTACHMENT A

3.5 Parking Restrictions; Use of Garages

3.5.1 Residents. No resident shall park or store an automobile, motorcycle, boat, trailer, recreational vehicle, camper truck or commercial vehicle on any part of the Development other than in the garage of such resident, subject to the exceptions outlined in subparagraph (3.5.3).

3.5.2 Guests. Guests shall be entitled to park their vehicles in the area of the Development designated as "Guest Parking", which area is located at the southern portion of the Development's driveway. Guest privileges shall not exceed one week in duration. After such time, guests shall be required to park in the garage of the residence where they are visiting or on the portions of the street adjacent to the Development.

3.5.3 Exceptions. Residents and Guests may park in the area designated as Guest Parking on those days when street parking is restricted (e.g., evenings preceding street sweeping).

3.5.4 Garages. Garages shall be used primarily for the parking of vehicles and for residential storage. Garages shall not be converted for living or recreational activities.

3.5.5 Violations. 3.5.5.1 Any resident, guest or visitor who violates any of the parking provisions of subparagraphs (3.5.1 through 3.5.4, inclusive, shall be subject to such action as the Board of Directors deems appropriate, including fine, towing, and/or any other available legal remedy.

3.5.5.2 The Board of Directors reserves the right to determine the remedy for violations of subparagraph (3.5.4).

ATTACHMENT B

Amendment to the Association Bylaws

ARTICLE XIV

MISCELLANEOUS

Section 4. The Board of Directors, except as in the Bylaws otherwise provided, may authorize any officer or officers, to negotiate and settle insurance claims on behalf of the unit owners. This does not apply to individual insurance provided by owners or tenants.