

98- 788535

WHEN RECORDED, MAIL TO:

Kelly M. Allegra, Esq.
WOLF, RIFKIN & SHAPIRO, LLP
11400 West Olympic Boulevard
Ninth Floor
Los Angeles, California 90064-1565

RECORDED/FILED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA
8:04 AM MAY 11 1998

CERTIFICATE OF THIRD AMENDMENT

TO

DECLARATION OF RESTRICTIONS

FOR

REDONDO PACIFIC TOWERS ASSOCIATION, INC.

FEE \$22	1
DAF \$2	
C-20	6

THIS AMENDMENT to the Declaration of Restrictions for Redondo Pacific Towers Association, Inc. ("Association") is made this 21st day of April, 1998, with reference to the following facts:

A. The Association's Declaration of Restrictions was recorded as Instrument No. 4545 in the Official Records of Los Angeles County, California on May 23, 1976, and was amended by Instrument No. 5435, on July 23, 1976, and by Instrument No. 97-1511862 on September 30, 1997, (collectively, the "Declaration"), and encumbers that certain property as shown on Exhibit "A" attached hereto; and,

B. The consent of the requisite number of "Owners" of the "Association" as such terms are defined in the Declaration having been obtained, the Declaration is amended as set forth herein.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING:

1. Article VI, Section 2(a) of the Declaration is hereby deleted in its entirety and replaced with the following language:

"The Board shall collect and retain a maintenance fund sufficient to meet all authorized expenditures of the Board

hereunder and to provide adequate reserves for replacement of such portions of the Project as may become in need of repair. Such collection shall be known as the Regular Monthly Assessment. During the month of November of each year, the Board shall estimate its total cash requirements for performance of its functions hereunder during the following calendar year. The estimate shall include a reasonable provision for contingencies and replacements and shall take into account any anticipated income. The amount thus estimated shall be assessed to each Unit in the proportion to the number of bedrooms contained in each Unit as set forth in Exhibit "A" to this Declaration. One-twelfth (1/12) of the amount assessed shall be due and payable on the first day of each calendar month during the succeeding calendar year."

2. Article VI, Section 5 of the Declaration is hereby deleted in its entirety and replaced with the following language:

"Special and Emergency Assessments shall be assessed against and charged to each Owner and his or her Condominium in the same manner prescribed for the allocation of Monthly Assessments in Article VI, Section 2(a). Monthly and Special Assessments shall be collected on a monthly basis and Emergency Assessments shall be paid in full within thirty (30) days from notice thereof. If a Special Assessment is assessed during a calendar year in accordance with Section 3 of this Article VI, it shall be prorated over the number of months remaining in the calendar year in which it is so assessed."

///

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3. Exhibit "A" to the Declaration is hereby deleted in its entirety and replaced with the following language:

SCHEDULE OF FRACTIONAL INTERESTS IN THE COMMON AREAS

Unit No.	Parcel No.	Bedrooms	% of Total
1	101	3	6.16
2	102	2	4.95
3	103	3	6.16
4	104	2	4.95
5	105	2	4.95
6	106	3	6.16
7	201	3	6.16
8	202	2	4.95
9	203	3	6.16
10	204	2	4.95
11	205	2	4.95
12	206	3	6.16
13	301	3	6.16
14	302	2	4.95
15	303	3	6.16
16	304	2	4.95
17	305	2	4.95
18	306	3	6.16
		Total:	99.99

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EXHIBIT "A"

Legal Description

Lot 1 of Tract 32358 in the City of Redondo Beach, County of Los Angeles, State of California, Per Map recorded as Book 860, Pages 49 to 50 of Maps in the Office of the Los Angeles County Recorder.

98- 788535

4. Except as the same is hereinabove amended, the Declaration, and each and every provision thereof, shall continue in full force and effect.

IN WITNESS WHEREOF, the undersigned, being the President and Secretary of the Redondo Pacific Towers Association have executed this instrument on the date and year first written above.

Philip E. Beabolin
President

Cheryl A. ...
Secretary

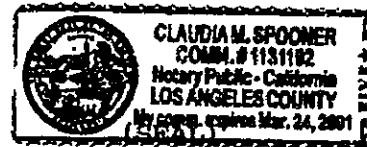
98- 788535

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

On April 27, 1998, before me, Claudia M. Spooner,
the undersigned Notary Public, personally appeared
Richard E. Brookhart personally known to me (or proved to
me on the basis of satisfactory evidence) to be the person(~~w~~)
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.

Claudia M. Spooner
Notary Public



STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

On April 28, 1998, before me, Aurelio A. Martinez,
the undersigned Notary Public, personally appeared
Cheryl Lynn Sikes, personally known to me (or proved to
me on 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.

Aurelio A. Martinez
Notary Public



(SEAL)

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98- 788535

SPECIAL NOTICE ♦ PLEASE READ

DATE: October 19, 1997

TO: All Home Owners of 1321 Beryl

FROM: The HOA Board of Directors

RE: Amendments to our Declaration of Covenants,
Conditions and Restrictions (CC&Rs)

Among other tasks over the past year, we on the current Board have been seeking to locate and clarify the governing documents for our Association. Due to changes over the years in both the Board membership and our management company, we wanted to be certain that our files were up-to-date.

In our search, we discovered that a set of amendments to our CC&Rs that was approved by the Owners back in 1987 was never actually recorded by the County (the final step in making them official). After considering the helpfulness of the amendments and then consulting our lawyer, we were able to get the amendments accepted and recorded earlier this month.

Enclosed is a copy of the 1987 amendments which has been recorded as the "Second Amendment" to our CC&Rs. According to our lawyer, this document is deemed valid upon our distribution of a copy to each Owner.

If you have any questions, feel free to call Riviera Management at 379-3658, or Dave Detwiler, HOA Vice President, at ~~379-2050~~.

LAW OFFICES

WOLF, RIFKIN & SHAPIRO, LLP

11400 WEST OLYMPIC BOULEVARD
NINTH FLOOR
LOS ANGELES, CALIFORNIA 90064-1565
(310) 478-4100
FAX (310) 479-1422

TENTH FLOOR
(310) 478-8100
FAX (310) 478-6363
REFER TO FILE NO.

07900-001

MICHAEL WOLF¹
DANIEL C. SHAPIRO
ROY G. RIFKIN²
MICHAEL T. SCHULMAN
LESLIE STEVEN MARKS
ALLAN M. ROSENTHAL
MINDY SHEPS³
NORMAN WISNICKI
BARRY T. MITIDIERE¹
MARC E. ROHATINER
CHARLES H. BAREN
MICHAEL W. RABKIN
ANDREW S. GELB
MATTHEW L. GRODE
RICHARD S. GRANT
MATTHEW FLADELL³
STEVEN A. SILVER

MARK J. ROSENBAUM⁴
KELLY M. ALLEGRA
PAUL W. WINDUST
DANIEL NG
KARIN E. FREEMAN
KELI N. OSAKI
VICTOR S. SZE
LAURA S. WITHROW
LISA A. TASHJIAN

OF COUNSEL

ERIC J. FEIG⁴
GERALD L. FRIEDMAN⁴
JEFF W. LANE⁴
JEFFREY R. LIEBSTER
DENISE M. PARGA

October 8, 1997

¹ALSO ADMITTED IN N.Y.
²ALSO ADMITTED IN BRITISH COLUMBIA
³A PROFESSIONAL CORPORATION

Board of Directors
Redondo Pacific Tower Homeowners Association
c/o Mr. David Detwiler
1321 Beryl St., Unit 304
Redondo Beach, California 90277

Re: Redondo Pacific Tower Homeowners Association
("Association")/ 1987 Amendment to
Association's Declaration of Covenants, Conditions
and Restrictions ("CC&Rs")

Ladies and Gentlemen:

We are pleased to inform you that the Los Angeles County Recorder has accepted, and recorded, the 1987 amendments to the Association's CC&Rs, entitled the Second Amendment to Declaration of Covenants, Conditions and Restrictions (the "Second Amendment"). Enclosed herewith is a conformed copy of the Second Amendment. We will forward to you the recorded Second Amendment upon our receipt thereof. Please distribute a copy of the conformed copy to all owners at your earliest convenience. The Second Amendment will be deemed valid upon such distribution.

We shall be forwarding to you under separate cover the ballot regarding the proposed amendment to the Association's CC&Rs to clarify the assessment calculation method.

If you have any comments or questions, please call me.

Very truly yours,

WOLF, RIFKIN & SHAPIRO, LLP



KELLY M. ALLEGRA

KMA:mee
Enclosure
cc: Daniel C. Shapiro, Esq.
I:\07900\001\LETTERS\BOARD.007

RECORDING REQUESTED BY:
WOLF, RIFKIN & SHAPIRO, LLP
KELLY ALLEGRA, ESQ.
11400 W. Olympic Blvd.
Ninth Floor
Los Angeles, CA 90064-1565

WHEN RECORDED MAIL TO:
NAME KELLY ALLEGRA, ESQ.

MAILING WOLF, RIFKIN & SHAPIRO,
ADDRESS 11400 W. Olympic Blvd.,
Ninth Floor
CITY, STATE Los Angeles, California
ZIP CODE 90064-1565

COPY of Document Recorded

97 1511862

Has not been compared with original.
Original will be returned when
processing has been completed.
LOS ANGELES COUNTY REGISTRAR RECORDER/COUNTY CLERK

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

T I T L E (S)

SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS RECORDED AS INSTRUMENT NO. 4545 ON MAY 26,
1976, FOR LOT 1 OF TRACT 32358 IN THE CITY OF REDONDO BEACH,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, PER MAP RECORDED
AS BOOK 860, PAGES 49 TO 50 OF MAPS IN THE OFFICE OF THE LOS
ANGELES COUNTY RECORDER

WHEN RECORDED MAIL TO:

REDONDO PACIFIC TOWERS ASSOCIATION, INC.
1321 Beryl Street
Redondo Beach, California 90277

AMENDMENTS TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR REDONDO PACIFIC TOWERS ASSOCIATION, INC.

The Covenants, Conditions and Restrictions (CC&R's) of REDONDO PACIFIC TOWERS ASSOCIATION, INC. shall be amended in the following particulars pursuant to the affirmative vote of seventy-five percent (75%) of the Owners of all Units in the Project:

ARTICLE I. DEFINITIONS [add the following section]

Section 15. Quorum: A quorum of fifty-one percent (51%) consists of ten (10) Owners, who either in person or by proxy, shall be sufficient for passage of any motion or the adoption of any resolution, except as otherwise provided in this Declaration.

ARTICLE IV. VOTING RIGHTS [add the following section]

Section 5. Absence of Quorum. If any meeting cannot be held because a quorum is not present, the meeting may adjourn and be rescheduled to such time, not less than five (5) days nor more than thirty (30) days from the time the original meeting was called, when a quorum of the Owners can be represented (either in person or by proxy). Unless expressly provided herein, any action may be taken at any regular meeting of the Owners upon the affirmative vote of at least fifty-one percent (51%) of the Owners.

ARTICLE XVI. GENERAL PROVISIONS [amend the following sections]

Section 3. Amendments. This Declaration may be amended only by an instrument executed and acknowledged by (i) record Owners or their legally appointed and duly authorized guardian,

EXHIBIT 1

conservator, executor or administrator, of at least fifty-one percent (51%) of the Condominiums in the Project, and (ii) the holders of all Prior Deeds of Trust which are of record prior to the effective date of such amendment and as to which the Board has received notice in accordance with the provisions of Section 7 of this Article XVI. Any such amendment shall become effective immediately upon the recordation in the Office of the Los Angeles County Recorder of an instrument complying with the requirements of this Section 3, and any other attempt to in any way amend the provisions of this Declaration shall be null and void and of no effect.

Section 11. Delivery of Notices and Documents.

