

CC&Rs (Required Civil Code Sec. 4525)
The Village Condominium Owners Association Inc.

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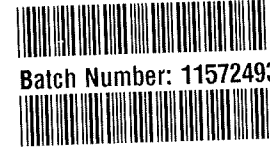
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**RESTATED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**

**THE VILLAGE CONDOMINIUM OWNERS'
ASSOCIATION, INC.**

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Judge Deirdre Hill of the Los Angeles County Superior Court heard the Association's Petition brought under Corporations Code §7515 to approve the following Restated Declaration of Covenants, Conditions and Restrictions for The Village Condominium Owners' Association, Inc. in accordance with the Petition assigned Case No. 19TRCP00390. The Petition was granted as indicated in the September 4, 2020 Court Order attached hereto.

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6

FILED
Superior Court of California
County of Los Angeles
09/04/2020

Sherri R. Carter, Executive Officer / Clerk of Court
By: M. Rivera Deputy

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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF LOS ANGELES**

10 IN RE:
11 PETITION OF THE VILLAGE
12 CONDOMINIUM OWNERS'
13 ASSOCIATION, INC. FOR ORDER
APPROVING RESTATEMENT OF CC&RS.

Case No. 19TRCP00390

Case Assigned To: Hon. Deidre Hill

~~PROPOSED~~ ORDER PARTIALLY
GRANTING PETITIONER THE
VILLAGE CONDOMINIUM OWNERS'
ASSOCIATION, INC.'S VERIFIED
PETITION FOR AN ORDER REDUCING
REQUIRED VOTING PERCENTAGE

[Corp. Code § 7515]

Date: August 7, 2020
Time: 8:30 a.m.
Dept: M

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20 On August 7, 2020, Honorable Deidre Hill presided in Department M at 8:30 a.m. at
21 Petitioner, THE VILLAGE CONDOMINIUM OWNERS ASSOCIATION, INC.'S Motion for
22 Reconsideration for denying the Verified Petition and request to partially grant the Verified Petition,
23 by striking section 7.8 of the Restated CC&Rs. Petitioner appeared by Counsel, Jason A. Savlov of
24 Adams Stirling PLC. Various Respondents also appeared. Good cause appearing.

25 IT IS ORDERED AS FOLLOWS:

- 26 1) The Petitioner's Motion for Reconsideration is granted.
27 2) The Petitioner's Verified Petition is partially granted as follows:

28 ///

1 It is "unduly difficult" under the current voting system for the Association to reach consent
2 to adopt the proposed Restated CC&Rs which are affixed to this Order ("Restated CC&Rs"). As
3 such, the Court may authorize another method for approving the Restated CC&Rs which is "fair and
4 equitable under the circumstances." (Corp. Code §7515(a).)

5 The Court finds that permitting the adoption of the Restated CC&Rs based on the majority
6 approval of the valid votes cast at such meeting is fair and equitable under the circumstances.

7 The Court strikes section 7.8 of the Restated CC&Rs.

8 Pursuant to original CC&Rs, the first mortgagees are to receive thirty (30) days notice of
9 proposed amendments, therefore the Association is to provide copies of the Restated CC&Rs to the
10 first mortgagees it has within its records and allow thirty (30) days from the issuance of this order
11 before recording the Restated CC&RS.

12 This Order and the Restated CC&Rs shall be recorded with the Los Angeles County
13 Recorder's Office.

14 The Association shall inform its members of this Order and the adopted Restated CC&Rs by
15 first-class mail.

16 DATED: 09/04/2020
17 _____, 2020



Deirdre Hill

JUDGE OF THE SUPERIOR COURT
Deirdre Hill / Judge

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2566 Overland Avenue, Suite 730
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**RESTATED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**

**THE VILLAGE CONDOMINIUM OWNERS'
ASSOCIATION, INC.**

a California nonprofit mutual-benefit corporation

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THE VILLAGE CONDOMINIUM OWNERS' ASSOCIATION, INC.

a California nonprofit mutual-benefit corporation

THIS RESTATED Declaration of Covenants, Conditions and Restrictions ("CC&Rs") is made by all Persons who own Units in that certain real property planned residential development known as The Village Condominium Owners' Association, located in Redondo Beach, Los Angeles County, California. These CC&Rs shall apply to and bind all properties previously covered by covenants, conditions and restrictions. Without reducing the number of properties covered by these CC&Rs, the CC&Rs shall apply to the following properties:

Lot 1 of Tract No. 31193 as per Map recorded in Book 825, Pages 11 and 12 of Maps in the Official Records of Los Angeles County, California, and Parcels 4 and 10 of Official Map No. 12, as per Map recorded in Book 5, pages 21, 22, and 23 of Maps in the Official Records of said County.

The Association and its Members are subject to an Agreement for Sharing Use of Recreational Facilities ("Shared Use Agreement") dated July 27, 1973 with Lyon Living, originally made with Lincoln Property Partners T, a California limited partnership, which Shared Use Agreement provides the parties to it with certain rights and responsibilities regarding the Association's Members (including their guests, tenants, families, and invitees) right to use certain shared facilities including a pool, gym, and spa owned and operated by Lyon Living, commonly known as The Ocean Club Apartments, and located adjacent to the Association. Nothing contained in these CC&Rs shall interfere or otherwise modify the Shared Use Agreement which remains in full force and effect and is attached hereto as **Exhibit C**.

