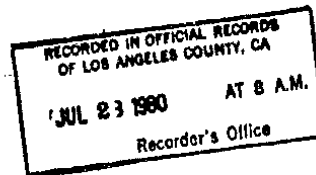


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WHEN RECORDED RETURN TO:

GERALD A. WEINSTEIN, ESQ.
15915 Ventura Blvd., P-3
Encino, California 91436

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

COLONIAL REGENCY CONDOMINIUMS

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Indy Subdivision - PG. 25

CORINTH AVENUE, LTD., a California Limited Partnership, referred to as "Declarant", is the owner of that certain real property ("the project") subject to this Declaration, located in the City and County of Los Angeles, State of California, and more particularly described as follows:

Lot 1 of Tract 36985, in the City of Los Angeles, County of Los Angeles, State of California, as shown on Map filed in Book 952, Pages 27-28, of Maps, in the Office of the County Recorder of said County.

Declarant hereby declares as follows:

1. Declarant intends to improve the project with a structure consisting of sixteen (16) "apartment" units and related improvements.

2. Declarant hereby establishes by this Declaration a plan for the individual ownership of the real property estates consisting of the area or space contained in each of the units (as hereinafter defined) in the structure and the co-ownership by the individual and separate owners thereof, as tenants in common, and as hereafter set forth, of all of the remaining real property of the project which is hereinafter referred to as the "common areas".

3. Declarant hereby establishes a condominium as defined in California Civil Code Section 783.

D E C L A R A T I O N

Declarant, the fee owner of the project, hereby makes the following declaration as to division, easements, rights, liens, charges, covenants, servitudes, restrictions, limitations, conditions and uses to which the project may be put, hereby specifying that such declaration shall operate for the mutual benefit of all owners of the project and shall constitute covenants to run with the land and shall be binding on and for the benefit of Declarant, its successors and assigns, and all subsequent owners of all or any part of the project, together with their grantees, successors, heirs, executors, administrators, devisees and assigns, for the benefit of the project, and shall be imposed upon all of the project as a servitude in favor of each and every other owner thereof as the dominant tenement.

A. DEFINITIONS:

The following definitions shall be applicable to this Declaration:

1. "Association" means COLONIAL REGENCY HOME-OWNERS ASSOCIATION, its successors and assigns.

2. "Board" or "Board of Directors" may be used interchangeably herein and shall mean the Board of Directors of the Association as the same may, from time to time be constituted.

3. "By-Laws" means the By-Laws adopted by the Association, including any amendments or additions thereto.

4. "Declaration" means this Declaration of Covenants, Conditions and Restrictions, together with any amendments, supplements or modifications hereto.

5. Wherever the word "Deed of Trust" is used herein, it shall mean and be synonymous with the word "Mortgage", and the same may be used interchangeably with the same meaning; and likewise, the word "Trustor" shall be synonymous with the word "Mortgagor", and the word "Beneficiary" shall be synonymous with the word "Mortgagee".

6. "Member" means every person or entity who holds membership in the Association.

7. "Mortgage" means the conveyance of any condominium or other portion of the project to secure the performance of an obligation, which conveyance shall be void upon the due performance of said obligation.

8. "Mortgagor" means a person or entity to whom a mortgage is made; "Mortgagee" means person or entity who mortgages his or its property to another, i.e., the maker of a mortgage.

9. "Owner" means the record owner, whether one or more persons or entities, of a condominium which is a part of the project, including contract sellers, but excluding those who have such interest merely as security for the performance of an obligation.

10. "Rules and Regulations" means those rules and regulations adopted by the Association or its Board, including any amendments or additions thereto.

11. "Person" means a natural person, corporation, partnership, association, firm or other entity as the context may require.

12. "Single Family" means one or more persons each related to the other by blood, marriage or legal adoption, or a group of not more than four persons not all related, together with his or their domestic servants, maintaining a common household in a unit.

B. CONDOMINIUM PLAN.

Incorporated herein by this reference thereto is that certain Condominium Plan ("the Condominium Plan") which describes the division of the project into condominiums in accordance with California Civil Code Section 1351, and which is to be recorded in the Official Records in the Office of the County Recorder of Los Angeles, California.

C. DESCRIPTION OF PROJECT.

Declarant, in order to establish a plan of condominium ownership for the project, hereby covenants and agrees that it hereby divides the project into the following separate freehold estates:

1. Unit.

Each of the multifamily units, as separately shown, lettered, numbered and designated on the Condominium Plan shall be a separate freehold estate and shall be defined and referred to as a "unit". Each of the units consists of the spaces designated as indicated on the Condominium Plan and the following schedule of units:

<u>Unit No.</u>	<u>Designated Spaces</u>
Number 1	Air Spaces 1A, 1B and 1D
Number 2	Air Spaces 2A, 2B and 2D
Number 3	Air Spaces 3A, 3B and 3D
Number 4	Air Spaces 4A, 4B and 4D
Number 5	Air Spaces 5A, 5B and 5D
Number 6	Air Spaces 6A, 6B and 6D
Number 7	Air Spaces 7A, 7B and 7D
Number 8	Air Spaces 8A, 8B, 8C and 8D
Number 9	Air Spaces 9A, 9B and 9D
Number 10	Air Spaces 10A, 10B and 10D

<u>Unit No.</u>	<u>Designated Spaces</u>
Number 11	Air Spaces 11A, 11B and 11D
Number 12	Air Spaces 12A, 12B and 12D
Number 13	Air Spaces 13A, 13B and 13D
Number 14	Air Spaces 14A, 14B and 14D
Number 15	Air Spaces 15A, 15B and 15D
Number 16	Air Spaces 16A, 16B and 16D

(a) Each of Air Spaces 1A through 16A is an apartment within an existing building located within this project. The boundaries of each such apartment are the interior unfinished surfaces of the perimeter walls, floors, ceilings, windows and doors thereof and each such apartment includes the surfaces so described, the portions of the building and improvements lying within said boundaries (except as stated in Subparagraph (h) below) and the air spaces so encompassed.