(b) If to Declarant, whether in its capacity as Owner, or in any other capacity:

Curtis G. Frame
P. O. Box 2383
Rolling Hills Estates, California 90274

These amendments are approved by seventy-five percent (75%) of the Owners of the REDONDO PACIFIC TOWERS ASSOCIATION, INC. pursuant to ARTICLE XVI, Section 3.

IN WITNESS WHEREOF, the undersigned officers of the Association have executed these Amendments as of the date(s) set forth opposite their signatures below, certifying that these Amendments are made in compliance with ARTICLE XVI, Section 3; and pursuant to the attached acknowledgements.

REDONDO PACIFIC TOWERS
ASSOCIATION, INC.

Dated: 01/23/87

By: *Steve M. Cole*
President

Dated: 1/26/87

By: *Charles A. Duncan*
Vice President

Dated: 1/24/87

By: *Herman Miller*
Secretary

Dated: 1/24/87

By: *Thomas H. Mikamen*
Treasurer

[ACKNOWLEDGEMENTS]

ACKNOWLEDGEMENTS

STATE OF CALIFORNIA.)
)
) SS.
COUNTY OF LOS ANGELES)

*Re: CCR Amendment
Redondo Pacific Towers Assoc. Inc.*

On January 23, 1987, before me, a Notary Public in and for said County and State, personally appeared DELores W. Cole, known to me, or proved on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument as the President of Redondo Pacific Towers Association, Inc. and acknowledged to me that she executed the same.

WITNESS my hand and official seal.

Seal



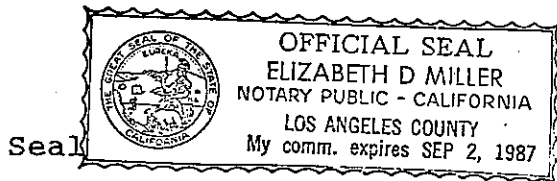
Donald R. Pethley
Notary Public in and for said
County and State

My Commission Expires: *March 24 - 1989*

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

On January 24, 1987, before me, a Notary Public in and for said County and State, personally appeared THOMAS H. McNAMEE, known to me, or proved on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument as the ~~Vice President~~ ^{Treasurer} of Redondo Pacific Towers Association, Inc. and acknowledged to me that he executed the same. *b.s.R*

WITNESS my hand and official seal.



Elizabeth D. Miller
Notary Public in and for said County and State

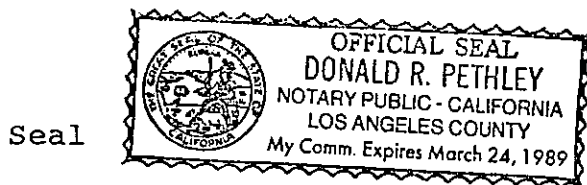
My Commission Expires:

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

*Re: CC & R amendment
Redondo Pacific Towers*

On January 24, 1987, before me, a Notary Public in and for said County and State, personally appeared HERMAN MILLER, known to me, or proved on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument as the Secretary of Redondo Pacific Towers Association, Inc. and acknowledged to me that he executed the same.

WITNESS my hand and official seal.



Donald R. Pethley
Notary Public in and for said County and State

My Commission Expires: March 24-1989

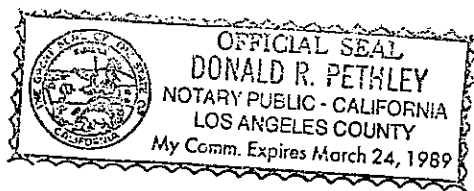
STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

*Re: Amend CCARs
Redondo Pacific Towers*

On January 26, 1987, before me, a Notary Public in and for said County and State, personally appeared CHARLES G. DAVIES, known to me, or proved on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument as the ~~Treasurer~~ *VICE PRESIDENT* of Redondo Pacific Towers Association, Inc. and acknowledged to me that he executed the same. *LMH*

WITNESS my hand and official seal.

Seal



Donald R. Pethley
Notary Public in and for said County and State

My Commission Expires: *March 24, 1989*

97 1511862

RECORDING REQUESTED BY:
WOLF, RIFKIN & SHAPIRO, LLP
KELLY ALLEGRA, ESQ.
11400 W. Olympic Blvd.
Ninth Floor
Los Angeles, CA 90064-1565

RECORDED/FILED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA
4:41 PM SEP 30 1997

WHEN RECORDED MAIL TO:
NAME KELLY ALLEGRA, ESQ.

MAILING WOLF, RIFKIN & SHAPIRO,
ADDRESS 11400 W. Olympic Blvd.,
Ninth Floor
CITY, STATE Los Angeles, California
ZIP CODE 90064-1565

D.A. FEE Code 20 \$ 2.

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

TITLE(S)

FEE \$ 22.7

6

SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS RECORDED AS INSTRUMENT NO. 4545 ON MAY 26,
1976, FOR LOT 1 OF TRACT 32358 IN THE CITY OF REDONDO BEACH,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, PER MAP RECORDED
AS BOOK 860, PAGES 49 TO 50 OF MAPS IN THE OFFICE OF THE LOS
ANGELES COUNTY RECORDER

LS-201

EXHIBIT 1

WHEN RECORDED MAIL TO:

REDONDO PACIFIC TOWERS ASSOCIATION, INC.
1321 Beryl Street
Redondo Beach, California 90277

AMENDMENTS TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR REDONDO PACIFIC TOWERS ASSOCIATION, INC.

The Covenants, Conditions and Restrictions (CC&R's) of REDONDO PACIFIC TOWERS ASSOCIATION, INC. shall be amended in the following particulars pursuant to the affirmative vote of seventy-five percent (75%) of the Owners of all Units in the Project:

ARTICLE I. DEFINITIONS [add the following section]

Section 15. Quorum: A quorum of fifty-one percent (51%) consists of ten (10) Owners, who either in person or by proxy, shall be sufficient for passage of any motion or the adoption of any resolution, except as otherwise provided in this Declaration.

ARTICLE IV. VOTING RIGHTS [add the following section]

Section 5. Absence of Quorum. If any meeting cannot be held because a quorum is not present, the meeting may adjourn and be rescheduled to such time, not less than five (5) days nor more than thirty (30) days from the time the original meeting was called, when a quorum of the Owners can be represented (either in person or by proxy). Unless expressly provided herein, any action may be taken at any regular meeting of the Owners upon the affirmative vote of at least fifty-one percent (51%) of the Owners.

ARTICLE XVI. GENERAL PROVISIONS [amend the following sections]

Section 3. Amendments. This Declaration may be amended only by an instrument executed and acknowledged by (1) record Owners or their legally appointed and duly authorized guardian,

1.

97-1511862

3

conservator, executor or administrator, of at least fifty-one percent (51%) of the Condominiums in the Project, and (ii) the holders of all Prior Deeds of Trust which are of record prior to the effective date of such amendment and as to which the Board has received notice in accordance with the provisions of Section 7 of this Article XVI. Any such amendment shall become effective immediately upon the recordation in the Office of the Los Angeles County Recorder of an instrument complying with the requirements of this Section 3, and any other attempt to in any way amend the provisions of this Declaration shall be null and void and of no effect.

Section 11. Delivery of Notices and Documents.

(b) If to Declarant, whether in its capacity as owner, or in any other capacity:

Curtis G. Frame
P. O. Box 2383
Rolling Hills Estates, California 90274

These amendments are approved by seventy-five percent (75%) of the Owners of the REDONDO PACIFIC TOWERS ASSOCIATION, INC. pursuant to ARTICLE XVI, Section 3.

IN WITNESS WHEREOF, the undersigned officers of the Association have executed these Amendments as of the date(s) set forth opposite their signatures below, certifying that these Amendments are made in compliance with ARTICLE XVI, Section 3; and pursuant to the attached acknowledgements.

REDONDO PACIFIC TOWERS
ASSOCIATION, INC.

Dated: <u>01/23/87</u>	By: <u><i>Silene M. Cole</i></u> President
Dated: <u>1/26/87</u>	By: <u><i>Michael J. Donnan</i></u> Vice President
Dated: <u>1/24/87</u>	By: <u><i>Herman Miller</i></u> Secretary
Dated: <u>1/24/87</u>	By: <u><i>Thomas H. McNamee</i></u> Treasurer

[ACKNOWLEDGEMENTS]

97-1511862

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On January 24, 1987, before me, a Notary Public in and for said County and State, personally appeared THOMAS H. McNAMEE, known to me, or proved on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument as the ~~Vice President~~ President of Redondo Pacific Towers Association, Inc. and acknowledged to me that he executed the same.

WITNESS my hand and official seal.



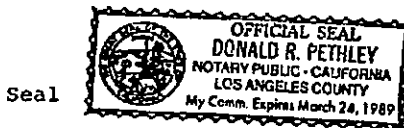
Elizabeth D. Miller
Notary Public in and for said
County and State

My Commission Expires:

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)
Re: CC + R amendment
Redondo Pacific Towers

On January 24, 1987, before me, a Notary Public in and for said County and State, personally appeared HERMAN MILLER, known to me, or proved on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument as the Secretary of Redondo Pacific Towers Association, Inc. and acknowledged to me that he executed the same.

WITNESS my hand and official seal.



Donald R. Pethley
Notary Public in and for said
County and State

My Commission Expires: March 24 - 1989

97-1511862

A-4

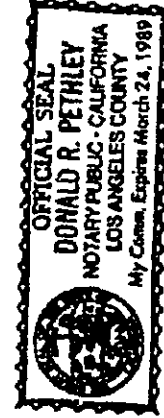
ACKNOWLEDGEMENTS

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.

*Rel: CCR R Amendment
Redondo Pacific Towers Assoc. Inc.*

On January 23, 1987, before me, a Notary Public in and for said County and State, personally appeared Debra W. Lee, known to me, or proved on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument as the President of Redondo Pacific Towers Association, Inc. and acknowledged to me that she executed the same.

WITNESS my hand and official seal.



Seal

Donald R. Pethley
Notary Public in and for said
County and State

My Commission Expires: *March 24, 1989*

97 1511862

A-3

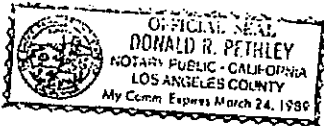
6

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.

*Re: Amend CLAs
Redondo Pacific Towers*

On January 26, 1987, before me, a Notary Public in and for said County and State, personally appeared CHARLES G. DAVIES, known to me, or proved on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument as the PRESIDENT of Redondo Pacific Towers Association, Inc. and acknowledged to me that he executed the same. *CLAs*

WITNESS my hand and official seal.



Seal

Donald R. Pethley
Notary Public in and for said
County and State

My Commission Expires: *March 24, 1989*

97-1511862

WHEN RECORDED, MAIL TO:

CURTIS G. FRAME
P.O. Box 325
Redondo Beach, California 90277

RECORDED IN OFFICIAL RECORDS
OF LOS ANGELES COUNTY, CA

47 MIN. 1 P.M. MAY 26 1976
PAST

Recorder's Office

FEE \$ 38.000

DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS

36

ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP

THIS DECLARATION is made this 29th day of March, 1976, by CURTIS G. FRAME (Declarant) with reference to the following facts:

A. Declarant is the owner of that certain real property located in the City of Redondo Beach; County of Los Angeles, State of California, described as follows:

Lot 1, Tract 32358 in the City of Redondo Beach, County of Los Angeles, State of California, as per map recorded in Book 860, pages 49 to 50 of Maps in the office of the County Recorder of said County.

B. Declarant desires and intends to sell and convey interests in the Property to various individuals subject to the basic protective restrictions, conditions, covenants, reservations, liens and charges set forth in this Declaration.