By this instrument, the Members of the Association hereby revoke the previous declaration of covenants, conditions and restrictions recorded on June 8, 1973, as Recorder's Document No. 2284, as well as all amendments thereto, and substitute in their place these CC&Rs, which shall:

1. *Benefit Members.* Be for the benefit of Members of the Association;
2. *Benefit the Development.* Be for the benefit, enhancement and protection of the desirability, value and attractiveness of the Development and each Unit therein;
3. *Bind Successors in Interest.* Inure to the benefit of and be binding upon each successor in interest of the Association, each Member, Tenant, Resident, and occupant of any portion of the Development, as well as their respective heirs, personal representatives, grantees, Tenants, licensees, successors and assigns; and

4. *Run With the Land.* Run with the land and be binding upon all parties having or acquiring any right, title or interest in the Development or any portion of the Development, whether as sole owners, joint owners, Tenants, Residents, occupants or otherwise.

NOW THEREFORE, all Units in the Development, as well as any conveyance, transfer, sale, assignment, rental, lease or sublease of a Unit, shall be deemed to incorporate the provisions of these CC&Rs. Each successor in interest is subject to all of the covenants, conditions and restrictions contained in these CC&Rs.

ARTICLE 1: DEFINITIONS

1.1 “Annual Meeting” means the annual meeting of the Members of the Association.

1.2 “Architectural Standards” means those rules and guidelines which govern the making of physical changes, alterations, repairs or improvements to Units, Common Areas and Exclusive Use Common Areas.

1.3 “Articles” means the Association’s Articles of Incorporation.

1.4 “Assessment” means any Regular Assessment, Special Assessment, Reimbursement Special Assessment, or any other assessment levied, imposed, or assessed against a Member’s Unit in accordance with the provisions of the Governing Documents or applicable law.

1.5 “Association” means The Village Condominium Owners’ Association, Inc., a California nonprofit, mutual-benefit corporation. The Association shall include, when the context requires, its Officers, Directors, employees and agents.

1.6 “Balcony” means an area of space shown and defined on the Condominium Plan as a “balcony” and which is attached to a Unit and accessible through the Unit of which it is a part.

1.7 “Board” and “Board of Directors” means the Board of Directors of the Association.

1.8 “Budget” means a pro forma, projected or estimated operating budget of the Association’s income and expenses for a twelve (12) month period.

1.9 “Building” means any building or structure which is part of the Improvements of the Development.

1.10 “Bylaws” means the duly adopted Bylaws of the Association, including any amendments.

1.11 “CC&Rs” means this Restated Declaration of Covenants, Conditions and Restrictions and any amendments to these CC&Rs.

1.12 “Committee” means any committee appointed by the Board to assist in the management and administration of the affairs of the Association.

1.13 “Common Area” means the entire Development, except the Separate Interests owned by Members. The Common Area also includes “Unit 111” as designated on the Condominium Plan which such unit is located within building #630, and referred to as #117 of such building (“Unit 111”). Unit 111 which is and shall remain utilized as a rental apartment. Any rental income received from Unit 111 shall be deposited into the Association’s general operating account and included within the Association’s annual budget.

1.14 “Common Expenses” means the costs, expenses and charges in connection with maintaining, managing, insuring, operating, repairing, improving or replacing the Common Areas or managing the affairs of the Association, including the expenses contributed to the owner of the recreational facilities adjacent to the Common Area which the Owners are entitled to use. Common Expenses include, but are not limited to, those amounts reasonably necessary for Reserves.

1.15 “Condominium” means a condominium, as defined in the Davis-Stirling Act.

1.16 “Condominium Plan” means the diagrammatic description of the Development that identifies the boundaries of Units, some or all of the Exclusive Use Common Areas and the Common Area.

1.17 “Davis-Stirling Act” means and refers to the Davis-Stirling Common Interest Development Act which is the portion of the California Civil Code beginning with Section 4000 that governs common interest developments.

1.18 “Development” means that certain residential development known as “The Village Condominiums” and located at 610-696 The Village, Redondo Beach, California, 90277, consisting of six (6) apartment-style tall buildings with address numbers 610, 620, 630, 640, 650 and 660, and three (3) townhouse-style small buildings with address numbers 661-696, for a total of nine (9) buildings on approximately six (6) acres of land. Such townhouse-style small buildings include the junior one-bedroom (cave) Units.

1.19 “Director” means any member of the Association’s Board of Directors.

1.20 “Exclusive Use Common Areas” means those portions of the Common Area which serve a single Unit, including but not limited to Balconies, Patios, heating, ventilation and/or air conditioning systems, and utility lines (gas, water, electrical, and otherwise), in addition to Porches, whether located inside or outside the boundaries of the Unit.

1.21 “Governing Documents” means these CC&Rs and any other documents which govern the operation of the Association, including, but not limited to, the Articles of Incorporation, Bylaws, Architectural Standards, Condominium Plan, Rules and Regulations, and Election Rules, as may be amended from time to time.

1.22 “Improvements” means all buildings and other physical structures located within the Development, including, but not limited to, driveways, sidewalks, and utilities.

1.23 “Lender” means the holder of a first mortgage or deed of trust given by a Member (or his predecessor in interest), the lien of which mortgage or deed of trust is superior to all other monetary encumbrances, except real property taxes and Assessments.

1.24 “Manager” means any person or company employed or retained by the Association to oversee the operation, maintenance and management of the Association.