(b) Each of Air Spaces 1B through 16B is a first, second or third floor balcony within the existing building located within this project. The boundaries of each such balcony are as follows:

i. The lower vertical boundary is the surface of the finished floor thereof.

ii. The upper vertical boundary is a horizontal plane, the elevation of which coincides with the upper elevation of Air Spaces 1A through 16A, inclusive, respectively.

iii. The lateral boundaries are the exterior finished surfaces of the perimeter walls, windows, and doors of the adjoining Air Spaces 1A through 16A, respectively, where they exist, otherwise the lateral boundaries are vertical planes at the limits of the horizontal dimensions shown on the condominium plan.

Each such balcony includes the improvements lying within said boundaries (except as stated in Subparagraph (h) below) and the air spaces so encompassed.

(c) Air Space 8C is a third floor balcony within the existing building located within this project. The boundaries of such balcony are as follows:

i. The lower vertical boundary is the surface of the finished floor thereof.

ii. The upper vertical boundary is a horizontal plane, the elevation of which coincides with the upper elevation of Air Spaces 1A through 16A, inclusive, respectively, where they exist, otherwise the upper vertical boundary is as shown on the condominium plan.

iii. The lateral boundaries the exterior finished surfaces of the perimeter walls, windows and doors of the adjoining Air Spaces 1A through 16A, respectively, where they exist, otherwise the lateral boundaries are vertical planes at the limits of the horizontal dimensions shown on the condominium plan.

Such balcony includes the improvements lying within said boundaries (except as stated in Subparagraph (h) below) and the Air Spaces so encompassed.

(d) Each of the Air Spaces 1D through 16D, inclusive, are parking spaces, for parking use exclusively in connection with the use of the respective unit. The boundaries of each such parking space are as follows:

i. The lower vertical boundary is the finished surface of the finished floor thereof.

ii. The upper vertical boundary is the surface of the finished ceiling thereof.

iii. The lateral boundaries are the interior finished surfaces of the adjacent perimeter walls, where they exist, otherwise the lateral boundaries are vertical planes at the limits of the horizontal dimensions shown on this Condominium Plan.

Each such parking space includes the improvements lying within said boundaries (except as stated in subparagraph (h) below) and the air space so encompassed by said boundaries.

(e) The boundary lines of all Air Spaces Elements shall intersect at right angles unless otherwise indicated on the Condominium Plan.

(f) All dimension ties to the exterior property lines of the project are at right angles to the exterior property lines unless otherwise indicated on the Condominium Plan.

(g) All dimension ties from exterior property lines are to the interior unfinished surfaces of the adjacent Air Space Elements unless otherwise indicated on the Condominium Plan.

(h) The following are not part of the unit: bearing walls, columns, vertical supports, horizontal supports, floors, roofs, slabs, foundations, beams, common stairways, and hallways, reservoirs, tanks, pumps, air ducts and other central services, equipment, pipes, ducts, flues, chutes, conduits, wires and other utility installations, wherever located, servicing more than one unit, (except the outlets thereof when located within and servicing only a particular unit).

(i) In interpreting deeds, declarations and plans, the existing physical boundaries of the unit or of a unit reconstructed in substantial accordance with the original plans thereof shall be conclusively presumed to be its boundaries rather than the metes and bounds (or other description) expressed in the deed, plan or declaration, regardless of minor variance between boundaries shown on the plan or in the deed and declaration and those of the building.

(j) Each owner shall have the right and duty to paint, repaint, tile, wax, paper or other refinishing and decorate the inner surfaces of the walls, ceilings, floors, windows and doors bounding his apartment and shall have the right and duty to maintain the floor and ground surfaces of his patio or balcony and where the surface is composed of dirt the owner shall have the right to plant and maintain landscaping thereon subject to any rules or regulations adopted by the Association and provided that such landscaping is not unsightly or detrimental to the project.

2. Common Areas.

A freehold estate consisting of an undivided interest in the remaining portion of the project as described and referred to herein as the "common areas" or "common area". The common areas shall include without limitation the multi-family structure (except for the Units), the solid earth of the lot upon which such structure is located and the air space above such structure, all bearing walls, columns, supports, floors, roofs, slabs, foundations, ducts, and other central services equipment, pipes, ducts, flues, chutes, conduits, wires and other utility installations, wherever located, servicing more than one unit (except the outlets therefrom which are located within and servicing only a particular unit), lawns, pavement, trees and all other landscaping on the lot on which the multi-family structure is located.

3. Parking Spaces.

The use of the parking spaces granted to an owner as a part of a unit does not entitle such owner to alter, change, or add to, in any way, the surfaces or structural parts of such parking space(s).

4. Undivided Interest in Common Areas.

The undivided interest in the common areas hereby established which shall be conveyed with each respective unit as follows: an undivided one-sixteenth (1/16) of the common areas. The undivided interests established and to be conveyed with the respective units cannot be changed and Declarant, its successors and assigns, and grantees covenant and agree that the restricted common areas and the fee titles to the respective units conveyed therewith shall not be separated or separately conveyed or encumbered even though the description in the instrument of conveyance or encumbrance may refer only to fee title to the unit.

5. Condominiums.

Each unit together with the respective undivided interest in the common areas and right of use in the restricted common areas specified and established herein is defined as a "condominium" and the ownership of each condominium shall include a unit, such undivided interest in the common areas, and such right of use in the restricted common areas.

D. OWNER'S PROPORTIONATE SHARE OF RECEIPTS, EXPENSES AND VOTING RIGHTS

The proportionate share of each owner of each condominium in the receipts and common expenses in the common areas, as well as the proportionate representation for voting purposes in the Association, shall be one-sixteenth (1/16). The owner of more than one condominium shall be entitled to and obligated for a proportionate share for each such condominium owned.

E. MANAGEMENT OF PROJECT.

The common business, affairs and management of the project shall be conducted by the Association, as provided in this Declaration and the By-Laws.

1. Membership in the Association.

(a) An owner of a condominium shall automatically, upon becoming the record owner thereof, be a member of the Association and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease.