NOW, THEREFORE, Declarant hereby declares that all of the Property is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the following limitations, covenants, conditions, restrictions, reservations, liens and charges, all of which are hereby declared and established and agreed to be in furtherance of a general plan and scheme for the subdivision, development, improvement and sale of condominiums, as defined in Section 783 of the Civil Code of California in a condominium project, as defined in Section 1350 of the Civil Code of California, and all of which are declared established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property and every part and portion thereof. All of said limitations, covenants, conditions, reservations, liens, charges and restrictions are hereby established and imposed upon the Units, and each of them, as that term is hereinafter defined, and upon the Property, for the benefit of the Property and each and every individual Unit and Condominium hereinafter described and of each owner of one or more Condominiums as that term is hereinafter defined and the

owners of an interest of any kind or character in the Property or any portion thereof.

All of said limitations, covenants, conditions, reservations, liens, changes and restrictions shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, whether as sole owners, joint owners, lessees, tenants, occupants, or otherwise. Each and all of said limitations, covenants, conditions, restrictions, reservations, liens and charges shall be deemed to be and shall be construed as equitable servitudes, enforceable by any of the owners of any of the Condominiums or any interest in the Property against any person bound thereby or subject thereto, and shall be enforceable by the Board, as that term is hereinafter defined or its duly appointed representative against any such person.

ARTICLE I

DEFINITIONS

Whenever used in this Declaration the following terms shall have the following meanings:

Section 1. Association: "Association" shall mean and refer to REDONDO PACIFIC TOWERS ASSOCIATION, INC., a California non-profit corporation, its successors and assigns.

Section 2. Declaration: This Declaration as the same may be amended, changed or modified from time to time.

Section 3. Declarant: "Declarant" shall mean and refer to CURTIS G. FRAME, and his successors and assigns, if such successors and assigns should acquire all or any portion of the Property for the purpose of development and are designated by REDONDO PACIFIC TOWERS as the Declarant for the purpose hereof by a duly recorded written instrument executed by CURTIS G. FRAME.

Section 4. Condominium Plan: "Condominium Plan" shall mean and refer to the plan prepared and executed in respect to the Project as required by Section 1351 of the Civil Code of California and pursuant to Sections 783 and 1350-1359, inclusive, of the Civil Code of California, and recorded concurrently herewith.

Section 5. Unit: "Unit" shall mean and refer to the elements of a condominium which are not owned in common with the other owners of other condominiums in the Project. The boundaries of each Unit shall be as shown and described on the Condominium Plan.

Section 6. Common Area: "Common Area" shall mean and refer

to the entire Project excepting the Units. Undivided fractional interests in the Common Area shall be owned by the owners of the Units as tenants in common, each owner owning a fraction equal to the total square footage of all units of that owner divided by the total square footage of all units of the Project.

Section 7. Condominium: A "Condominium" shall mean a condominium as defined in Section 783 of the Civil Code of California, and shall be an estate in real property consisting of:

- (a) A separate fee simple interest in a Unit, and
- (b) An undivided interest as a tenant in common in the Common Area.

Section 8. Owner: "Owner" shall mean and refer to the record owner or owners, if more than one, (including Declarant) of a Condominium in the Project, excluding those persons or entities having such interest merely as security for the performance of an obligation.

Section 9. By-Laws: The duly adopted By-Laws of the Association as the same may be amended, changed or modified from time to time.

Section 10. Board: The Board of Directors of the Association.

Section 11. Manager: The managing agent, if any, whether individual or corporate, retained by Declarant, or by the Board, on contract, and charged with the maintenance and upkeep of the Project.

Section 12. Project: "Project" shall mean and refer to the Property, including all structures and improvements thereon, which Project shall be commonly known as "REDONDO PACIFIC TOWERS".

Section 13. Articles: The Articles of Incorporation of the Association as the same may be amended, modified or changed from time to time.

Section 14. Initiation Date: "Initiation Date" shall mean and refer to the first day of the month immediately following the date of recordation of a deed to the first purchaser of a condominium, other than Declarant.

ARTICLE II

DESCRIPTION OF LAND AND IMPROVEMENTS

Section 1. The following description is intended for information purposes only. In the event of any conflict between this description and the Condominium Plan, said Plan shall be deemed conclusively to control over this description.

Section 2. The Property consists of all of Lot 1, Tract 32358 in the City of Redondo Beach, County of Los Angeles, State of California, as per map recorded in Book 860, Pages 49 to 50 of Maps, in the office of the County Recorder of said County.

Section 3. The Property has within its boundaries various Units and various Common Areas as shown and described on the Condominium Plan.

Section 4. Each individual Condominium within the Project which shall be offered for sale, shall consist of a fee simple interest in and to a particular Unit, together with an interest, as a tenant in common in the Common Area, equal to that fraction which is the square footage of the particular Unit divided by the square footage of all Units in the Project, all as more particularly shown and described on the Condominium Plan.

Section 5. Each Condominium Unit in the Project shall have appurtenant thereto a private patio, deck or balcony and said patio, deck or balcony shall be deemed to be a part of the Common Area. Each Condominium Unit is hereby granted an exclusive easement for the use and enjoyment of said patio, deck or balcony and the respective Owners of each Unit shall at all times maintain said patio, deck or balcony at his expense. The provisions of this Section shall not be amended, modified or changed without first obtaining the written consent of the City of Redondo Beach. *which will be*

Section 6. Each Unit shall be irrevocably assigned a private storage area within the Common Area. The Association shall be responsible for the care and maintenance of the exterior surface of said storage area. The provisions of this Section shall not be amended, modified or changed without first obtaining the written consent of the City of Redondo Beach.

Section 7. The Board shall assign to each Unit the exclusive and irrevocable right to the use of two parking spaces in the Common Area in such manner as it deems appropriate for the benefit of all the Owners. Whenever practical each of the spaces so assigned shall be contiguous. Each parking space shall be used solely by Unit Owners, members of his or her family, his or her guests or lessees of the Unit, except that a Unit occupant within the Project may rent one (1) space to another Unit occupant or the Association. The Board reserves the right to re-assign and re-allocate parking spaces in such manner and at such time as it may deem reasonably necessary for the benefit of all the Owners of all of the Units but assuring to all Owners irrevocably the right to at least two spaces.

All parking spaces shall be used solely for the purpose of parking motor vehicles as defined by the Vehicle Code of the State of California. Portions of said parking spaces may be used for storage, provided such space is enclosed in a manner which is approved by the Board, and does not interfere with the parking of

Motor Vehicles within the space. In no case shall the private storage area of one Unit overhang or take access from the required off-street parking space of another Unit. Any such storage space shall be deemed Common Area, but shall be maintained by the Unit Owner. The provisions of this Section shall not be amended, modified or changed without first obtaining the written consent of the City of Redondo Beach.

Section 8. The Impact Insulation Class rating of all separating floor/ceiling assemblies within the Project are of a type of construction that has a minimum rating of 65 IIC (Impact Insulation Class). When minimum insulation requirements are satisfied through the use of any floor covering or coverings, such floor covering or coverings shall not be removed for any purpose, except cleaning or replacment, and, in the event of replacement, the new covering or coverings shall provide the same or a greater decree of Impact Insulation as that originally installed. The provisions of this Section shall not be amended, modified or changed without first obtaining the written consent of the City of Redondo Beach.

ARTICLE III

MEMBERSHIP

Section 1. Qualifications. Each Owner of a Condominium, including Declarant, shall be a member of the Association and be entitled to one (1) vote for each Condominium owned. If a given Condominium is owned by more than one Owner, all such Owners shall be members of the Association; provided, however, that for the purpose of the representation of such Condominium with regard to the affairs of the Association and the voting of the members of the Association, such Condominium shall be represented by and entitled to only one (1) vote which shall be exercised and cast in accordance with the provisions of this Declaration. Ownership of a Condominium within the Project shall be the sole qualification for membership in the Association.

Section 2. Transfer of Membership. The Association membership of each Owner (including Declarant) shall be appurtenant to the Condominium giving rise to such membership, and shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon the transfer of title to said Condominium and then only to the transferee of title to said Condominium. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Condominium shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner thereof.

ARTICLE IV

VOTING RIGHTS

Section 1. Voting Rights. At any meeting of the Association,

each owner, including Declarant, shall be entitled to cast one vote for each Condominium Unit owned by said Owner. Any Owner may attend and vote at such meeting in person, or by agent duly appointed by an instrument in writing signed by the Owner and filed with the Board. Any such appointment may be revoked at any time by written notice of the Owner of any Unit. Where there is more than one record Owner of a Unit, any or all of such persons may attend any meeting of the Association, but it shall be necessary for those owners present to act unanimously in order to cast the vote to which they are entitled. The provisions of this article shall not be amended, modified or changed without first obtaining the written consent of the City of Redondo Beach. Whenever this Declaration, the By-Laws or the Articles require the vote, assent or presence of a stated number of Owners or members entitled to vote on a matter or at a meeting with regard to the taking of any action or any other matter whatsoever, the provisions of this Article IV and Section 2(c) of Article V hereof shall govern as to the total number of available votes, the number of votes an Owner is entitled to cast at the meeting, and the manner in which the vote attributable to a Condominium having more than one Owner shall be cast.

Section 2. Joint Owner Disputes. The vote for each such Condominium may be cast only as a unit, and fractional votes shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Owner or Owners cast a vote representing a certain Condominium, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other Owners of the same Condominium. In the event more than one vote is cast for a particular Condominium, none of said votes shall be counted and all of said votes shall be deemed void.

Section 3. Cumulative Voting. In any election of the Board the vote attributable to a given Condominium may be cumulated by the Owner or Owners thereof entitled to cast such vote so as to give one candidate, or divide among any number of candidates, a number of votes equal to the number of directors to be elected. Candidates receiving the highest number of votes, up to the number of Board members to be elected, shall be deemed elected.

Section 4. Suspension of Voting Rights. The Board shall have the right to suspend the voting rights of any member or members of this Association for the period during which any assessment against the Condominium owned by such member or members and giving rise to such membership remains unpaid and delinquent. The Board shall also have the right to suspend such voting rights for a period not to exceed thirty (30) days for any infraction of the rules and regulations of the Association adopted by the Board committed by any Owner of the particular Condominium giving rise

to the voting rights being suspended, his servants, guests, tenants, invitees or the members of his family; provided that any suspension of voting rights, except for a suspension due to failure to pay assessments, shall be made by the Board only after a meeting of the Board at which a quorum of the Board is present duly called and held for such purpose in the same manner as provided in these By-Laws for the noticing, calling and holding of a special meeting of the Board. Written notice of such meeting shall be given to the member whose voting rights are being sought to be suspended at least three (3) days prior to the holding of such meeting. Such notice shall be given either by personal delivery or deposited in the United States mail, certified or registered, postage and fees prepaid, return receipt requested, addressed to such member either at the address of his Condominium in the Project or the address given to the Association by him for the purpose of giving notice. Such notice, if mailed, shall be deemed given and received twenty-four (24) hours after being so deposited in the United States mail in the manner aforesaid, and said member whose voting rights are being sought to be suspended shall be entitled to appear at such meeting and present his case as to why such voting rights should not be suspended. The decision as to whether such rights should be suspended in accordance with the provisions of this Section shall be made by a majority of the members of the Board present at such meeting and shall be binding upon all members of the Association.

ARTICLE V

RIGHTS OF THE COMMON AREA

Section 1. Percentage of Undivided Interests in Common Area. The undivided interests in the Common Area hereby established and which shall be conveyed with each respective Unit is an undivided interest in a fraction equal to the square footage of the particular Unit divided by the square footage of all Units in the Project.