1.25 “Member” means the Owner, whether one or more Persons, of the publicly-recorded fee title to any Unit within the Development, but excluding any Person or Persons having such an interest in the Unit merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from the record fee ownership of a Unit and shall not be transferred, encumbered, pledged, alienated, or otherwise separated in any way, except in connection with the record sale of a fee interest of the Unit to which it is appurtenant. Where the CC&Rs impose restrictions on Member, the restriction shall also apply to Member’s Tenants, and Member’s and Tenant’s family, guests and invitees.

1.26 “Membership Approval” and “Approval of the Membership” means approval by the affirmative vote of a majority of those Members present and voting at a duly held meeting at which a Quorum (more than 50% of the Voting Power) is present as defined in the Bylaws, unless provided otherwise in the Bylaws or these CC&Rs.

1.27 “Mortgage” means a deed of trust.

1.28 “Mortgagee” shall refer to a beneficiary (or its assignee) under a deed of trust and the term “First Mortgagee” shall refer to a beneficiary (or its assignee) under a deed of trust with priority over all other Mortgagees and deeds of trust.

1.29 “Officer” means the president, vice-president, secretary, treasurer, and any other officer of the Association, as defined in the Bylaws.

1.30 “Operating Accounts” means any account into which the Association’s Assessments are deposited and out of which the Association’s operational expenses are paid.

1.31 “Owner” means the owner, whether one or more Persons, of the publicly-recorded fee title to any Unit within the Development, but excluding any Person or Persons having such an interest in the Unit merely as security for the performance of an obligation.

1.32 “Parking Areas” shall include those portions of the Development used for the parking of vehicles.

1.33 “Patio” means an area of space shown and defined on the Condominium Plan as a “patio” located on a first floor (ground level) and attached to such a Unit which is designated as a townhouse Unit and/or a junior one-bedroom Unit (commonly referred

to as a cave) and which is attached to a Unit and accessible through the Unit of which it is a part.

1.34 “Percentage Interest” means that undivided percentage ownership of the Common Area assigned to each Unit, as provided on the Allocation Schedule for Assessments in Exhibit “A.”

1.35 “Person” means a natural person, corporation, partnership, trust, association, or other entity, as recognized by law.

1.36 “Porch” means a raised area of space located on the first floor (ground level) of the townhouse style buildings, each of which serves as an entryway to two (2) townhouse-style Units or two (2) junior one-bedroom (cave) Units.

1.37 “Quorum” means more than 50% of the Voting Power of the Association or at least one hundred sixty-three (163) Units when none have had their voting rights suspended, unless otherwise provided in these CC&Rs or Bylaws.

1.38 “Regular Assessments” means assessments other than Special Assessments and Reimbursement Assessments, levied or imposed against Members in order to perform the Association’s obligations under the Governing Documents or the law.

1.39 “Reimbursement Special Assessments” or “Reimbursement Assessments” means those Special Assessments levied against Members for expenses incurred by the Association arising out of: (i) actions or omissions of Members, Tenants or their respective family, guests, invitees, or pets; (ii) materials or services provided to Members, Tenants or their respective family, guests, invitees, or pets; or (iii) conditions originating in a Unit.

1.40 “Renovation” means any improvements, additions, alterations, or modifications made by a Member in or to any Unit, Common Area, or Exclusive Use Common Area.

1.41 “Reserves” or “Reserve Accounts” means those monies set aside in a separate account for anticipated long-term maintenance, repair, replacement and restoration of major Common Area components of the Development for Improvements upon the Common Areas, and any other obligations of the Association that are authorized by either the Governing Documents or law.

1.42 “Residence” means a building used for residential purposes.

1.43 “Resident” means any Person in actual possession of all or any portion of a Unit.

1.44 “Rules and Regulations” or “Rules” means the rules and regulations adopted by the Board for the general health, welfare, comfort, and safety of Members and Tenants and their respective family, guests, or invitees and to interpret and implement the Governing Documents and for the orderly conduct of the business of the Association.

1.45 “Separate Interest” means an individual Unit.

1.46 “Special Assessments” means assessments levied from time to time against Members if at any time during the fiscal year the Regular Assessments are inadequate to perform the Association’s obligations under the Governing Documents or the law, including, but not limited to, Common Area maintenance, repairs, replacements, unexpected expenses, capital improvements, and emergency repairs.

1.47 “Tenants” and “Lessees” means those Persons who have the temporary use and occupancy of Units owned by others, whether such use is paid for in money or other value.

1.48 “Unit” means those elements of a Condominium which are not owned in common with the Owners of other Condominiums in the Development. Units designated as “apartments” or “apartment-style”, “townhouse” or “townhouse-style”, and “junior one-bedroom”, commonly known as a “cave”, shall all be qualified as Units. Attached as **Exhibit “A”** and incorporated by reference is a chart designating which Unit qualifies as which type. The unit located within Building #630, as #117 commonly referred to as “Unit 111” is not a Unit but rather is part of the Association’s Common Area as described in this Declaration.