(b) The owners of all condominiums covenant and agree that the administration of the project shall be in accordance with the provisions of this Declaration, and the By-Laws. In the event that any of the matters of the By-Laws are in any way inconsistent with any matters of this Declaration, then any such matters in this Declaration shall prevail.

(c) Each owner, tenant or occupant of a condominium shall comply with the provisions of this Declaration, the By-Laws, rules and regulations and resolutions of the Association, or its duly authorized representative, all as lawfully amended, from time to time, and failure to comply with any such provisions, decisions, or resolutions, shall be grounds for an action to recover sums due for damages or for injunctive relief.

(d) The membership in the Association held by any condominium owner shall not be transferred, pledged,

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or alienated in any way, except that such membership may be pledged to a lending institution as additional security for a loan which is also secured by the condominium, and upon the transfer of such condominium. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association. In the event the owner of any condominium shall fail or refuse to transfer the membership registered in his name to the transferee of such condominium, the Association shall have the right to record the transfer upon the books of the Association and issue a new certificate to the Transferee, and thereupon the old certificate outstanding in the name of the transferor shall be null and void as though the same had been surrendered. A membership shall survive the death of a member and may be transferred in the manner herein provided.

2. Powers, Rights and Duties of the Association.

(a) The Association shall have the following rights, powers and duties, in addition to those provided elsewhere in this Declaration and those adopted in its By-Laws and Rules and Regulations:

(1) To enforce the provisions of this Declaration.

(2) To pay taxes, special assessments and other liabilities which are or would become a lien on the entire project.

(3) To levy assessments and to perfect and enforce liens as hereinafter provided.

(4) To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent owners, provided, however, that the vote of a majority of the members, excluding Declarant, shall be required to borrow in excess of \$1,000.00.

(5) To make reasonable rules and regulations for the operation and use of the project and to amend them from time to time, provided that any rule or regulation may be amended or repealed by an instrument in writing signed by the owners of a majority of the condominiums.

(b) Whenever this Declaration or the By-Laws require the approval or consent of the Association, said approval or consent shall mean the written approval of the Board unless otherwise provided by this Declaration or the By-Laws.

3. Maintenance, Repairs and Alterations.

Notwithstanding the existence of any insurance covering a condominium owner, the Association, or both

against loss, damage and destruction, the Association, and each owner shall have the affirmative obligations for maintenance, repair and restoration as set forth herein.

(a) Maintenance and Repair of Common Areas.

The Association shall maintain the common areas, and such maintenance shall include, but not be limited to, mowing and care of lawns and other landscaping, replanting or redesigning of the landscaped areas, and repairing the exterior of the project's building structure. No owner shall do anything which would interfere with the Association's maintenance of the landscaped areas and exterior of the structure. The cost of such maintenance shall be assessed in accordance with Section F, except that the cost of any such maintenance, repair or replacement which results from the negligence or willfulness of a particular owner, his guest or any occupant of his unit, shall be added to such owner's regular monthly assessment and shall be an assessment, lien and obligation of such owner as provided in Section F.

(b) Damage to Interiors of Units.

(1) Should the windows or interior of any unit or any part thereof not part of the common areas, be damaged or destroyed by any cause, the owner whose unit is damaged or destroyed shall, at his own cost and expense, repair and restore the same or cause the same to be repaired and restored substantially in accordance with the original plans and specifications for the unit. All such repair and restoration work and the plans and specifications therefore shall be done and approved in accordance with all applicable laws, ordinances, regulations and building codes.

(2) Should the windows or interiors of more than one unit or any parts thereof, not part of the common areas, be damaged or destroyed by any means, the owners of each of the units shall bear their proportionate costs of the work performed to repair, rehabilitate, and restore the same. In the event of a dispute between the responsible parties as to the apportionment of such costs, the Association shall fix and apportion them to and between the responsible parties and the determination of the Association shall be conclusive and binding.

(c) Maintenance and Repair of Interior of Units.

Each owner shall maintain his unit, at his own cost and expense, in good order and repair in accordance with the original plans and specifications for the unit, and shall not do or permit or suffer anything to be done in such unit which will or may have a tendency to decrease the attractiveness or value of the project or the other units therein. Each owner's obligation to maintain

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and repair his unit shall include, but not be limited to, plumbing, electrical, heating and air conditioning, water heating and appliances, outlets, devices and equipment which are within said owner's unit and service only his unit or which are designated and assigned to his unit in the Condominium Plan.

(d) Restricted Common Area Maintenance.

Each owner shall keep the interior and floor and ground surfaces of the parking space or spaces, designated for his exclusive use, in a reasonably sanitary and clean condition.

(e) Failure of Owner to Repair or Maintain.

In the event an owner shall have failed for a period of sixty (60) days to maintain, repair, restore and/or rebuild his unit or restricted common area, as required by Section E(3), the Association shall have the right through its officers, agents and employees to repair, restore and/or rebuild the same, and the Association may assess the costs thereof as an assessment upon the condominium of the owner whose unit or restricted common area was so repaired, maintained, restored and/or rebuilt.

(f) Right of Entry.

The Association through its duly authorized officers, agents or employees, shall have the right, after reasonable notice to the owner, to enter upon any unit at reasonable hours for the purpose of performing its rights and duties under this Section E. To the extent reasonably necessary for the performance of his duties under this Section E, each owner, upon obtaining written approval from the Board, shall have a right to enter the common areas and/or units adjoining his unit at reasonable times and after reasonable notice to the unit owner or Association, as the case may be. Thus, the project is subject to easements for repair, maintenance and restoration, as set forth in the preceding sentences, provided, however, that any person (including the Association) who exercises said right shall be responsible for restoring the easement area so used to its condition prior to such use.

F. ASSESSMENTS.

1. Each owner of a condominium, including Declarant with respect to unsold units, shall be subject to the following assessments in amounts to be determined by the Association:

(a) Regular maintenance assessments equal to the owner's proportionate share of the actual costs to the Association of all repairs, landscaping, maintenance, water

and other utilities, hazard and liability insurance, and other expenditures relating to the common areas. Said cost shall include contributions to reasonable reserves established by the Association for the payment of the aforementioned expenditures.