Section 2. Owner's Easement of Enjoyment. Every Owner, and his tenants, servants, family members, guests and invitees to the extent permitted by such Owner, shall have a non-exclusive easement to access to, use and enjoyment of, and ingress and egress through the Common Area and such easement shall be appurtenant to and shall pass with the title to every Condominium, subject to the following provisions:

(a) The right of the Board to establish uniform rules and regulations on behalf of the Association pertaining to the use of the Common Area as provided for by this Declaration, and the right of the Board to assign parking spaces as provided by Section 5 of Article II hereof.

(b) The right of the Board in accordance with the Articles and By-Laws, to borrow money for the purpose of improving the Common Area and facilities thereon.

(c) The right of the Board to suspend the voting rights of an Owner or Owners as described above.

(d) The right of Declarant (and its sales agents and representatives) to the non-exclusive use of the Common Area and the facilities thereof, for display and exhibit purposes in connection with the sale of the Condominiums within the Project, which rights Declarant hereby reserves; provided, however, that such use shall not be for a period beyond the first sale by the Declarant of all the Units in the Project, or a period of three (3) years from and after the date of recordation of this Declaration, whichever first occurs; provided, further, that no such use by Declarant or its sales agents or representatives shall otherwise restrict the members in their use and enjoyment of the Common Area or the facilities thereon.

Section 3. Waiver of Use. No Owner may waive or otherwise escape liability for the assessments provided for by this Declaration or otherwise duly and properly levied by the Board in accordance with this Declaration, nor release the Condominium owned by him from the liens and charges hereof, by non-use of the Common Area and facilities thereon or any part thereof, or by abandonment of his Condominium.

Section 4. Additional Provisions Relating to Common Areas. The Declarant, his successors and assigns, and all future owners of the Condominiums, by acceptance of their respective deeds, covenant and agree as follows:

(a) That the Common Area shall remain undivided; and no Owner shall bring any action for partition except as provided in this Declaration, it being agreed that this restriction is necessary in order to preserve the rights of the Owners with respect to the operation and management of the Project. Control of the Common Area shall vest in, and remain with, the Association.

(b) In the event the improved part of the Project is partially or totally destroyed, and then rebuilt, the Owners agree that minor encroachments of the parts of the Common Area due to construction shall be permitted and that valid easements for said encroachments and the maintenance thereof shall exist.

(c) That non-exclusive easement for ingress, egress, and support through the Common Area is appurtenant to each Unit and the Common Area is subject to such easements.

(d) That the Association shall have the responsibility to manage and maintain all of the Common Area, including but not limited to, the common walkways, the garage, common driveways, recreational facilities, landscaping, the private driveways, and the exterior of each building located within the Project, and such maintenance shall be of a high quality so as to keep the

entire Project in a first-class condition and in a good state of repair.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation of Assessments. The Declarant, for each Condominium owned by it within the Project hereby covenants, and each Owner of any Condominium within the Project, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) Regular Monthly Assessments or charges, (2) Special Assessments for capital improvements, and (3) Emergency Assessments, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The Regular Monthly, Special and Emergency Assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and a continuing lien upon the Condominium against which each such assessment is made, which lien shall be created and enforced in accordance with the provisions of this Article VI. Each such assessment (and all other assessments levied in accordance with this Declaration), together with late charges, interest, costs, penalties, and reasonable attorneys' fees, as provided for by this Declaration, shall also be the joint and several personal obligation of each person who was an Owner of such Condominium at the time when such assessment fell due.

Section 2. Regular Monthly Assessment.

(a) Maintenance Fund: The Board shall collect and retain a maintenance fund sufficient to meet all authorized expenditures of the Board hereunder and to provide adequate reserves for replacement of such portions of the Project as may become in need of repair. Such collection shall be known as the Regular Monthly Assessment. During the month of November of each year, the Board shall estimate its total cash requirements for performance of its functions hereunder during the following calendar year. The estimate shall include a reasonable provision for contingencies and replacements and shall take into account any anticipated income. The amount thus estimated shall be assessed to each Unit in the proportion its square footage bears to the total square footage of all Units. One-twelfth (1/12) of the amount assessed shall be due and payable on the first day of each calendar month during the succeeding calendar year.

(b) Increase of Monthly Assessment by Board: If the estimate proves inadequate for any reason, including non-payment of any assessment, the Board may, at any time, levy a further assessment which shall be assessed to the Units in like proportion. Each Owner shall be given written notice of all assessments against

his Unit and the dates upon which assessments are payable. Assessments charged to Units owned by Declarant shall be the debt of Declarant, until such units are transferred. All assessments shall be the personal debts of the Owners of the Units assessed.

(c) Decrease in Annual Assessment; Notice to City of Redondo Beach: In the event the Association shall take any action to decrease the annual assessment, such action shall not become effective until sixty (60) days after notice of such action is given to the City of Redondo Beach. The City of Redondo Beach may at its option, veto any action of the Association which would decrease the amount of the regular annual assessment or any action which would tend to decrease amount of the regular annual assessment upon the finding by the City that such a decrease could or would adversely affect the long run maintenance of the Condominium structure and/or its Common Areas.

(d) Certificate of Payment. The Association shall upon demand, furnish to any Owner liable for any assessment a certificate in writing signed by an officer of the Association, setting forth whether the assessments on a specified Condominium have been paid, and the amount of the delinquency, if any. A charge of \$10.00 per certificate may be made by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 3. Special Assessments for Capital Improvements. In addition to the Regular Monthly Assessments authorized above, the Board may levy, during any calendar year, but in no event prior to the Initiation Date, special assessments ("Special Assessment") applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, or unexpected repair or replacement of a capital improvement upon the Common Area and personal property related thereto; provided that each such Special Assessment in excess of \$1,000.00 must first be approved by vote or written assent of fifty-one percent (51%) of the Owners (excluding Declarant) present either in person or by proxy and entitled to vote at a meeting called for such purpose at which a quorum is present, written notice of which meeting is sent to all members not less than ten (10) days nor more than thirty (30) days in advance of the meeting.

Section 4. Special Assessments for Emergency Needs. In the event the Board shall determine that its budget for any current month from and after the Initiation Date is, or will become inadequate to meet all expenses hereunder for any reason, including nonpayment of any Owner's assessments on a current basis, it shall immediately determine the approximate amount of such inadequacy for such month and issue a supplemental budget, noted as to the reason therefor, and levy an emergency assessment ("Emergency Assessment") for the amount required to meet all

such expenses on a current basis against the Owners of each Condominium; provided, however, that any such Emergency Assessment must first be approved by fifty-one percent (51%) of the Owners (excluding Declarant) present either in person or by proxy and entitled to vote at a meeting called for such purpose at which a quorum is present, written notice of which meeting is sent to all members not less than ten (10) days nor more than thirty (30) days in advance of the meeting. Emergency Assessments properly levied in accordance with this Section 4 shall be due and payable within thirty (30) days from written notice thereof by the Board.

Section 5. Uniform Rate of Assessment. Monthly, Special and Emergency Assessments must be fixed at a uniform rate for all Units so that each Unit shall bear that share of each such assessment as the square foot area of that Unit bears to the total square footage of all Units. Monthly and Special Assessments shall be collected on a monthly basis and Emergency Assessments shall be paid in full within thirty (30) days from notice thereof. If a Special Assessment is assessed during a calendar year in accordance with Section 3 of this Article VI, it shall be prorated over the number of months remaining in the calendar year in which it is so assessed.

Section 6. Initial Assessment. The assessment rate for the calendar year of the Initiation Date is declared to be \$9,108.00. Declarant will maintain the Common Areas of the Project at its own expense and no assessment shall be made, until the Initiation Date; thereafter, the total initial assessment shall bear the same proportion to the sum of \$9,108.00 as the number of full calendar months remaining in the calendar year of the Initiation Date bear to the number "12". The initial assessment shall be due and payable in equal installments commencing the first day of the first calendar month following the Initiation Date. Personal liability for assessments shall be prorated to the date upon which the ownership of a unit is transferred as evidence by recording of documents of transfer, if such documents are recorded. No transfer or ownership of a unit shall have any effect upon the assessment lien provided for herein. Monthly and Special Assessments shall be due and payable in advance on the first day of each month. Regular Monthly Assessments and Special Assessments shall be due and payable as required hereby regardless of the lack of any monthly notice thereof.

Section 7. Maintenance Fund. All assessment charges collected shall be properly deposited in a commercial bank account in a bank to be selected by the Board, which account shall be clearly designated as "Redondo Pacific Towers Association, Inc., Maintenance Fund Account". The Board shall have control of said account, and shall be responsible to the Owners for the maintenance and accurate records thereof at all times.

Section 8. Effect of Nonpayment of Assessments; Lien Rights;

Remedies of Association. Every Owner, including Declarant, shall be deemed to covenant and agree to pay the assessments provided for in this Declaration, and further agrees to be the enforcement of such assessments in the manner provided for in this Declaration.

(a) Delinquency. Any assessment provided for in this Declaration which is not paid when due shall become delinquent on the date on which such assessment is due (the "date of delinquency") A late charge of \$5.00 per each delinquent assessment shall be payable with respect to each assessment not paid within fifteen (15) days after the date of delinquency. Assessments not paid within thirty (30) days after the date of delinquency shall thereafter bear interest at the rate of eight percent (8%) per annum from the date of delinquency, and the Board, its attorney or other authorized representative may, at its option, at any time after such thirty (30) day period, and in addition to any other remedies herein or by law or in equity provided, enforce the obligation to pay assessments in any manner provided by law or in equity, and without limiting the generality of the foregoing, by any or all of the following procedures:

(i) Enforcement by Suit. The Board may cause a suit at law to be commenced and maintained in the name of the Association against any Owner or Owners, or any of them, personally obligated to pay assessments for such delinquent assessments as to which they are personally obligated. Any judgment rendered in any such action shall include the amount of the delinquency, together with interest thereon at the rate of ten percent (10%) per annum from and after the date of delinquency, late charges as provided for by this Declaration, Court costs and reasonable attorney's fees in such amount as the Court may award. Suit to recover a money judgment for unpaid assessments shall be maintainable by the Board, or its authorized agent, without foreclosing or waiving the lien hereinafter provided for.

(ii) Enforcement of Lien. The Board may proceed to record, or cause to be recorded, a Notice of Assessment with respect to the Condominium as to which assessments are delinquent as provided by Section 1356 of the Civil Code of California as the same may be amended, modified or superseded from time to time. Such notice of Assessment shall be recorded in the office of the County Recorder of the county in which such Condominium is located and shall set forth all assessments which have become delinquent as of the date of recordation thereof, together with all costs (including reasonable attorney's fees), and all late charges and interest accrued thereon. The notice of assessment shall also set forth a description of the Condominium with respect to which it is recorded and the name of the record Owner thereof. The notice of assessment shall be signed by any officer of the Association, or by any authorized representative of the Board. Immediately upon

recordation of a notice of assessment pursuant to the provisions of this paragraph the amounts set forth in said notice of assessment shall be and become a lien upon the Condominium described in the notice of assessment, which lien shall also secure all other assessments which shall become due and payable with respect to the Condominium as to which the notice of assessment was recorded following the date of recordation of the notice of assessment, together with all costs (including reasonable attorney's fees), and all late charges and interest whether accruing thereon, or accruing on the delinquent assessments set forth in the notice of assessment. The lien so created may thereafter be enforced by sale of the Condominium as to which the lien is created by the Board, its attorney, or other person authorized by the Board to make the sale, such sale to be conducted in accordance with the provisions of Sections 2924, 2924(b) and 2924(c) of the Civil Code of California applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner which may be permitted by law. The Board, or its duly authorized representative, on behalf of the Association shall have the power to bid on the Condominium at foreclosure sale and hold, lease, mortgage and convey the same.