- a. *Boundaries.* The boundaries of the dwelling area of each Unit are the unfinished interior surfaces of the perimeter walls, floors, ceilings, windows, and doors. The boundaries of the Balcony and Patio elements of each Unit are the finished surface of the floor, the exterior surfaces of the adjoining walls, windows, and doors of the building, and vertical and horizontal planes as shown on the Condominium Plan. In interpreting deeds and plans, the existing physical boundaries of a Unit, or of a Unit reconstructed in substantial accordance with the Condominium Plan, shall be conclusively presumed to be its boundaries, rather than the metes and bounds, or other description, expressed in the deed or Condominium Plan, regardless of settling or lateral movement of a building and regardless of minor variance between boundaries shown on the Condominium Plan or in the deed and those of a building.
- b. *Inclusions.* The following are part of the dwelling area of each individual Unit: (i) all portions of the building and improvements within the airspace encompassed by the unfinished interior surfaces of the perimeter walls, floors, ceilings, windows and doors (such as but not limited to plaster, lath, furring, drywall, paneling, paint, wall coverings, carpet and padding, hard-surfaced flooring, cabinets and counters, electrical fixtures, plumbing fixtures, and interior partition walls and doors), and (ii) electrical switches and outlets that service the Unit. The Balcony and Patio elements of each Unit include only the airspace within its boundaries.
- c. *Exclusions.* Any load bearing walls, columns and vertical supports, floors (including structural supports and subflooring), foundations, beams,

balcony railings and patio fences, pipes, ducts, flues, conduits, wires, and Utility Lines that are located within any Unit or that run through any portion of any Unit are not part of that Unit and shall be deemed to be part of the Common Area, except the outlets of the Utility Lines when located within the Unit.

1.49 “Utility Lines” means sewer lines, storm drains, water pipes, electricity lines, gas lines, telephone lines or cables, television cables, satellite dish cables, heating and air conditioning conduits, heating and air conditioning ducts, heating and air conditioning flues, fiber optic cables, data lines, and other similar lines, pipes, cables, ducts, flues, and conduit pipes.

1.50 “Voting Power” means the total number of Units entitled to vote, excluding those Units for which voting rights have been properly suspended.

1.51 Definitions of Other Terms. Unless the context clearly requires otherwise, all other terms are defined in the Davis-Stirling Act.

ARTICLE 2: MEMBERSHIP RIGHTS AND PRIVILEGES

2.1 Membership. Each Person shall automatically become a Member of the Association upon obtaining a publicly-recorded fee title ownership interest in a Unit and shall remain a Member until he or she ceases to have such recorded fee ownership interest in a Unit.

- a. *Membership Appurtenant to Units*. Membership in the Association is for the benefit of and appurtenant to the Unit to which it relates and shall not be separated from the ownership of the Unit.
- b. *No Membership for Security Interests*. Membership does not include Persons who hold an interest in a Unit merely as security for the performance of an obligation.
- c. *No Membership for Tenants*. Tenants have the same rights to use the Common Areas as Members and shall have the same duties to follow the Association’s Governing Documents, but shall not be Members and shall not have the right to vote.
- d. *No Separate Transfer of Membership*. No Member may transfer, pledge, or alienate in any way his/her membership in the Association, except upon the recorded transfer of the fee interest in the Unit to which it is appurtenant and then only to the transferee of such fee interest.
- e. *Trust*. If the record fee title to a Unit is held in the name of a trustee on behalf of a trust, the trustees of the trust shall be authorized to exercise the rights and privileges of Association membership on behalf of the trust.

- f. *Corporation.* If the record fee title to a Unit is held by a corporation, the president of the corporation, as designated in the corporation's minutes, shall be authorized to exercise the rights and privileges of Association membership on behalf of the corporation.
- g. *Partnership.* If the record fee title to a Unit is held by a partnership, the managing partner, as designated in the partnership agreement, shall be authorized to exercise the rights and privileges of Association membership on behalf of the partnership. If no managing partner has been designated in the partnership agreement, then the partnership shall deliver to the Association a written designation of the name of the partner who is authorized to exercise the rights and privileges of Association membership on behalf of the partnership.
- h. *Limited Liability Company.* If the recorded fee title to a Condominium is held by a limited liability company, the manager, as designated in the limited liability operating agreement, is authorized to exercise the rights and privileges of Association Membership on behalf of the limited liability company.
- i. *Other Entities.* If the record fee title to a Unit is held by a legal entity not described above, the majority owner of the entity shall be considered the Owner of the Unit for purposes of membership in the Association and may exercise the rights and privileges of a Member. If there is no majority owner, an owner of the legal entity shall deliver to the Association a written designation of the name of the owner who is authorized to exercise the rights and privileges of Association membership on behalf of the entity.

2.2 Proof of Ownership. Proof of membership shall be in the form of a recorded deed showing fee ownership of a Unit.

2.3 Voting Rights. In all matters submitted for a membership vote, Members shall be entitled to one (1) vote per Unit (regardless of the number of Members having an interest in the Unit), except for those Members whose voting rights have been properly suspended pursuant to the Governing Documents and applicable law.

2.4 Inspection of Records. Members shall have the right to inspect records of the Association as provided for in the Bylaws and by law.

2.5 Ingress, Egress and Support. Members shall enjoy a nonexclusive easement appurtenant to and for the benefit of their Units for ingress, egress, and support over, across and through the Common Area and every portion of any Unit required for the structural support of the Unit.

2.6 Easement for Use and Enjoyment. Members shall have a nonexclusive easement of use and enjoyment of the Common Areas, subject to the rights of the

Association as described in the Governing Documents and the Association's right to reasonably limit the number of guests of Members.

2.7 Encroachment Easement. Members agree that minor encroachments of the Common Area on Units or of Units on the Common Area or on other Units shall be permitted and that valid easements for the encroachments shall exist. Such encroachments shall not be considered to be encumbrances either on the Units or the Common Area.