(b) Special assessments, fines and such other assessments as are provided for under this Declaration or by the By-Laws, provided that special assessments to be used for capital expenditures exceeding 5% of the budgeted gross expenses of the Association for that fiscal year shall be subject to the vote of a majority of the voting power of the membership, as defined in the By-Laws, excluding the Declarant.

2. Each owner shall pay all assessments levied upon his condominium (whether pursuant to this or any other provision hereof) to the Association within ten (10) days of the mailing or delivery of an invoice for the same to said owner. The Association may, in addition to said assessments, charge and assess costs (including reasonable attorneys' fees) and penalties and interest for the late payment or nonpayment thereof. No owner of a condominium may exempt himself from liability for his share of assessments and costs by waiving the use or enjoyment of any of the common areas or by abandoning the unit.

3. Such assessments (including late or nonpayment charges) shall, if not paid within thirty (30) days from the date said assessments are due, become a lien upon the owner's condominium and shall continue to be such a lien until fully paid and shall also be the personal obligation of the owner of the condominium at the time the assessment fell due, subject to the following conditions:

(a) Such lien shall become effective against any such condominium only upon the recording of the Association of a Notice of Lien, in accordance with California Civil Code Section 1356, in the Office of the County Recorder of Los Angeles County, California.

(b) Any action brought to foreclose such lien must be commenced within two years following such recordation; provided, however, that said period may be extended by the Association for a period of not to exceed one additional year by recording a written extension thereof.

(c) Any such lien shall not defeat nor render invalid nor rank the lien of any first mortgage or deed of trust affecting any condominium, made in good faith and for value and recorded in the office of said County Recorder prior to the recordation of any such lien, and any such lien shall be subordinate and subject to the lien of any such prior recorded first mortgage or deed of trust.

4. The Association, and/or any owner on its

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behalf, is hereby vested with the right and power to bring at its option any and all actions against the owners for the collection of said assessments which are not paid when due, and to enforce the aforesaid lien by any and all methods available for the enforcement of contractual obligations or liens including, without limitations, the right to bring personal action against the owner on such debt, the right to foreclose such lien in a method provided by law for foreclosure of a mortgage, and the right to sell by public or private sale the owner's interest, which may be enforced by the Association, its attorney, or other persons authorized to bring such action or make such sale. A sale of an owners' interest shall be conducted in accordance with the provisions of Section 2924, 2924b and 2924c of the Civil Code of California (or any similar statutory provisions that may hereafter exist). The association shall have the power to bid on the property sold in its own name and to hold, lease, mortgage and convey the same for the benefit of all the owners. All rights and remedies granted to the Association hereunder shall be cumulative and the exercise of one or more rights or remedies shall not constitute a waiver or election preventing the use of other rights or remedies. The Association shall be entitled to collect from a defaulting owner all costs and attorneys' fees incurred in connection with any legal action commenced for the purpose of collecting said assessments and/or enforcing said lien.

5. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Association and after due notice and hearing, the voting rights and right to use of the recreational facilities if any, of such member may be suspended by the Board until such assessment has been paid. Such rights of a member may also be suspended, after notice and hearing, for a period not to exceed thirty (30) days, for any single infraction of any rules and regulations established by the Board governing the use of the common areas and facilities.

6. Except as otherwise provided in paragraphs 3(a), (b) and (c) of Section F hereof, and Article VIII, Section 2 of the By-Laws, all regular and special assessments shall be assessed equally against each owner in accordance with Section D, hereof. Regular assessments shall commence as to all units on the first day of the month following the closing of the first sale of a subdivision interest to the purchaser hereof.

7. Notwithstanding any provisions of this Section F, the governing body of the Association may not, without the vote or written assent of a majority of the voting power of the Association residing in members other than the subdivider:

(1) Impose a regular annual assessment per condominium interest which is more than 20% greater than the regular assessment for the immediately preceding fiscal year; or

(2) Levy special assessments to defray the cost of any action or undertaking on behalf of the Association which in the aggregate exceed 5% of the budgeted gross expenses of the Association for that fiscal year, except in the case where the special assessment against the member is a remedy utilized by the governing body to reimburse the Association for costs incurred in bringing the member and his condominium interest into compliance with the provisions of the governing instrument for the subdivision.

G. INSURANCE.

1. Casualty Insurance.

The Association on behalf of the condominium owners shall at all times keep the project insured against loss and damage by fire with a standard extended coverage endorsement in an amount equal to the full replacement cost thereof without deduction for depreciation, said insurance to be held in the name of the Association as trustee for all condominium owners according to their respective interests. The policies shall provide that losses shall be adjusted with and payable to the Association for the account of all interested parties, and the Association shall designate a bank or trust company to act as depository for any insurance proceeds. Every policy of insurance held by the Association shall:

(a) be primary to and shall not be affected by any right of setoff, pro rata or contribution by reason of any insurance held by an individual condominium owner;

(b) provide that such policy may not be cancelled until at least thirty (30) days prior written notice of cancellation has been given by the insurer to the Association;

(c) contain a waiver of subrogation rights by the insurer as against the Association, its Board and Officers and the individual condominium owners;

(d) provide that any reference to a mortgagee in such policy shall mean and include all holders of mortgages of any unit or units of the project;

(e) provide that such insurance shall not be invalidated as to any interest of any mortgagee by any act or omission to act by the Association;

(f) provide that, without affecting any protection afforded by such mortgage clause, any proceeds payable under such policy shall be payable to the bank or trust company designated by the Association.

2. Liability Insurance.

The Association shall at all times maintain in full force and effect a comprehensive liability insurance policy in a face amount of not less than \$500,000/\$1,000,000 which policy shall insure the Association, the Board, Officers and the condominium owners against liability for bodily and personal injuries, and operations in connection with the management, maintenance and use of the common areas, including property damage in a minimum amount of \$100,000. The comprehensive liability insurance policy mentioned herein shall provide for a thirty (30) days' prior written notice of cancellation to be given by the insurer to the Association, and shall be primary to and shall not be affected by any right of setoff, proration or contribution by reason of any insurance held by an individual condominium owner.