(b) Curing of Default. Upon the timely payment, or other satisfaction, of all delinquent assessments set forth in the notice of assessment filed and recorded in accordance with this Article VI and all other assessments which have become due and payable with respect to the Condominium as to which such notice of assessment was filed and recorded following the date of such recordation, together with all costs (including reasonable attorney's fees), and all late charges and interest which have accrued thereon, the Board shall cause to be filed and recorded a further notice stating the satisfaction and release of the lien created by the notice of assessment. A fee in the amount of Ten Dollars (\$10.00) covering the cost of preparation and recordation of the notice of release and satisfaction shall be paid to the Association prior to execution, filing and recordation of such notice of release and satisfaction by the Board. The notice of release and satisfaction of the lien created by the notice of assessment shall be executed by any officer of the Association or by any authorized representative of the Board. For the purpose of this paragraph (b) and the provisions of subparagraph (ii) of paragraph (a) of Section 8 of Article VI of this Declaration, the term "costs" shall include costs and expenses actually incurred or expended by the Association in connection with the cost of preparation and recordation of the notice of assessment and in efforts to collect the delinquent assessments secured by the lien created by the notice of assessment, and shall also include a reasonable sum for attorney's fees actually incurred in an amount not to exceed twenty percent (20%) of the delinquent assessments secured by the lien created by the recordation of the notice of assessment.

(c) Additional Costs Secured by Lien. In the event the lien created is foreclosed judicially by action in court, reasonable attorney's fees and Court costs as the Court may award, title search fees, interest at the rate of eight percent (8%) per annum from the date of delinquency, late charges as provided for by this Declaration, and all other costs and expenses shall be allowed to the extent permitted by law.

(d) Notice of Creation of Assessment Lien. Notwithstanding anything contained by this Declaration, no action shall be brought to foreclose any lien created pursuant to the recordation of a notice of assessment, whether judicially, by power of sale, or otherwise, less than ten (10) days after the date that a copy of the notice of assessment, showing the recording date thereon, is deposited in the United States mail postage and fees prepaid, addressed to each of the Owners of the Condominiums as to which the notice of assessment relates at the address provided for by this Declaration for the giving of notice to an Owner.

(e) Priority of Lien. The lien created pursuant to this Declaration upon the recordation of a notice of assessment shall be prior and superior to all liens except (i) all taxes, bonds, assessments and other similar levies which by law would be superior thereto, and (ii) the lien or charges of any Prior Deed of Trust as that term is hereinafter defined.

(f) Rights of Board; Waiver by Owners. Each Owner hereby vests in and delegates to the Board or its duly authorized representatives the right and power to bring all actions at law or lien foreclosures, whether judicially or by power of sale, or otherwise, against any Owner or Owners for the collection of delinquent assessments in accordance herewith and hereby expressly waives any objection to the enforcement in accordance with this Declaration of the obligation to pay assessments as set forth in this Declaration.

Section 9. Subordination of Assessment Lien. The lien for assessments provided for herein in connection with a given Condominium shall not be subordinate to the lien of any deed of trust or mortgage except the lien of a deed of trust or mortgage made in good faith and for value that is of record as an encumbrance against such given Condominium prior to the recordation of a notice of assessment against such given Condominium in the manner provided for by this Article VI. (Such deed of trust or mortgage being hereinafter referred to as a "Prior Deed of Trust"). The sale or transfer of any Condominium shall not affect either the assessment lien provided for herein nor the creation and enforcement thereof in accordance with this Declaration on account of delinquent assessments whether such assessments become due prior to, on or after the date of such sale or transfer, and regardless of whether or not the Owner of a Condominium as to which such lien

is so created and enforced is personally obligated to pay any or all of the delinquent assessments as to which such lien is created; provided, however, that sale or transfer of any Condominium pursuant to a judicial foreclosure or foreclosure by power of sale of a Prior Deed of Trust, or proceeding in lieu of foreclosure of a Prior Deed of Trust, shall extinguish any assessment lien created against the Condominium which is the subject of such sale or transfer pursuant to a judicial foreclosure or foreclosure by power of sale or proceeding in lieu of foreclosure of a Prior Deed of Trust by the filing of a notice of assessment prior to the date of such sale or transfer and shall further prohibit the creation of any assessment lien against such Condominium on account of payments which became due prior to the date of such sale or transfer; provided, however, that there shall be a lien on the Condominium of the purchaser at such sale which shall be created and be foreclosed in accordance with this Declaration and which shall secure all assessments which become due after the date of any such sale. For the purposes of this Section 9, a sale or transfer of a Condominium shall occur on the date of recordation of a deed or other instrument of title conveying record title to the Condominium to the purchaser or transferee.

Section 10. Declarant's Maintenance Obligations. From and after the Initiation Date Declarant shall be obligated to pay to the Association assessments assessed against all Condominiums owned by Declarant in the same manner and amount as such assessments are imposed upon Owners of Condominiums other than Declarant from and after the Initiation Date provided that such obligation shall terminate as to the Declarant as to Condominiums sold by Declarant after the Initiation Date upon recordation of the deed of conveyance with regard thereto.

Section 11. Homestead Waiver. Each Owner does hereby waive, to the extent of any liens created pursuant to this Declaration, whether such liens are now in existence or are created at any time in the future, the benefit of any homestead or exemption laws of the State of California now in effect, or in effect from time to time hereafter.

Section 12. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the members of the Association, their guests and invitees, and in particular shall be used for the purpose of improving, protecting, operating and maintaining the Common Area and the facilities, improvements, landscaping and structures located thereon, and providing for the acquisition and maintenance of property, services and facilities devoted to this purpose and directly related to the use and enjoyment of the Common Area and the Units, and otherwise providing for the performance by the Board of each and every of the powers and duties of the Board.

Section 13. Approval of Revisions. The provisions of this Article shall not be amended, modified or changed without first obtaining the written consent of the City of Redondo Beach.

ARTICLE VII

USE RESTRICTIONS

In addition to all other covenants contained herein, the use of the Project and each Unit therein and the Common Area is subject to the following:

Section 1. Children Prohibited. The Project is intended and deemed to be an adult residence. No children under the age of sixteen (16) years shall be permitted to reside in any Unit, nor shall any unit be sold to any family with children less than sixteen (16) years of age. This restriction and covenant shall be strictly enforced by the Board and the costs of such enforcement shall be borne by the Association. No children under the age of sixteen (16) years shall temporarily visit or reside in any Unit for a continuous period in excess of two weeks in any three month period. The Host-Owner shall be accountable to other Owners for the conduct and behavior of visiting children.

unenforceable

Section 2. Business Usage Prohibited. None of the Units shall be used except for private single family residential purposes. No part of the Project or Condominiums therein shall ever be used or caused to be used, or allowed or authorized in any way, directly or indirectly, to be used for any business, commercial, manufacturing, mercantile, vending, or other such non-residential purposes, except Declarant, its successors and assigns, may use the Condominiums owned by it as models and display and sales offices during the construction period and so long as Declarant owns a Condominium in the Project.

Section 3. Billboards. Except for the signs approved by the Board for the benefit of the entire Project, no signs of any kind shall be displayed in the public view on or about the exterior of any Unit, except signs not larger than is reasonable and customary in the area advertising said Unit for sale or lease. The foregoing is not applicable to signs used by the Declarant or its agents in connection with the original construction and sale of the Condominiums.

Section 4. Maintenance of Unit. Each Condominium Owner shall have the exclusive right at his sole cost and expense to paint, repaint, tile, wax, paper or otherwise refinish and decorate the inner surfaces of the walls, ceilings, floors, windows and doors bounding his own Unit and the surfaces of bearing walls and partitions within his Unit and to, at his sole cost and expense, substitute new finished interior surfaces in place of those existing on said walls, floors, partitions or ceilings.

Each Unit Owner shall maintain his Unit in a clean sanitary and attractive condition and shall also be responsible for the maintenance, repair or replacement of the interior surfaces of the fences, windows and doors (whether glass, screen or otherwise) enclosing his Unit and all appliances and equipment, including but not limited to, refrigerators, dishwashers, disposals, lighting fixtures, heating equipment, water heaters or ranges located within or connected with his Unit. Each Owner shall have complete discretion as to choice of furniture, furnishings and interior decoration within his Unit. If an Owner fails to so maintain his Unit or make repairs thereto in such manner as may be deemed necessary in the judgment of the Board to preserve and protect the attractive appearance and value of the Project, the Board shall give written notice to such Owner, stating with particularity and work of maintenance or repair which the Board finds to be required, and requesting that the same be carried out within a period of sixty (60) days from the giving of such notice. If such Owner fails to carry out such maintenance or repair within the period specified by the notice, the Board shall cause such work to be done and shall assess the cost thereof to such Owner, such assessment to be due and payable within thirty (30) days after the Board gives written notice thereof.

Section 5. Owner Structural Changes. No Owner shall make or cause to be made structural alterations or modifications to the interior of his Unit or installations located therein without the prior written consent of the Architectural Committee provided for in this Declaration (the "Architectural Committee").

Section 6. Association Maintenance and Decoration Authority. The Board, or its duly appointed agent, including the Manager, if any, shall have the exclusive right to paint, decorate, repair, maintain and alter or modify the exterior walls, balconies, railings, exterior door surfaces, roof, and all installations and improvements in the Common Area, and no Owner of a Condominium shall be permitted to do, or have done, any such work. The prior written approval of the Architectural Committee shall be required for the installation of any awnings, sunshades or screen doors. The restrictions set forth in this paragraph shall not apply to the initial construction of buildings and improvements by Declarant.

Section 7. Storage. There shall be no storage of any item in or upon a Unit except in the private storage area described in Article II, Section 6, or an enclosed area not visible from adjoining streets, the Common Area or other Units. No item of any kind may be stored by Condominium Owners in the Common Area; storage in the Common Area being limited to the storage by the Board or the Manager, if any, of equipment for use solely in connection with the Common Area.

Section 8. Pets. Not exceeding two (2) usual and ordinary

pets (exclusive of tropical fish but including caged birds) may be kept in any Unit. Such pets shall not be allowed on the Common Area except as may be permitted by the rules and regulations adopted by the Board. Each Owner shall be absolutely liable to each and all remaining Owners, their families, servants, guests, tenants and invitees for any damage to person or property caused by any pets brought upon or kept upon or in the Project by an Owner or by members of his family, guests, invitees or tenants. Except as provided by this Section 8, no animals, birds, livestock, poultry or pets of any kind shall be brought within the Project or kept in or on any Unit.

Section 9. Offensive Activities. No Owner shall permit or suffer anything to be done or kept upon or in his Unit or the Common Area which will increase the rate of insurance thereon or result in the cancellation of any such insurance or cause the Project or any part thereof to be uninsurable against loss by fire or the perils of the extended coverage endorsement to the California Standard Fire Policy Form or loss on account of bodily injury or property damage or which will obstruct or interfere with the rights of other Owners, their families, guests, tenants, servants and invitees, nor annoy them by unreasonable noises or otherwise, nor which shall in any way interfere with the quiet enjoyment by each Owner of his respective Condominium, nor will he commit or permit any nuisance, noxious or offensive activity, or any immoral or illegal act to be committed thereon or therein. Each Owner shall comply with all of the requirements of the local and State Board of Health and with all other governmental authorities with respect to the occupancy and use of his Condominium.

Section 10. Owner Liability. Each Owner shall be liable to the Association for any damage to the Common Area or any improvements, landscaping or equipment thereon which may be sustained by reason of the negligence of willful misconduct of said Owner, his family, guests, tenants, servants or invitees, and shall be assessed by the Board for the cost of repair or replacement thereof, together with costs and attorneys' fees, such assessment to be due and payable within thirty (30) days after written notice thereof by the Board. The provisions of Article VI hereof relative to the creation of a lien for assessments and the enforcement of payment of assessments shall apply to all assessments levied pursuant to this Declaration including, without limitation, assessments levied pursuant to Sections 4 and 10 of this Article VII and assessments levied pursuant to Article XIV hereof.