2.8 Storage Closets. Storage closets may only be used as provided for in the Rules and Regulations. Under no circumstances may explosives, fireworks, or highly flammable or highly corrosive materials be stored in such areas. Members shall keep their storage closets hazard-free at all times. Members shall supply their own locks to secure their possessions and shall be responsible for insuring stored items against loss. Members shall supply a copy of the key to their storage closet locks to the on-site Manager.

ARTICLE 3: MEMBERSHIP OBLIGATIONS

3.1 Obligation to Follow Governing Documents. Members, Tenants and Residents shall be obligated to follow the Association's Governing Documents and to ensure that their respective family, guests, and invitees abide by the Governing Documents.

3.2 Security. Neither the Association nor any Officer, Director, Committee member, employee or agent of the Association shall in any way be considered insurers or guarantors of any level of security within the Development. Members shall be responsible for their own security and shall take appropriate measures to ensure their own security as well as that of their family, guests, invitees, and Tenants. Members agree not to rely on any security measures provided by the Association. The Association, its Officers, Directors, Committee members, employees and agents are not liable for any loss or damage from failure to provide adequate or effective security measures.

3.3 Purchase Subject to Violations. Buyers shall take ownership of Units subject to any violations of the Governing Documents which may exist concerning the Unit, whether or not such violations were disclosed by the seller of the Unit and whether or not the Association knew of the violations at the time of sale. Such buyers shall be liable for correcting such violations upon demand by the Association. Assessments, fines, and other charges not secured by a lien on the Unit prior to transfer of title are exempt from this provision.

3.4 Obligation to Provide Access. In the event a Member fails to provide a key to his/her Unit, or otherwise provide for access by the Association in the event of an emergency, the Association may engage the services of a professional locksmith to gain access to the Unit. The cost of such services shall become a Reimbursement Assessment against that Unit. If, in the event of an emergency, the Association is unable to gain access to the Unit, the Member shall pay the cost of all damage and shall have no right of action against the Association or its representatives for trespass or for any damage resulting from a forced entry into the Unit.

3.5 Obligation to Provide Telephone Number. Members and Tenants shall provide the Association with the current telephone numbers at which they can be reached in an emergency.

3.6 Notice of Transfer of Ownership. No later than five (5) days after the assignment, sale, quitclaim or other transfer of their Units, Members shall notify the Association of the name, address, phone number, and email address of the transferee and the nature of the transfer.

3.7 Duty to Maintain, Repair and Replace. Except for those duties specifically assigned to the Association by these CC&Rs, Members shall, at their sole expense, maintain, repair, and replace improvements to their Units as well as Exclusive Use Common Areas servicing their Units. Members' obligations include, without limitation, the following:

- a. *Interior Walls and Partitions.* The walls and partitions which are contained inside Members' Units, excluding the perimeter walls and any internal load-bearing walls.
- b. *Wall, Ceiling and Floor Coverings.* All drywall in and around the Unit plus all interior surfaces of walls (including perimeter and load-bearing walls), ceilings, floors, windows and doors, including, but not limited to, plaster, paint, wallpaper, paneling, fabrics, mirrors, carpets, rugs, linoleum, hardwoods, marble, granite, tile, window coverings, and any other materials used to decorate the interior surfaces of the Unit.
- c. *Windows.* The interior and exterior of the windows of their Units shall be kept clean and in good repair, unless the Association has elected to clean the exterior surfaces for all Units. Members shall be responsible for repairing leaks and replacing damaged glass, window frames, screens, weather stripping, latches, and related hardware using the material, color, quality, size, and configuration specified by the Association.
- d. *Doors.* The Unit doors, sliding glass doors, screen doors, thresholds, waterproofing, weather stripping, locks, and related hardware. Members may request that the Association paint or stain the front doors to their Units but are otherwise obligated to ensure that the doors are kept in good repair.
- e. *Cabinets, Countertops and Appliances.* All cabinets, counter tops, and appliances, including refrigerators, stoves, ovens, dishwashers, garbage disposals, microwaves, ice makers, and the like.
- f. *Heating and Air Conditioning.* All mechanical equipment, heating and air conditioning equipment, heat exchangers, drip pans, valves, thermostats, compressors, control equipment, and any other mechanical equipment exclusively servicing the Unit. Members shall be responsible for any damage to the Common Areas caused by their air conditioning units.