3. Workmen's Compensation.

The Association shall obtain workmen's compensation and employer's liability insurance to the extent required by law.

4. Choice of Insurance Company.

All policies of insurance obtained by the Association or its Board as provided in this Section G shall be obtained from an insurance company qualified to do and doing business in the State of California and holding a rating of "AAA" or better by Best's Insurance Reports and may be obtained from one or more companies.

H. COVENANTS AND RESTRICTIONS REGARDING USE.

1. Except as provided in Paragraph 11 of this Section H (respecting Declarant's use of the project), the project shall be used solely for residential use and each condominium shall be used solely for single family residential use.

2. Subject to such rules and regulations as the Association may adopt, dogs, cats, or other household pets may be kept, provided they are not kept, bred, or maintained for any commercial purpose, and are controlled on a leash when outside their master's unit. Any pet deemed a nuisance by the Association shall be removed from the premises. Except as provided in the preceding sentences, no animals, of any kind, shall be raised, bred or kept on the project.

3. The project's parking spaces shall be solely for parking passenger vehicles, unless written approval is otherwise obtained from the Association.

4. No resident of the project shall post any

advertisements, signs, or posters of any kind for public display, except for a sign of customary and reasonable dimension advertising a unit for sale; provided, however, that this restriction shall not limit the right of the Declarant to display or have displayed signs advertising the sale or lease of the project or the units therein.

5. No unit or other part of the project shall be used in such manner as to unreasonably obstruct or interfere with the enjoyment of other residents or to annoy them by unreasonable noises or otherwise; nor shall any nuisance or immoral or illegal activity be committed or permitted to occur, or any noxious or offensive activity be carried on within the project.

6. No owner, resident, or lessee shall install wiring for electrical or telephone installations, television antennae, machines or air conditioning units on the exterior of the buildings of the project, or wiring that protrudes through the walls or the roof of the buildings except as authorized by the Association.

7. Except as otherwise provided in this Declaration, there shall be no obstruction of the common area, nor shall anything be kept or stored in the common areas (except for designated storage areas) nor shall anything be altered, constructed or planted in, or removed from the common areas, without the prior written consent of the Association.

8. No owner shall permit anything to be done or kept in his unit or in the common areas which will result in any increase of the Association's insurance premiums or the cancellation of insurance on any part of the project, or which would be in violation of any law. No waste shall be committed in the common areas.

9. No owner shall cause or permit anything to be replaced on the outside walls of his unit, and no sign, awning, canopy, window air conditioning unit, shutter, or other fixture shall be affixed to or placed upon the exterior walls or roof of any building or any part thereof, without the prior written consent of the Association.

10. The common areas shall be kept free of rubbish, debris and other unsightly or unsanitary materials.

11. Until Declarant has completed all of the contemplated improvements and closed the sales of all of the condominiums, neither the owners nor the Association shall interfere with the completion of the contemplated improvements and the sale of the condominiums. Declarant and its authorized agents and assigns may make such use of the unsold units and of the common areas as may facilitate completion and sale, including, but not limited to, maintenance of model homes and

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sales and construction offices, the showing of the project and the units therein; provided, however, that Declarant shall not unreasonably interfere with any owner's use and enjoyment of the project.

12. No owner or lessees, except for Declarant shall make, or cause to be made, any alteration, repair or addition to his unit which would substantially affect the exterior appearance thereof or create a risk of harm to the project, or impair any easement, without the prior written approval of the plans and specifications therefore by the Board. If the Board fails to approve or disapprove plans and specifications within thirty (30) days of submission, they shall be deemed approved.

13. All owners, lessees, guests and occupants of units shall abide by the By-Laws and any rules and regulations adopted by the Association.

I. RESTRICTIONS ON TRANSFER.

1. No transfer of a condominium shall be of any force or effect until the owner who transfers the condominium notifies the Association in writing of the name and address of the transferee, the nature of the transfer and the unit involved, as well as such other information relative to the transfer and the transferee as the Association may reasonably request; and any executed copy of the instrument of transfer shall accompany said notice. Except for transfers by foreclosure as provided in Subparagraph 2 below, all transfers shall be subject to this paragraph, including, but not limited to, transfers occurring by reason of sale, lease, gift, devise or inheritance.

2. In the event of transfer by judicial foreclosure or by Trustee's sale under the terms of a deed of trust, the transferee shall, within 20 days of transfer, advise the Association in writing of the name and address of the Transferee, the nature of the transfer and the unit involved, as well as such other information relative to the transfer and the transferee as the Association may reasonably request; and a certified copy of the instrument of transfer shall accompany said notice.

3. The provisions of Section I shall not apply to Declarant.

J. DESTRUCTION OF PROJECT.

1. Bids and Insurance Proceeds.

As soon as practicable after the damage or destruction of all or any portion of the common areas, the Board of Directors shall (1) obtain bids from at least two (2) reputable contractors, licensed in California, which bids shall set forth in detail the work required to repair, recon-

struct and restore the damaged or destroyed portions of the common area to substantially the same condition as they existed prior to such damage and the itemized cost of such work, and (ii) determine the amount of all insurance proceeds available to the Association, as trustee or otherwise, for the purpose of effecting such repair, reconstruction and restoration and the amount of proceeds of insurance purchased by the Association which will not be made available to the Association for such purpose by reason of the payment of such proceeds to Mortgagees holding mortgages encumbering condominiums within the project.

2. Sufficient Insurance Proceeds.

In the event of damage or destruction to all or a portion of the common area and the insurance proceeds available to the Association, as trustee or otherwise, are sufficient to effect the total repair, reconstruction and restoration of the damaged or destroyed common area, then the Association shall cause such common area to be repaired, reconstructed and restored to substantially the same condition as the same existed prior to such damage or destruction.