Section 11. Exploration for Minerals. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in the Project or any portion thereof, nor shall oil wells, tanks, tunnels, or mineral excavations or shafts be permitted upon the surface of any portion of the Project or within five hundred (500) feet below the surface

of the Property, and no derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon any portion of the Project.

Section 12. Rubbish. All rubbish, trash and garbage shall be regularly removed from the Units by the Owners thereof, and shall not be allowed to accumulate thereon or on the Common Area.

Section 13. Improvements. Nothing shall be done in any Unit or in, on or to the Common Area which will impair the structural integrity of any building or which would structurally change any building within the Project without the prior written consent of the Architectural Committee. Nothing shall be altered or constructed in or removed from the Common Area, except upon the prior written consent of the Architectural Committee. All equipment, trash cans, wood piles, storage piles, clotheslines, machinery and equipment shall be kept screened and concealed from the view of neighboring Units, streets and Common Area by an appropriate screen or fence approved in writing by the Architectural Committee or part of the initial construction of the Project. Except within enclosed patios, no fences, hedges or walls shall be erected or maintained upon said Units or the Common Area, except such as are installed in accordance with Declarant's landscaping plans, or as approved in writing by the Architectural Committee. No exterior clotheslines shall be erected or maintained and there shall be no outside drying or laundering of clothes.

Section 14. Equipment. No power equipment, hobby shops or carpenter shops shall be maintained on the Project, except with the prior approval of the Board. No automobile overhaul or maintenance work, other than emergency work, shall be permitted in the Project.

Section 15. Common Area. The Common Area, except the buildings containing the Units, shall be improved and used only for the following purposes, such use being subject to this Declaration the By-Laws and the rules and regulations duly adopted by the Board:

- (a) Affording vehicular and pedestrian movement within the Project, including access to the Units.
- (b) Affording recreational activity in the swimming pool area within the Project subject to and in accordance with such rules and regulations.

Section 16. Encroachments. If any portion of the Common Area encroaches upon the Units, a valid easement for the encroachments and for the maintenance of same, so long as it stands, shall and does exist. In the event any building or building containing a Unit is partially or totally destroyed, and then rebuilt, the Owners agree that minor encroachments of parts of the Common Area due to construction shall be permitted and that valid easements for said encroachment and the maintenance thereof shall exist.

The Common Area is and shall always be subject to easements for minor encroachments thereon of the Units.

Section 17. Taxes. Each Owner shall pay any real and personal property taxes separately assessed against his respective Unit, and all utility charges separately metered or charged against his Unit, and such payments shall be made by each such Owner in addition to and separately from assessments otherwise payable by each such Owner to the Association.

Section 18. Parking. No Owner shall park his automobile or any other vehicle or permit his guests, tenants, invitees, servants or the members of his family to park their automobile or any other vehicle in any space (i.e.) the spaces assigned to said Owner by the Association or (ii) the spaces provided in the rules and regulations as may be adopted by the Board.

Section 19. Television and Radio Antenna. No poles, wires, machines, air conditioning units nor individual radio or television receiving or transmitting antennae or external apparatus shall be installed on or upon the exterior of any unit or of any portion of the Common Area, except that the Association shall maintain in effect either a central antenna system for television and radio (with appropriate external equipment) with connections provided to each Unit via underground or internal wall wiring, or alternatively a cable antenna system provided by a company or entity duly licensed to provide such service within the City of Redondo Beach. The provisions of this article shall not be amended, modified or changed without first obtaining the written consent of the City of Redondo Beach.

ARTICLE VIII

ARCHITECTURAL CONTROL

Section 1. Appointment of Architectural Committee. The Declarant shall initially appoint an Architectural Committee consisting of not less than three (3) members, who shall remain in office until: (a) two (2) years from the date of recordation of this Declaration; or (b) the recordation of deeds evidencing the conveyance by Declarant of ninety percent (90%) of the Condominiums in the Project, whichever shall first occur. From and after such time or event, as the case may be, the Architectural Committee shall be composed of the Board of Directors of the Association or of three (3) or more representatives appointed by the Board. Members of the Architectural Committee need not be members of the Association nor need they meet any other particular qualifications. In the event of the death or resignation of any member of the Architectural Committee prior to the time when the Board is vested with architectural authority as provided in this article, the Declarant shall have the right to appoint such member's successor. Any action taken by the Architectural Committee shall require the written approval of a majority of its members.

ARTICLE IX

SEVERABILITY OF COMPONENT INTEREST IN CONDOMINIUM

Section 1. Prohibited. Except upon certain circumstances described in Article XI, no Owner shall be entitled to sever his Unit from his undivided interest in the Common Area nor shall the respective undivided interests established and to be conveyed with each respective Unit be changed. The undivided interests in the Common Area established hereby and the fee title to the respective Units conveyed therewith shall not be separated, severed or separately conveyed, encumbered or otherwise transferred, and each such undivided interest in the Common Area shall conclusively be deemed to be conveyed, transferred or encumbered with its respective Unit even though the description in the instrument of conveyance or encumbrance may refer only to the Unit. It is intended hereby to restrict severability of the various components of a Condominium in the manner provided by Section 1355(g) of the Civil Code of California. Nothing herein contained shall be construed to preclude an Owner of any Condominium with any other person or persons.

ARTICLE X

DUTIES AND POWERS OF ASSOCIATION

Section 1. Administration of Project. The Owners and each of them, together with all parties bound by this Declaration covenant and agree that the administration of the Project shall be in accordance with the provisions of this Declaration, the Articles, the By-Laws and such rules and regulations as may be adopted by the Board, and amendments, changes and modifications thereto as may come into effect from time to time. In the event of any inconsistency between the provisions of this Declaration and the provisions of the Articles, the By-Laws or said rules and regulations, the provisions of this Declaration shall prevail.

Section 2. Organization Meeting. The members of the Association shall hold an organization meeting of the Association (the "organization meeting") within thirty (30) days following (a) the recordation of deeds evidencing the conveyance by Declarant of ten (10) Condominiums within the Project, or (b) the expiration of five (5) months following recordation of a deed evidencing the initial sale and conveyance by the Declarant of a Condominium within the Project, whichever first occurs. Declarant shall call the organization meeting and give notice of the time thereof in the manner set forth in the By-Laws. Thereafter annual and special meetings of the members of the Association shall be held as provided for by the By-Laws. At any meeting of the members of the Association Declarant shall be deemed to be the Owner of all Condominiums then owned by Declarant and shall be entitled to one (1) vote for each such Condominium.

Section 3. Authority of Board. Prior to the organization meeting, and thereafter until their successors are elected, the initial Board named in the Articles, or their duly appointed successors, shall manage the affairs of the Association. The Board of Directors as constituted from time to time, shall at all times be responsible for the day to day operation and management of the affairs of the Association and shall have the sole power and duty to perform and carry out the powers and duties of the Association as set forth in this Declaration and the By-Laws, together with the powers and duties otherwise expressly delegated to the Board by this Declaration or the By-Laws, except for action or activity expressly set forth herein or in the By-Laws, the Articles or the California Corporations Code as requiring the vote or assent of the members of the Association or a given percentage thereof. Without limiting the generality of the foregoing, the Board shall have the following powers and duties:

(a) The Board shall acquire and pay for out of the assessments levied and collected in accordance herewith, water, telephone, gas, electric powers, gardening service, refuse collection and other necessary utility services for the Common Area (and to the extent not separately metered or charged, for the Units).

(b) The Board shall maintain, or cause the Common Area and the landscaping, improvements, facilities, and structures thereof to be maintained and kept in a good state or repair, and acquire for the Association and pay for out of such assessments such services, furnishings, equipment, maintenance, painting and repair it may determine are necessary in order to keep and at all times maintain the Common Area and the facilities, landscaping, improvements and structures thereon in a good and sanitary state of condition and repair.

(c) Except as to taxes, bonds, levies and assessments levied separately against an individual Condominium and/or the Owner or Owners thereof, the Board shall pay all taxes, real and personal, and assessments, bonds and levies which are or would become a lien on the entire Project or the entire Common Area.

(d) The Board may, at its option, employ a Manager, independent contractors and such other employees as it deems necessary and prescribe their duties, and enter into contracts and agreements all for the purpose of providing for the performance of the business, powers and/or obligations of the Board or any portion thereof. Prior to the organization meeting the Board, on behalf of the Association, may employ a Manager and such other employees as it deems necessary. Any contract or agreement entered into with a Manager or employee shall provide by its

terms that it may be cancelled by the Board, as constituted from time to time, upon thirty (30) days written cancellation notice given at any time after the expiration of ten (10) months from the date of such agreement. Such Manager, if any, and all employees shall have the right of ingress and egress over and access to, such portions of the Project as may be necessary in order for them to perform their obligations.

(e) The Board, at any time, and from time to time may establish, by a majority vote of the Board, and without the consent of the members of the Association, such uniform rules and regulations as the Board may deem reasonable in connection with the use, occupancy and maintenance of the Units and the Common Area by Owners and their family members, servants, tenants, guests and invitees, and the conduct of such persons with respect to vehicles, parking, bicycle use, use of recreational facilities, control of pets and other activities which if not so regulated might detract from the appearance of the Project or offend or be offensive to or cause inconvenience, noise or danger to persons residing in or visiting the Project. Such rules and regulations shall be posted in a conspicuous place in the Common Area and the Board shall send a copy of such rules and regulations, together with amendments and additions thereto to each Owner upon receiving written notice of his status as an Owner.

(f) The Board, or its authorized agents may enter any Unit when necessary in connection with any maintenance, landscaping, repair or construction for which the Board is responsible or for any other purpose reasonably related to the performance by the Board of its powers or responsibilities. Such entry shall be made with as little inconvenience to the Owners as possible and shall be preceded by reasonable notice wherever the circumstances permit, and any damage caused thereby shall be repaired by the Board out of the common assessments.

(g) The Board shall levy assessments against the Owners and enforce payment thereof all in the manner and subject to the limitations set forth in this Declaration.

(h) The Board shall have the power to perform such other acts, whether expressly authorized by this Declaration or the By-Laws as may be reasonably necessary to (i) enforce any of the provisions of this Declaration, the By-Laws or the rules and regulations duly adopted by the Board, or (ii) carry out and perform its powers and responsibilities.

Section 4. Personal Liability. No member of the Board or of any committee of the Association, or any officer of the Association, or the Declarant, or the Manager, if any, shall be personally liable to any Owner, or to any other party, including

the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of the Association, the Board, the Manager or any other representative or employee of the Association, the Declarant, or the Architectural Committee, or any other committee, or any officer of the Association, or the Declarant, provided that such person has, upon the basis of such information as may be possessed by him, acted in good faith, and without willful or intentional misconduct.

ARTICLE XI

COVENANT AGAINST PARTITION

The right of partition of the Common Area is hereby suspended, provided, however, that an action may be brought by one or more Owners of Units within the Project for partition thereon by sale of the entire Project as if the Owners of all of the Condominiums in such Project were tenants in common in the entire Project in the same proportion as their interests in the common areas, provided, however, that a partition shall be made only upon a showing of the existence of one or more of the conditions set forth in Section 752b of the California Code of Civil Procedure, or:

(a) Two (2) years after damage or destruction to the Project which renders a material part thereof unfit for its use prior thereto, the Project has not been rebuilt or repaired substantially to its state prior to its damage or destruction; or

(b) That one-half (½) or more of the Project has been destroyed or substantially damaged and that condominium owners holding in aggregate more than fifty percent (50%) interest in the Common Areas are opposed to repair or restoration of the Project, or

(c) That the structure has been in existence in excess of the number of years shown on the following table, that is obsolete and uneconomic, and that the percentage of condominium owners holding in aggregate a percentage interest in the Common Areas as set forth in the following table are opposed to repair or restoration of the Project.