- g. *Electrical, Telephone, Security and Cable.* All telephones, telephone lines, electrical wiring, light fixtures, electrical outlets, circuit breakers, and switches, cable and/or satellite television lines locks, intercom equipment, and security systems exclusively servicing a single Unit. Central intercom and security systems must be maintained, repaired, and replaced by the Association.
- h. *Plumbing and Gas.* All plumbing equipment, including plumbing fixtures, toilets, faucets, bathtubs, tub and shower valves, shower pans, drain lines, water lines, angle stops, garbage disposals, etc., which exclusively service the Unit. All gas lines exclusively servicing the Unit.
- i. *Utility Lines.* The Utility Lines that exclusively service the Unit. Each Member shall have limited easements across Units and Common Areas for the limited purpose of installing, repairing or maintaining Utility Lines which cannot reasonably be serviced from their Units. Access to Units and Common Areas shall be limited to a reasonable work area and be for a reasonable time. Except in emergencies, reasonable notice and consent, which may not be unreasonably withheld, to perform such work must be obtained from the affected Unit Owner and/or the affected Association, as applicable. Immediately after the work is completed, Members shall restore Units and the Common Areas to the same or better condition which the Units and Common Areas were in prior to the commencement of such work. Such restoration work on the Units and the Common Areas shall be done at the sole expense of the Member performing the installation, repair, or maintenance work and shall be completed in timely fashion.
- j. *Balconies, Patios and Porches.* The Balconies, Patios and Porches, as provided for in the Article in these CC&Rs entitled "Balconies, Patios and Porches."
- k. *Fireplaces.* The fireplace components located inside Units, including fireboxes, and fireplace mantles and any other portion of the fireplace, except that the flue, the chimney cap, and the exterior of the chimney are the Association's responsibility. The Association maintains all exterior components.
- l. *Improvements.* All improvements or alterations to the Unit or appurtenant areas by any current or prior Owner of the Unit, or by any party other than the Association, as part of any remodeling of the Unit.
- m. *Skylights.* Members shall maintain the interior surface of skylights inside the Residences; otherwise, the Association will maintain, repair and replace the skylights.

3.8 Easement for Maintenance. Members are granted easements to enter the Common Areas as may be necessary to fulfill their maintenance obligations as described

in the Governing Documents, provided that any damage to the Common Areas shall be repaired at such Member's sole expense and in a timely fashion.

3.9 Water Damage and Mold. Each Member, and not the Association, is responsible for water damage and mold in and to Units, Common Areas, and Exclusive-Use Common Areas: (i) caused by the Member, Member's Tenant or their respective family, guests, or invitees, (ii) originating from the plumbing lines and plumbing-related fixtures which exclusively service the Member's Unit and which the Member is responsible for maintaining, (iii) caused by water entering directly into the Member's Unit, including but not limited to water entry from the Unit's windows, and/or (iv) caused by Member's failure to mitigate damage by promptly reporting signs of water entry and leaks, including but not limited to roof leaks. Each Member shall regularly inspect their Unit for plumbing leaks, water accumulation, water intrusion through windows, doors, skylights and roofs and signs of mold. Members must periodically service and/or replace supply and drain lines to appliances, HVAC equipment, sinks, toilets, and the like in their Units.

3.10 Obligation to Carry Insurance. Members shall purchase insurance for their Separate Interests, at their sole expense, as more fully described in the Article in these CC&Rs entitled "Insurance." The Association may confirm compliance with this section but is not required to and is specifically relieved of any responsibility or liability for not confirming compliance with this section.

3.11 Liability for Damage. Members shall be liable for any and all damage to the Units, Common Areas, including Exclusive-Use Common Areas, and any personal property when the cause of such damage originates from that Member's Unit or Exclusive Use Common Area, including, but not limited to any damage caused by a Member's appliances set forth in Section 3.8(e), or which was caused by the acts or omissions of such Member, Member's Tenant, or their respective family, guests, invitees, vendors, or pets. The Association shall repair, restore or replace damaged Common Areas as it deems appropriate and may impose a Reimbursement Special Assessment against the liable Member and that Member's Unit for all costs, expenses and attorney fees incurred by the Association in connection with the damage. The Reimbursement Special Assessment may become a lien against the liable Member's Separate Interest enforceable by the sale of the Member's Unit under Civil Code sections 2924, 2924(b), and 2924(c).

3.12 Correction of Violations. Following notice and a hearing and a finding by the Association of a violation of the Governing Documents, the Association will have the right, but not the duty, to correct or cause to be corrected the violation, including entering a Unit with the permission of a Member owning the Unit, which permission will not be unreasonably withheld. All expenses incurred by the Association to correct the violation will be recovered from the Members owning the Unit as a Reimbursement Assessment following notice and a hearing. If permission for entry into the Unit is not granted, the Association may enforce the violation by any other means allowed by the Governing Documents or the law.

3.13 Reimbursement to Association. In the event the Association undertakes to provide materials or services that benefit a particular Member, such Member shall

reimburse the Association for the costs incurred by the Association, which shall become a Reimbursement Special Assessment against the Member.

3.14 Liability for Mitigation. Members shall be liable for expenses incurred by the Association in mitigating or repairing damage to Units, Common Areas, and Improvements due to damage: (i) originating from Member's Unit, including, but not limited to, flood, fire, mold, insect, or rodent infestation; or (ii) from the negligence or willful misconduct of such Member, Member's Tenant, or their respective family, guests, invitees, or pets. Such expenses shall become Special Assessments against such Members.

3.15 Guests. Each Member shall be accountable to the remaining Members and the Association for the conduct, behavior, and violations of Persons residing with or visiting the Member or Member's Tenant in the Development.

ARTICLE 4: DUTIES OF THE ASSOCIATION

4.1 Board of Directors. The management, maintenance, and care of the Common Areas, management of the Association, enforcement of the Governing Documents, and all other acts of the Association shall be through its Board of Directors, unless provided otherwise in the Governing Documents.

- a. *Membership Meetings*. The Association shall have at least one (1) meeting of its Members each year, as provided for in the Bylaws. Annual and Special Meetings of the membership shall be held at the dates, times, and locations provided for in the Bylaws.
- b. *Director Qualifications and Meetings*. The qualifications of who may be elected to the Board shall be as provided for in the Bylaws. Meetings of the Board shall be held as provided for in the Bylaws and as required by law.