3. Insurance Proceeds Partially Sufficient.

In the event of damage or destruction to all or any portion of the common area and the insurance proceeds available to the Association, as trustee or otherwise, are sufficient (when added to any sums actually received by the Association as a result of any special assessment) to cover at least eighty-five percent (85%) of the cost of such repair, reconstruction and restoration, the Association shall promptly cause the common area to be repaired, reconstructed and restored to substantially the same condition as said common area existed prior to such damage, the difference between the insurance proceeds available to the Association for such purpose and the actual cost of such repair, reconstruction and restoration shall be specially assessed to each owner in accordance with his proportionate share; provided that, notwithstanding anything herein contained to the contrary, no repair, reconstruction or restoration provided for in this Section shall be conducted if, within sixty (60) days from the date of such damage or destruction, the owners otherwise entitled to vote, which owners holding in the aggregate more than a seventy-five percent (75%) interest in the common area, determine that such repair, reconstruction and/or restoration shall not take place.

4. Insurance Proceeds Less Than Eighty-Five Percent (85%) of the Cost to Restore.

If the proceeds of insurance available to the Association, as trustee or otherwise, are insufficient (when added to any sums actually received by the Association as the result of any special assessment) to cover at least

eighty-five percent (85%) of the cost of repair, reconstruction and restoration to the damaged or destroyed common area, then the owners otherwise entitled to vote, which owners hold in the aggregate more than a seventy-five percent (75%) interest in the common area, shall determine whether (i) to repair, reconstruct and restore the damaged or destroyed common area and specially assess all owners for all additional funds needed for such purpose or (ii) not to repair, reconstruct or restore the damaged common area but to distribute the insurance proceeds available for such reconstruction together with any other sums otherwise available to the Association for such purpose to the owners (including the Declarant with respect to any retained or unsold condominium), in proportion to the relative fair market value of each owner's condominium prior to destruction as compared to the total fair market value of all units as determined by an appraisal by a qualified independent appraisal. Such appraisal shall be obtained by the Board and paid for out of, or charged against, the proceeds available for distribution and shall be made as of a time immediately prior to the destruction and to the extent to which the units involved have been affected by the destruction. Such allocation made by the Board shall be final and binding on the owners, mortgages and the Association. All distributions shall be subject to (i) the rights of the Mortgagees holding mortgages encumbering condominiums within the project and (ii) all unpaid regular and/or special assessments together with any interest charges attributable thereto.

5. Reconstruction.

If repair, reconstruction and restoration are to take place in accordance with provisions hereof, the Board shall (i) enter into a written contract with a contractor licensed in California and submitting the lowest reasonable bid for such repair, reconstruction and restoration, (ii) disburse insurance proceeds available for said work and funds collected by reason of special assessments authorized therefor in appropriate progress payments and (iii) take all steps necessary to ensure the commencement and completion of such repair, reconstruction and restoration in a lawful, workmanlike manner at the earliest possible date.

6. Certificate of Intention.

After any vote of the owners as provided in this section with respect to whether to repair and restore or not to repair and restore all or any portion of the common area, the Board of Directors shall, within thirty (30) days after such vote, cause to be executed, acknowledged and recorded in the Office of the County Recorder for the County of Los Angeles, State of California, a certificate setting forth the intention to repair and restore the common area or not to repair and restore the common area. Immediately upon the recordation of such a certificate setting forth the intention of the owners not to repair and restore the damaged portions of the common area, the right of partition suspended by Section K shall be revived.

7. Revision of Condominium Documents.

In the event it is the determination and

vote of the owners, as provided herein, not to repair, reconstruct or restore any damaged portion of the common areas, or not to repair the same, the Board of Directors shall, as soon as practicable after the recordation of the certificate of intention described in Section J(6), cause to be prepared, filed and/or recorded any revised subdivision map, condominium plan or other documents, reports, schedules, or exhibits necessary to show the change or altered status of the project, including, without limitation, the elimination of one or more of the units as a result of such damage. The cost (including attorneys' fees) of the preparation, filing and/or recordation of any document, map, report, schedule or exhibit referred to herein shall be specially assessed to the owners in accordance with their proportionate share.

K. PARTITION.

1. Except as provided in California Civil Code Section 1354, there shall be no judicial partition of the common areas, nor shall Declarant or any person acquiring any interest in the project, or any part thereof, seek any judicial partition thereof; provided, however, that if any condominium shall be owned by two or more owners as tenants in common or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition as between such owners.

2. The Association, acting through its Board of Directors, is hereby granted an irrevocable power of attorney to sell the entire project for the benefit of all the owners when partition of the project may be had under California Civil Code Section 1354, which shall:

(a) be binding on all owners;

(b) be exercisable only after prior approval of not less than a majority of owners in the project; and

(c) be exercisable only after recordation by the duly authorized officers of the Association of a Certificate setting forth compliance with the foregoing conditions, which certificate shall be conclusive evidence thereof in favor of any person relying thereon in good faith.

I. CONDEMNATION.

In the event the project or any portion thereof shall be taken or condemned by any authority under the power of eminent domain, all compensation and damages relating to the land and improvements shall be payable to the Association as trustee for all condominium owners and mortgagees in the same manner and in the same proportions as provided for in Section J4 of this Declaration relating to distribution of insurance proceeds.

M. AMENDMENT.

The Declaration may be amended by the vote or written assent of members representing 67% of the total voting power of the Association and 67% of the votes of members other than the subdivider, provided, however, that the percentage of the voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause or provision, and provided further that any amendments to Section E3(a), Section G1, or Section P2, relating to maintenance and repair of common areas, casualty insurance, and mortgage protection, respectively, shall require the written consent of the majority of the holders of the beneficial interests in the first mortgages encumbering the individual units of this project.

N. TERM OF RESTRICTIONS.

This Declaration shall remain in full force and effect for a period of forty (40) years from the date hereof. Thereafter, they shall be deemed to have been renewed for successive terms of ten (10) years each unless revoked or amended by an instrument in writing, executed and acknowledged by the owners of a majority of the condominiums within the project, which said instrument shall be recorded in the Office of the County Recorder of Los Angeles County, California, within ninety (90) days prior to the expiration for the initial effective period hereof or any ten (10) year extension.

O. NOTICES.

Any notice required to be sent to any member of the Association under the provisions of this Declaration shall be deemed to have been received when mailed with proper postage prepaid to the last known address of the person who appears as member on the records of the Association at the time of such mailing.