<u>Age of Structure</u>	<u>Percentage of Interest in Common Areas held by Condominium Owners</u>
30 years	70 percent
40 years	60 percent
50 years	50 percent
60 years	40 percent
70 years	30 percent

For the purposes of this Article, multiple Owners of a single Unit shall not be deemed possessed, in the aggregate, of any greater interest in the Common Area than that possessed by a single Owner.

ARTICLE XII

UTILITIES

Section 1. Utility Rights. The rights and duties of the Owners with respect to lines for sanitary sewer, water, electricity, gas, telephone, television cables and air conditioning, shall be governed by the following:

(a) Wherever sanitary sewer hose connections and lines, facilities and/or water hose connections and lines, or electricity, gas, telephone lines, air conditioning lines or television cables are installed within the Property, which connections, or any portion thereof, lie in or upon portions of the Property owned by others than the Unit Owner of a Unit served by said connections, the Unit Owners or any Unit served by said connection and the Board shall have the right, and both are hereby granted an easement to the full extent necessary therefor, to enter upon such portions of the Property or to have the utility companies enter thereupon to repair, replace and generally maintain said connection as and when the same may be necessary as set forth below.

(b) Wherever sanitary sewer hose connections and lines, facilities and/or water hose connections and lines or electricity, gas, telephone lines, air conditioning lines, or television cables are installed within the Property, which connections serve more than one Unit, the Owners of each Unit served by said connection shall be entitled to the full use and enjoyment of such portions of said connection as services his Unit.

(c) In the event any portion of said connection or line is damaged or destroyed through the negligent act or acts or failure to act, or willful misconduct of one Unit Owner or any of his agents, invitees, tenants, servants, guests or members of his family so as to deprive other Unit Owners of the full use and enjoyment of said connection or line, then such connection or line shall be repaired and restored by the Association, but at the expense of the Unit Owner who commits, or whose guests, agents or family members commit such act or acts.

(d) In the event any portion of such connection or line is damaged or destroyed by some cause other than the negligence or willful misconduct of one of the Unit Owners, his agents, guests, servants, tenants, invitees or members of his family (including ordinary wear and tear and deterioration from lapse of time) then in such event such connection or line shall be repaired and restored by the Board, such repair and restoration to be paid out of the assessments levied in accordance with this Declaration equally against all Owners.

(e) In the event of a dispute between Owners with respect to the repair or rebuilding of said connection or line, or with respect to the sharing of the cost thereof, then upon written request of one of such Owners addressed to the Association, the matter shall be submitted to the Board for a final and binding determination.

Section 2. Easements. Easements through the Units and Common Area for all facilities for the furnishing of utility services, television cable service and heating and air conditioning lines within any Unit which facilities shall include but not be limited to conduits, ducts, plumbing and wiring shall be appurtenant to each Unit, and all other Units and the Common Area shall be subject thereto; provided, however, that the easements for such facilities shall at all times be and remain substantially in accordance with the initial construction of the Project, or the Project as reconstructed upon damage or destruction pursuant to Article XIV hereof.

Section 3. Right of Public Entry to Common Area. The City of Redondo Beach, County of Los Angeles, State of California, and the Government of the United States, and any department, bureau or agency thereof, shall have the right of immediate access to all Common Areas of the Condominium development at all times for the purpose of preserving the public health, safety and welfare except in those instances where a portion of the Common Area is accessible only through a private unit. Notice of the foregoing right of entry in favor of governmental agencies shall be prominently displayed in the Common Areas of the Condominium development. The provisions of this Article shall not be amended, modified or changed without first obtaining the written consent of the City of Redondo Beach.

ARTICLE XIII

INSURANCE

Section 1. Public Liability Insurance. Comprehensive public liability insurance shall be purchased by the Board and shall be maintained in full force and effect at all times. Such insurance shall be obtained from reputable insurance companies authorized to do business in California. The amount of coverage shall be determined by the Board from time to time so as to provide such coverage as the Board may deem prudent, provided, however, that the minimum amounts of coverage shall be \$100,000.00 for personal injury to any one person, \$300,000.00 for any one accident or occurrence and \$50,000.00 for property damage. The premiums shall be paid for out of the common assessments levied and collected pursuant to this Declaration. Such policy shall name all Owners as insureds, including Declarant, during such time as Declarant shall remain an Owner of one of the Units, and also name as additional insureds, such persons or entities, including the

Association, the Board, the Manager, if any, and other agents or employees of the Board as the Board may deem necessary or required in order to insure the Association, the Board, the agents, guests and invitees thereof, and the Owners against liability to the public, the Owners, their guests, tenants, family members and invitees or any other persons whatsoever in connection with any damage or injury occurring in the Common Area or arising as a result of the ownership or use of the Common Area or any part thereof. Such policy shall otherwise be in such form and content and contain such endorsements as the Board deems appropriate, including, but not limited to cross-liability endorsement wherein the rights of named insureds shall not be insured and provisions to the effect that the act of any Owner or other insured shall not invalidate the provisions of the policy.

Section 2. Fire and Extended Coverage Insurance. A master or blanket fire insurance policy shall be purchased by the Board and shall be maintained in force at all times, the premium thereon to be paid for out of the common assessments levied against each of the Owners in accordance with this Declaration. Such insurance shall be carried with reputable insurance companies qualified to do business in the State of California, and shall insure against loss from fire and such other hazards as the Board may deem appropriate, and shall insure all structures and improvements upon the Project and all personal property owned by the Association or by all the Owners as tenants in common for not less than one hundred percent (100%) of the full insurable replacement cost value thereof (as determined annually by the Board in conjunction with the insurance company issuing such policy). Such policy shall contain vandalism and malicious mischief coverage, together with such other coverage, endorsements and adjustment clauses as the Board deems appropriate. Such policy shall name the Board as insured as trustee for the benefit of all the Owners, including Declarant, for so long as Declarant is an Owner of any Condominium within the Project. Such policy shall name the respective mortgagees of the Owners as their respective interests may appear and shall provide for the issuance of certificates of such endorsements evidencing the insurance as may be required by any insured. The Board may select such deductible, franchise, or franchise deductible provisions which, in its opinion, are consistent with good business practices in connection with the purchase of such policy.

Section 3. Use of Proceeds. All insurance proceeds available under Section 2 of this Article XIII shall be paid to the Board and be held for the benefit of the Owners, mortgagees, and such other persons, as their respective interests shall appear, and shall be paid out in accordance with Article XIV of this Declaration.

Section 4. Additional Insurance. The Board may, at its option, purchase and maintain in force at all times demolition

insurance in adequate amounts to cover demolition in the event of destruction and the decision not to rebuild. The premium therefor shall be paid for out of the common assessments levied against all the Owners in accordance with this Declaration. Such policy, if purchased, shall contain a determinable demolition clause, or similar clause, to allow for coverage of the cost of demolition in the event of destruction and decision not to rebuild. The Board shall also purchase and maintain workmen's compensation insurance to the extent that the same shall be required by law for employees of the Board. The Board may also purchase and maintain fidelity bonds, insurance on commonly owned personal property, and such other insurance as it may deem necessary, the premiums thereon to be paid for out of the common assessments levied against all of the Owners in accordance with the provisions of this Declaration.

Section 5. Owner Insurance. Any Owner may, at its option, and at its sole cost and expense, purchase personal liability and personal property insurance as he may desire; provided, however, that such policy or policies shall include a waiver of subrogation clause. The existence of such policy or policies shall not alter the obligations of the Board to obtain insurance as herein provided. Under no circumstances shall the Board be required to purchase any insurance covering the personal property of the Owners, or any of them.

Section 6. Authority of Board. Each of the Owners, and every other person named or covered as an insured in connection with any of the policies purchased by the Board hereby irrevocably delegates to the Board any authority which it may otherwise have to negotiate loss settlements with the appropriate insurance carriers. The Board shall have the sole and exclusive authority and right to negotiate any such loss settlements, provided, however, that any execution of a loss claim form and release form in connection with the settlement of a loss claim shall be binding on all of the Owners, and upon any other person named as an insured on any such policy or policies only upon the execution thereof by a majority of the members of the Board.

ARTICLE XIV

DESTRUCTION OF IMPROVEMENTS

Section 1. Reconstruction Without Election by Owners. In the event of a total or partial destruction of any improvements in the Project, and if the available proceeds of the insurance carried pursuant to Article XIII of this Declaration are sufficient to cover not less than ninety percent (90%) of the cost of repair or reconstruction thereof, the same shall be promptly repaired and rebuilt unless, within one hundred twenty (120) days from the date of such destruction, not less than seventy-five percent (75%) of the Owners present and entitled to vote, in person or by proxy,

at a duly constituted and called annual or special meeting of the members at which a quorum is present, determine that such reconstruction shall not take place. If reconstruction is to take place, the Board shall be required to cause to be executed, acknowledged, filed and recorded in the office of the Los Angeles County Recorder a certificate declaring the intention of the Owners to rebuild, such certificate to be executed by any officer of the Association duly authorized to execute the same by the Board.

Section 2. Reconstruction by Consent of Owners. If the proceeds of such insurance are less than ninety percent (90%) of the costs of reconstruction, such reconstruction may nevertheless take place if a majority of the Owners present either in person or by proxy and entitled to vote at a duly noticed and called annual or special meeting of the members at which a quorum is present elect to rebuild. In the event of an election to rebuild, a certificate as provided in Section 1 shall be executed, acknowledged, filed and recorded as provided for in such Section 1 hereof.

Section 3. Assessments. In the event of a determination to rebuild pursuant to either Sections 1 or 2 above, each Owner shall be obligated to contribute such funds as shall be necessary to pay his proportionate share of the cost of reconstruction, over and above the insurance proceeds. The proportionate share of each Owner as to such assessment shall be the same as his proportionate interest in the Common Area, and such assessment shall be due and payable in full within thirty (30) days after written notice thereof.

Section 4. Obligation of Board. The Board shall obtain bids from at least two (2) reputable contractors, and if a determination to rebuild is made in accordance with either Section 1 or 2 of this Article XIV, the Board shall award reconstruction work to the lowest bidder; provided, however, that the Board shall not be required or authorized to award such contract until it has sufficient monies, whether from insurance or the collection of special assessments levied in accordance with this Article XIV with which to pay the cost of reconstruction as reflected by the bid to be accepted by the Board. The Board, upon awarding said contract shall thereafter be authorized to disburse monies to the contractor in accordance with said contract out of the insurance proceeds held by the Board and the special assessments levied and collected by the Board in accordance with this Article XIV. It shall be the obligation of the Board to take all steps necessary to assure the commencement and completion of such reconstruction at the earliest possible date. All such reconstruction shall be in accordance with the original plans of construction of the Project.

Section 5. Determination Not to Rebuild. If a certificate of intention to rebuild has not been filed and recorded in accordance with either Section 1 or Section 2 hereof

within nine (9) months from the date of any partial or total destruction of the Project, or if reconstruction and rebuilding has not actually commenced within such nine (9) month period:

(a) Any insurance proceeds available for such rebuilding shall be distributed among the Owners and the individual lenders by the Board as their respective interests may appear. The proportionate interest of each Owner in said proceeds, in relation to the other Owners, shall be as indicated on Exhibit "A" attached hereto and incorporated by reference.

(b) The conditions for partition as set forth in Subdivision 4 of Section 752(b) of the California Code of Civil Procedure shall be deemed to have been satisfied and the right of any Owner to partition his Condominium through legal action shall forthwith revive.

Section 6. Interior Damage. Restoration and repair of any damage to the interior of any individual Unit shall be made by and at the individual expense of the Owner of that Unit and, in the event of a determination to rebuild after partial or total destruction, shall be completed as promptly as practical and in a lawful and workmanlike manner.