4.2 Powers of a Nonprofit Corporation. The Association shall have all of the powers of a nonprofit mutual-benefit corporation organized under the laws of the State of California, operating for the benefit of its Members.

4.3 Maintain Common Areas. Unless otherwise provided in these CC&Rs, the Association must maintain, repair, and replace the Common Areas.

4.4 Termites and Pests. In addition to any authority provided for in the Davis-Stirling Act, the Board shall have the authority and the duty to: (i) treat and/or repair Common Areas infested or damaged by insects, rodents, and wood destroying pests or organisms (including microorganisms); (ii) impose a Special Assessment against the membership for the cost of the treatment and/or repairs; and (iii) summarily remove Residents, at Residents' expense, to ensure prompt treatment and repairs as provided for in the Davis-Stirling Act. Each Owner of a Unit shall bear the costs of any damage to his Unit caused by the presence of wood-destroying pests or organisms (including microorganisms). Each Owner shall have the duty to treat and/or repair, at Owner's

expense, the portions of Owner's Unit infested or damaged by insects, rodents and wood destroying pests or organisms (including microorganisms).

4.5 Incur and Pay Expenses. The Association shall have the power to incur and pay the operational expenses of the Association, which shall include but not be limited to, legal and accounting services; utilities; insurance; management services; vendor services, such as security, landscaping, garbage collection, pest control, maintenance of swimming pools, spas, elevators, trash chutes, laundry facilities, and water features, as well cleaning, painting, and other such services; maintenance, repair, reconstruction, and replacement of all or any portion of the Common Areas or the personal property acquired by the Association; supplies and materials; and such other services for the use, enjoyment and protection of the Development and its Residents as the Board may determine from time to time are reasonable, proper, or desirable.

4.6 Rules and Regulations. The Board may adopt, amend, and repeal Rules and Regulations regarding any matter set forth in the Governing Documents, including, but not limited to: (i) the use, occupancy, and maintenance of the Development; (ii) the general health, welfare, comfort, and safety of Residents in the Development; and (iii) the interpretation and implementation of the Governing Documents.

4.7 Foreclose, Hold Title and Make Conveyances. The Association shall have the authority to lien and foreclose upon any Unit for non-payment of Assessments, to take title to the Unit, to assume or otherwise pay off encumbrances, and to acquire, hold title to, lease and convey, with or without consideration, real and personal property and interests.

4.8 Fee Limitation. The Association may not impose fees that exceed the amount necessary to defray the costs for which the fee is levied.

4.9 Commercial Concessions. The Board may negotiate contracts and grant commercial concessions over portions of the Common Area, subject to Membership Approval.

4.10 Utility and Cable Easements. The Association is granted easements to enter onto Units as is necessary or prudent to: (i) install, maintain, repair, and replace Common Area Utility Lines; and (ii) install, operate, and maintain transmission lines and other facilities for a community television system, high-speed internet lines, community security systems, or other similar systems; provided that any damage to a Member's Unit shall be repaired at the Association's expense and in a timely fashion to original building construction standards.

4.11 Granting Utility Easements. The Board may grant easements and rights of way in, under, or through the Common Areas for the purpose of constructing, erecting, operating, maintaining, repairing, and replacing utilities and similar services.

4.12 Limitation on Granting Easements. Granting any Member an easement for exclusive use of any portion of the Common Areas requires Approval of the Membership except if the easement is for any of the reasons stated in the Davis-Stirling Act.

4.13 Borrow Money. The Association may borrow and repay monies, as needed in connection with the discharge of its duties, and pledge or assign Special Assessment rights, as security for the repayment of such borrowed money. Except for emergencies, the aggregate total of all loans made by the Association in a given fiscal year may not exceed five percent (5%) of the budgeted gross expenses for the same fiscal year, without Membership Approval.

4.14 No Power to Encumber Real Property. The Common Area of the Association may not be encumbered as a security for debt.

4.15 Represent Association in Litigation. On behalf of the Association, the Board may institute, defend, settle, or intervene in litigation, arbitration, mediation, administrative proceedings, or any other legal proceeding in any capacity necessary to represent the interests of the Association.

4.16 Receive and Dispose of Property. Subject to the Section of these CC&Rs entitled "Limitation on Transfer of Real Property", the Association may acquire, hold, lease, encumber, convey, or otherwise dispose of real and personal property and to take real and personal property by will, gift, bequest or any other legal transfer. Any funds or property so received must be used consistently with the purposes for which the Association was formed.

4.17 Limitations on Disposition of Personal Property. The Board may not, without Membership Approval, dispose of during any fiscal year personal property owned by the Association having an aggregate market value in excess of five percent (5%) of the Association's budgeted gross expenses for that year.

4.18 Limitations on Transfer of Real Property.

- a. The Board may exchange, sell, dedicate, or otherwise transfer real property owned by the Association, but not any portion of the Common Area, only on the following conditions:
 - i. Approval by a majority of the Voting Power of the Association must first be obtained, except for the sale or other transfer of property acquired by the Association in foreclosure proceedings.
 - ii. For any exchange of real property, the property received by the Association must be of equal or greater value than the property given.
 - iii. Any dedication of property must only be to a public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Association.
 - iv. If the exchange, sale, dedication or other transfer of real property requires an amendment to the governing documents, any approval

of such exchange, sale, dedication or other transfer by the Board must be conditioned upon approval of such amendment.

- b. The Common Area of the Development, or any portion thereof, is not subject to partition or sale except as provided in Civil Code §§4610 and 4630 and related case law.