P. MISCELLANEOUS.

1. Enforcement of Restrictions.

After the date on which this instrument has been recorded, these covenants, conditions, servitudes, rights, reservations, limitations, liens, charges, and restrictions may be enforced by any and all of the available legal remedies, including, but not limited to, injunction, declaratory relief, and action to abate a nuisance by the Association which shall have the right and duty to enforce the same and expend assessment funds in pursuance thereof, and/or by any one or more condominium owner, except that no such owner shall have the right, except on behalf of the Association, to enforce any assessment, lien or charge created herein. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.

2. Mortgage Protection.

No breach of this Declaration shall defeat

or render invalid the lien of any first mortgage or first deed of trust made in good faith and for value. However, each and all of the provisions hereof shall be binding upon and effective against any owner whose title thereto is acquired by or through trustee's sale or foreclosure, except that said person who acquires title in such manner shall take title to said condominium free of the lien hereof for all assessments that have accrued up to the time of trustee's sale or foreclosure, but subject to the lien hereof for all charges that shall accrue subsequent thereto. The breach of any of the provisions hereof may be enjoined, abated, or reviewed by appropriate proceedings, notwithstanding the lien or existence of any such mortgage or deed of trust.

3. Interpretation.

The provisions of this Declaration shall be liberally construed to effectuate its purposes of creating a general plan for the development and operation of the project.

4. Severability.

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof.

5. Easement of Encroachments.

If any portion of the common areas encroach upon the units, a valid easement for the encroachment and for maintenance of same, so long as it stands, shall and does exist. In the event the multifamily structure is partially or totally destroyed and then rebuilt, the owners of the units agree that minor encroachments of parts of the common areas due to construction shall be permitted and that valid easements for such encroachments and the maintenance thereof shall exist. Common areas shall always be subject to easements for minor encroachments thereon of the unit; and a nonexclusive easement for ingress and egress and support through common areas is appurtenant to each unit and common areas are subject to such easements. There is reserved to the Association, its agents and contractors, an easement in gross over the common areas for the performance generally of its rights and duties as provided in this Declaration.

6. Power of Attorney.

To the extent necessary to carry out and enforce the provisions of this Declaration, an irrevocable

power of attorney coupled with an interest is granted to the Association by the owners, provided, however, that this section shall not affect, limit or abridge, in any way, the rights reserved by Declarant in this Declaration.

7. Limitation of Liability.

Neither the Declarant (nor its agents or employees) nor the Association, nor its Board (nor any member thereof), nor its officers (nor any of them), shall be liable for any failure to provide any service or perform any duty, function or responsibility designated or provided in this Declaration or the By-Laws to be performed by the same, or for injury and/or damage to persons or property caused by fire, explosion, the elements or by another owner or person in the project or resulting from electricity, water, rain, dust or sand which may leak or flow from outside any unit or from any pipes, drains, conduits, appliances or equipment, or from any other place or cause unless caused by the gross negligence of Declarant, the Association, its Board or officers.

8. Indemnification.

The Association shall and does hereby indemnify the Board (and each member thereof), the officers of the Association (and each of them), against all expenses and liabilities, including attorneys' fees, reasonably incurred by such person or persons in connection with any proceeding to which he may be a part, by reason of his being or having been a Board member, or officer of the Association, except in such cases where he has committed a willful misfeasance or malfeasance in the performances of his duties.

Q. TRANSFER OF COMMON AREAS.

Declarant shall transfer common areas and facilities to the Association prior to or coincident with the first transfer or conveyance of a subdivision interest by subdivider. Such transfer shall be subject to the right of the subdivider for a period of 180 days for common driveway purposes, for drainage and encroachment purposes and for ingress and egress from the common areas for the purpose of completing improvements thereon and for the performance of necessary repair work.

R. ENFORCEMENT OF BONDED OBLIGATIONS.

To provide for the enforcement of Declarant's performance under a bond given to secure the performance of the Declarant's commitment to complete the improvements, the Board of Directors of the Association shall meet to consider and vote on the question of action by the Association

to enforce the obligations under the Bond with respect to any improvement for which a Notice of Completion has not been filed within 60 days after the completion date specified for that improvement in the Planned Construction Statement appended to the Bond. If the Association has granted in writing an extension for the completion of any common area improvement, the Board shall meet to consider and vote on the aforesaid question if a Notice of Completion has not been filed within 30 days after expiration of the extension. If the Board decides not to initiate any action to enforce the above obligations, a special meeting of the members of the Association shall convene for the purpose of voting to override the Board's decision. The meeting shall be held not less than 15 days nor more than 30 days after receipt by the Board of a petition for such a meeting signed by the members representing 10% of the total voting power of the Association, excluding the subdivider. A vote at such meeting of a majority of the voting power of the Association members, excluding the subdivider, to take action to enforce the obligations under the Bond shall be deemed to be the decision of the Association and the governing body shall thereafter implement such decision by initiating and pursuing appropriate action in the name of the Association.

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IN WITNESS WHEREOF, the undersigned, being the
Declarant herein has executed this instrument on this 15th
day of July, 1980.

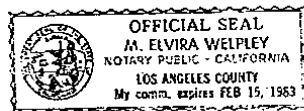
CORINTH AVENUE, LTD., a California
Limited Partnership
BY KEW INVESTMENT ENTERPRISES, INC.,
General Partner

By *Lawrence V. Klein*
President

By *Thomas B. Crisp*
Secretary

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } ss.

On this 15th day of July, 1980, before
me M. Elvira Welpley, a notary public in and for
said State personally appeared Lawrence V. Klein
known to me to be the President and Thomas B. Crisp
known to me to be the Secretary of Kew Investment Enterprises,
Inc., the corporation that executed the within instrument
as general partner of Corinth Avenue, Ltd., a limited partner-
ship and known to me to be the persons who executed the within
instrument on behalf of the corporation herein named, and
acknowledged to me that such corporation executed the same,
as such general partner; and acknowledged to me that such
limited partnership executed the same.