ARTICLE XV

CONDEMNATION

Section 1. Condemnation. In the event that an action for condemnation is proposed or commenced by any governmental body having the right of eminent domain, the following provisions shall apply.

(a) If such action, or proposed action, is for the condemnation of the entire Project, upon the unanimous consent of all the Owners, the Project may be sold to such government body prior to judgment and the proceeds of such sale shall be distributed to the Owners and their lenders, as their respective interests shall appear. The proportionate interest of each Owner in the proceeds of the sale shall be as indicated on Exhibit "A" attached hereto and incorporated by reference. Lacking such unanimous consent, the compensation for the taking shall be distributed in like manner, unless said judgment shall, by its terms, apportion such compensation among the individual Condominium Owners.

(b) If such action, or proposed action, is for the condemnation of only a portion of the Common Area, the compensation for the taking shall be distributed to the Owners, as provided in subparagraph (a) above.

ARTICLE XVI

GENERAL PROVISIONS

Section 1. Enforcement. The Board, or any Owner, shall have the right to enforce, by any proceeding at law or in equity all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Board or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. A waiver of any such right shall be only pursuant to an instrument in writing signed by the party to be charged with such waiver and shall be limited to the particular covenant, condition, or restriction contained herein which is expressly set forth as being waived in such writing.

Section 2. Term. The covenants contained herein shall run with the land and shall be binding on all parties and all persons claiming under them until January 1, 2033, after which time the covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument executed by not less than three-fourths (3/4) of the Owners shall be recorded cancelling and terminating this Declaration January 2, 2033.

(a) Notwithstanding anything to the contrary herein contained, no interest or right in the foregoing real property, of any kind or character, shall vest in any person twenty-one (21) years following the death of the survivors of the following named persons: Gerald C. Ford, President of the United States; his wife, his daughters and his sons.

Section 3. Amendments. This Declaration may be amended only by an instrument executed and acknowledged by (i) record Owners or their legally appointed and duly authorized guardian, conservator, executor or administrator, of at least seventy-five percent (75%) of the Condominiums in the Project, and (ii) the holders of all Prior Deeds of Trust which are of record prior to the effective date of such amendment and as to which the Board has received notice in accordance with the provisions of Section 7 of this Article XVI. Any such amendment shall become effective immediately upon the recordation in the Office of the Los Angeles County Recorder of an instrument complying with the requirements of this Section 3, and any other attempt to in any way amend the provisions of this Declaration shall be null and void and of no effect.

Section 4. Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a Condominium Project, and this Declaration shall be construed and governed in accordance with California law.

Section 5. Use by Declarant During Construction and Sale. Notwithstanding any provisions herein contained to the contrary, it shall be expressly permissible for Declarant to maintain during the period of construction and sale of improvements upon the Project such facilities as, in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the construction and sale of said improvements, including but without limitation, a business office, storage areas, construction yards, signs, model units and sales offices.

Section 6. Mortgagee Protection. No breach of any provision herein contained nor the enforcement of any assessment lien as provided herein shall defeat or render invalid the lien of any Prior Deed of Trust made in good faith and for value encumbering any Condominium but all of the provisions hereof shall be binding upon and shall be effective against any Owner whose title is derived through judicial foreclosure or trustee's sale or otherwise.

Section 7. Notification as to Mortgagees. Each Condominium Owner shall notify the Board through the Secretary of the Association of the name and address of the holders of all Prior Deeds of Trust encumbering such Owner's Condominium. Each Owner shall likewise notify the Board through the Secretary of the Association as to the release or discharge of any such Prior Deeds of Trust. In addition, the holder of any Prior Deed of Trust encumbering a Condominium within the Project may notify the Board through the Secretary of the Association of such holder's identity and address and a description of the Condominium which such holder's Prior Deed of Trust encumbers. The Board shall maintain a record of the names and addresses of the holders of Prior Deeds of Trust as to which it receives notice pursuant to the provisions of this Section 7 and shall provide the holders of all such Prior Deeds of Trust as to which it receives notice pursuant to the provisions of this Section 7 with written notification as follows:

(a) Written notification at least thirty (30) days prior to the effective date of (i) any change of the Manager, if any, (not including change in employees of a corporation manager) or (ii) any change in this Declaration, the Articles, the By-Laws or the Condominium Plan.

(b) Written notification of any default by an Owner of the obligations of such Owner established by this Declaration, the Articles or the By-Laws which is not cured within thirty (30) days after default; provided, however, that such written notification shall be provided only to holders of Prior Deeds of Trust as to which the Board is given notice pursuant to this Section 7 which encumber the Condominium (or Condominiums) owned by the Owner in default.

Section 8. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any of the provisions hereof shall not affect the validity of the remaining provisions.

Section 9. Successors and Assigns. This Declaration shall inure to the benefit of and be binding upon the successors and assigns of Declarant, and to the heirs, personal representatives, grantees, lessees, successors and assigns of the Owners.

Section 10. Remedies Cumulative. Each remedy provided for by this Declaration for breach of any of the covenants, conditions, restrictions, reservations, liens or charges contained herein shall be in addition to any other available remedy whether provided for by law or in equity, and all of such remedies whether provided for by this Declaration or otherwise shall be cumulative and not exclusive.

Section 11. Delivery of Notices and Documents. Any written notice or other documents relating to or required by this Declaration may be delivered personally or by mail. If by mail, such notice, unless expressly provided herein or in the By-Laws to the contrary with regard to the type of notice being given, shall be deemed to have been delivered and received forty-eight (48) hours after a copy thereof is deposited in the United States mail, postage and fees prepaid, addressed as follows:

(a) If to an Owner, other than Declarant, to the address of any Condominium in the Project owned by him, in whole or in part, or to the address last furnished by such Owner for the purpose of giving notice and delivering documents to the Board. Each Owner, other than Declarant, shall file in writing with the Board promptly upon becoming an Owner his address for the purpose of giving notice and delivering documents, and shall promptly notify the Board in writing of any subsequent change of address.

(b) If to Declarant, whether in its capacity as Owner, or in any other capacity:

Curtis G. Frame
P. O. Box 325
Redondo Beach, California

(c) Prior to the organization meeting, notices to the Board shall be addressed to the address set forth in this Section 11 for the giving of notice to the Declarant. Thereafter, notices to the Board shall be addressed to the Secretary of the Association, and the Board shall cause the address of the Secretary

DEED

REDONDO PACIFIC CONDOMINIUM

SCHEDULE OF FRACTIONAL INTERESTS IN THE COMMON AREAS

Unit No.	Parcel No.	Square Feet	Percentage of Total
1.	101	1723.15	6.3275
2.	102	1342.61	4.9380
3.	103	1646.74	6.0967
4.	104	1345.85	4.9500
5.	105	1345.85	4.9500
6.	106	1637.55	6.0228
7.	201	1755.15	6.4400
8.	202	1342.61	4.9380
9.	203	1646.74	6.0567
10.	204	1345.85	4.9500
11.	205	1345.85	4.9500
12.	206	1637.55	6.0228
13.	301	1755.15	6.4400
14.	302	1342.61	4.9380
15.	303	1646.74	6.0567
16.	304	1345.85	4.9500
17.	305	1345.85	4.9500
18.	306	<u>1637.55</u>	<u>6.0228</u>
		Total: 27,189.25	Total: 100.000%

JUN 23 1976

EXHIBIT "A"

ATTN: GINA

98- 788535

WHEN RECORDED, MAIL TO:

Kelly M. Allegra, Esq.
WOLF, RIFKIN & SHAPIRO, LLP
11400 West Olympic Boulevard
Ninth Floor
Los Angeles, California 90064-1555

RECORDED/FILED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA
8:04 AM MAY 11 1998

CERTIFICATE OF THIRD AMENDMENT

TO

DECLARATION OF RESTRICTIONS

FOR

FEE \$22	1
DAF \$2	
C-20	6

REDONDO PACIFIC TOWERS ASSOCIATION, INC.

THIS AMENDMENT to the Declaration of Restrictions for Redondo Pacific Towers Association, Inc. ("Association") is made this 21st day of April, 1998, with reference to the following facts:

A. The Association's Declaration of Restrictions was recorded as Instrument No. 4545 in the Official Records of Los Angeles County, California on May 23, 1976, and was amended by Instrument No. 5435, on July 23, 1976, and by Instrument No. 97-1511862 on September 30, 1997, (collectively, the "Declaration"), and encumbers that certain property as shown on Exhibit "A" attached hereto; and,

B. The consent of the requisite number of "Owners" of the "Association" as such terms are defined in the Declaration having been obtained, the Declaration is amended as set forth herein.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING:

1. Article VI, Section 2(a) of the Declaration is hereby deleted in its entirety and replaced with the following language:

"The Board shall collect and retain a maintenance fund sufficient to meet all authorized expenditures of the Board

hereunder and to provide adequate reserves for replacement of such portions of the Project as may become in need of repair. Such collection shall be known as the Regular Monthly Assessment. During the month of November of each year, the Board shall estimate its total cash requirements for performance of its functions hereunder during the following calendar year. The estimate shall include a reasonable provision for contingencies and replacements and shall take into account any anticipated income. The amount thus estimated shall be assessed to each Unit in the proportion to the number of bedrooms contained in each Unit as set forth in Exhibit "A" to this Declaration. One-twelfth (1/12) of the amount assessed shall be due and payable on the first day of each calendar month during the succeeding calendar year."

2. Article VI, Section 5 of the Declaration is hereby deleted in its entirety and replaced with the following language:

"Special and Emergency Assessments shall be assessed against and charged to each Owner and his or her Condominium in the same manner prescribed for the allocation of Monthly Assessments in Article VI, Section 5(a). Monthly and Special Assessments shall be collected on a monthly basis and Emergency Assessments shall be paid in full within thirty (30) days from notice thereof. If a Special Assessment is assessed during a calendar year in accordance with Section 3 of this Article VI, it shall be prorated over the number of months remaining in the calendar year in which it is so assessed."

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3. Exhibit "A" to the Declaration is hereby deleted in its entirety and replaced with the following language:

SCHEDULE OF FRACTIONAL INTERESTS IN THE COMMON AREAS

Unit No.	Parcel No.	Bedrooms	% of Total
1	101	3	6.16
2	102	2	4.95
3	103	3	6.16
4	104	2	4.95
5	105	2	4.95
6	106	3	6.16
7	201	3	6.16
8	202	2	4.95
9	203	3	6.16
10	204	2	4.95
11	205	2	4.95
12	206	3	6.16
13	301	3	6.16
14	302	2	4.95
15	303	3	6.16
16	304	2	4.95
17	305	2	4.95
18	306	3	6.16
		Total:	99.99

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EXHIBIT "A"

Legal Description

Lot 1 of Tract 32358 in the City of Redondo Beach, County of Los Angeles, State of California, Per Map recorded as Book 860, Pages 49 to 50 of Maps in the Office of the Los Angeles County Recorder.

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4. Except as the same is hereinabove amended, the Declaration, and each and every provision thereof, shall continue in full force and effect.

IN WITNESS WHEREOF, the undersigned, being the President and Secretary of the Redondo Pacific Towers Association have executed this instrument on the date and year first written above.

Richard E. Bradburn
President

Cheng Lin
Secretary

98- 788535

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.

On April 27, 1998, before me, Claudia M. Spooner, the undersigned Notary Public, personally appeared Richard E. Brookline, personally known to me (or proved to me on 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.

Claudia M. Spooner
Notary Public



STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.

On April 28, 1998, before me, Aurelio A. Martinez, the undersigned Notary Public, personally appeared Cheryl Lynn Sikes, personally known to me (or proved to me on 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.

Aurelio A. Martinez
Notary Public



(SEAL)

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