M. Elvira Welpley
NOTARY PUBLIC

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SUBORDINATION

The undersigned, Imperial Bank, a California corporation
_____, Beneficiary under that certain Deed
of Trust recorded August 10, 1979 as Instrument No. 79-886625
_____, Official Records, Los Angeles County, Calif-
ornia, does hereby consent to each and all of the provisions contained
in the within instrument (The Declaration of Covenants, Conditions, and
Restrictions for Colonial Regency Condominiums, Tract No. ____
(name of Project)
36985, and does hereby agree that the lien and charge of
said Deed of Trust shall be, and is hereby made, subordinate to, junior
to and subject to said within instrument and the entire effect thereof.

Date: July 11, 1980Beneficiary

Imperial Bank, a California Corp.

Silvio Gordon ✓
Barbara Kuo

Notary Jurat attached

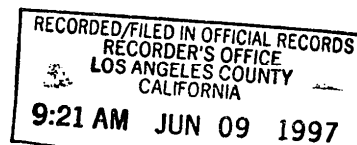
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RECORDING REQUEST BY
Colonial Regency
Homeowners Association
WHEN RECORDED MAIL TO

NAME Fenigstein & Kaufman

MAILING ADDRESS 1900 Avenue of the Stars,
Suite 2300
CITY, STATE Los Angeles, CA
ZIP CODE 90067-43-14

97- 853558



SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

TITLE(S)

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

First Amendment to Declaration of Covenants, Conditions and Restrictions
Establishing A Plan For Condominium Ownership For Colonial Regency Condominiums

R428 6/94

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**RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:**

**COLONIAL REGENCY
HOMEOWNERS ASSOCIATION**
c/o Fenigstein & Kaufman
1900 Avenue of the Stars, Suite 2300
Los Angeles, CA 90067

**FIRST AMENDMENT
TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP
FOR COLONIAL REGENCY CONDOMINIUMS**

THIS FIRST AMENDMENT TO DECLARATION is made this 17th day of May, 1997, by the Colonial Regency Homeowners' Association, a California non-profit mutual benefit corporation, with reference to the following facts:

A. WHEREAS, the DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS of COLONIAL REGENCY CONDOMINIUMS was recorded in the Office of the Los Angeles County Recorder's Office on July 23, 1980 as Instrument No. 80-699454 (the "Declaration") to establish a plan of condominium ownership for the real property commonly known as 11337 Nebraska Avenue, Los Angeles, California, and legally described in Exhibit "A" attached hereto (the "Property"); and,

B. WHEREAS, the Declaration provides that the Colonial Regency Homeowners Association ("Association") shall be empowered to maintain the commons areas, and levy assessments, among other things.

NOW, THEREFORE, the Declaration is hereby amended in the following respects:

1. Paragraph F(2) of the Declaration is hereby amended and restated to read, as follows:

"2. Each owner shall pay all regular and special assessments levied upon his condominium (whether pursuant to this or any other provision hereof) to the Association postmarked by the 15th day of each month. The Association may, in addition to said assessments, charge and assess costs (including reasonable attorneys' fees), penalties and interest for the late payment or the nonpayment thereof. Penalties for the late payment of monthly assessments shall be \$10.00

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per missed payment, assessable each month that such assessment is unpaid and outstanding. No owner of a condominium may exempt himself from liability for his share of assessments and costs by waiving the use and enjoyment of any of the common areas or by abandoning his unit."

2. Paragraph F(7) of the Declaration is hereby amended and restated to read as follows:

"7. Notwithstanding any provisions of this Section F, the governing body of the Association may not, without the vote or written assent of a majority of the voting power of the Association residing in the members other than the subdivider:

(1) Impose a regular annual assessment per condominium interest which is more than 5% greater than the regular assessment for the immediately preceding fiscal year; or,

(2) Levy special assessments to defray the cost of any action or undertaking on behalf of the Association which in the aggregate exceed 5% of the budgeted gross expenses of the Association for that fiscal year, except in the case where special assessment against the member is a remedy utilized by the governing body to reimburse the Association for costs incurred in bringing the member and his condominium interest into compliance with the provisions of the governing instrument for the subdivision."

3. Paragraph H(2) of the Declaration is hereby amended and restated to read as follows:

"2. Subject to such rules and regulations as the Association may adopt, dogs, cats, or other household pets may be kept at the project, provided they are not kept, bred, or maintained for any commercial purposes, and are controlled on a leash when outside a unit and on the project, and provided further that cats shall be permitted in the courtyard of the project without a leash while the owner remains present. Any pet deemed a nuisance by the Association shall be removed from the premises. Except as provided in the preceding sentences, no animals of any kind shall be raised, bred, or kept on the project."

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4. Except as set forth herein, the Declaration remains in full force and effect and unchanged in any way.

IN WITNESS WHEREOF, the undersigned officers of the Association hereby certify that the foregoing First Amendment, and the changes to the Declaration set forth therein, have been voted upon and approved by 67% of the total voting power of the Association in accordance with Section M of the Declaration, and execute this First Amendment as of the date set forth above.

COLONIAL REGENCY HOMEOWNERS' ASSOCIATION,
A California non-profit mutual benefit corporation

By: Barbara Goldstein
BARBARA GOLDSTEIN,
President

By: Jane Wortman
JANE WORTMAN,
Secretary

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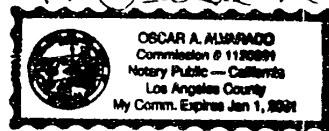
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STATE OF CALIFORNIA)
) SS.
 COUNTY OF LOS ANGELES)

On this 17 day of May, 1997, before me, the undersigned, a Notary Public in and for said State, personally appeared **BARBARA GOLDSTEIN**, ~~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, and that 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.

05-17-97



Barbara Goldstein
 Signature

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

On this 17 day of May, 1997, before me, the undersigned, a Notary Public in and for said State, personally appeared **JANE WORTMAN**, ~~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, and that 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.



Jane Wortman
 Signature

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EXHIBIT "A"

LEGAL DESCRIPTION

Lot 1 of Tract No. 36985, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 353, Pages 97 through 98 of Maps, in the Office of the County Recorder of Los Angeles County, California.

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