4.19 Capital Improvements. The following applies to Common Area Capital Improvements:

- a. *Authority*. The Board may alter, remove or replace Common Area improvements as-needed to carry out their duties.
- b. *Defined*. "Capital Improvement" means any substantial discretionary addition to the Common Areas or significant alterations to the appearance of the Development. A Capital Improvement is not defined to mean additions or upgrades to Common Area materials which are necessary or prudent to comply with building or safety codes, or to prevent property damage or personal injury, or to reduce operating or maintenance costs for the Common Areas or to comply with Reserve component repairs or replacements.
- c. *5% Limitation*. Capital Improvements may not be made to the Common Areas in any fiscal year in excess of five percent (5%) of the Association's budgeted gross expenses for that year, without Membership Approval.
- d. *Obsolescence*. If the Board determines that any Common Area Improvement is obsolete, and/or no longer brings sufficient value to the Association to justify its upkeep, and the cost to remove the amenity is more than 5% of the budgeted gross expenses for that fiscal year, the Board must obtain Membership Approval to remove the amenity.

4.20 Vendor Contract Limitations. Except for the contracts listed below, no contract for services shall be entered into which binds the Association for a period in excess of one (1) year, without Membership Approval.

- a. *Public Utility Contract*. A contract with a public utility company, if the rates charged for the materials or services are regulated by the Public Utilities Commission. However, the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate.
- b. *Fire and Burglary*. Contracts for terms up to five (5) years to lease or service burglar and/or fire alarm equipment or provide protective services.
- c. *Bulk Cable Service*. Contracts for terms up to five (5) years to provide cable, internet, or satellite communications service.

- d. *Elevator Maintenance.* Contracts for terms up to five (5) years to provide maintenance and repairs to elevators.
- e. *Laundry Machines.* Contracts for laundry machines for terms up to five (5) years.
- f. *Insurance.* Contracts for prepaid casualty and/or liability insurance, if the policies do not exceed five (5) years duration, provided that the policy/policies permit for short rate cancellation by the insured..
- g. *Reserve Studies.* Contracts for up to five (5) years for reserve studies.

4.21 Delegation to Manager. The Board may delegate any of its duties, powers, or functions to any qualified Person or management company to act as Manager, except (i) attending Board meetings and voting on motions; (ii) electing officers; (iii) filling vacancies on the Board; (iv) appointment of executive committees; and (v) approving settlement agreements. Notwithstanding any delegation of duties, however, the Manager shall act at the direction and supervision of the Board.

4.22 Nonprofit Character of Association. Notwithstanding anything contained in these CC&Rs to the contrary, the Association may not engage in any activity which may jeopardize the nonprofit character of the Association.

4.23 Discharge of Liens. If necessary, the Association shall have the power to discharge by payment any lien against the Common Area and assess the cost thereof to the Member or Members responsible for the existence of the lien. Prior to any Board decision to discharge a lien, the Member or Members responsible for the existence of the lien shall be given written notice and an opportunity for a hearing before the Board to present any defenses which may exist.

ARTICLE 5: ARCHITECTURAL CONTROL

5.1 No Improvements or Alterations Without Approval. No Renovations by or on behalf of a Member in or to any Unit, Common Area, or Exclusive Use Common Area are permitted until plans and specifications have been submitted to and approved in writing by the Architectural Committee. Any Renovations which are unapproved, different from those approved by the Committee, or done without required governmental permits, are automatically deemed disapproved and the Member must promptly remove or correct the disapproved Renovations to comply with the Architectural Standards, the Architectural Committee's approvals, and governmental requirements.

5.2 Right to Decorate Unit. Members shall have the right to decorate the interior surfaces of the walls, partitions, ceilings, floors, and doors within their Unit, subject to any restrictions or procedures found in these CC&Rs and any Rules established by the Association.

5.3 No Exterior Installations. Installations of any kind, including but not limited to, electric lines, telephone lines, television antennas, satellites, machines, or air

conditioning units, on the exterior surfaces, including but not limited to Balconies, Patios and Porches, or roofs of the buildings of the Development, or that protrude through the Common Area walls or the roof of the buildings, are prohibited except as authorized by the Architectural Committee or by law.

5.4 Architectural Standards. The Board may adopt, amend, and repeal Architectural Standards. These Architectural Standards shall interpret and implement the provisions of these CC&Rs by setting forth the standards and procedures for the review and approval of proposed Renovations, guidelines for architectural design, placement of any Renovation, color schemes, exterior finishes and materials, and similar features which are recommended for use within the Development, provided that the Architectural Standards shall meet the minimum standards required by these CC&Rs. In the event of any conflict between the Architectural Standards and these CC&Rs, the CC&Rs shall prevail.

5.5 Architectural Committee. The Board may appoint an Architectural Committee to exercise the Association's review functions under this Article. If the Board does not appoint one, the Board shall automatically be deemed the Architectural Committee. The Architectural Committee shall have the authority to approve, reject, modify, give conditional approvals, and give limited approvals of improvements and alterations as provided for in the Association's Architectural Standards.

- a. *Architect*. The Board may retain the services of an architect and one or more consultants to assist the Architectural Committee in its duties. Compensation for consultants' services shall be fixed by the Board. The cost of such consultants and any related expenses may be charged to those Members submitting plans for Renovations as a Reimbursement Assessment. Any significant costs for which the Member will be responsible must be submitted to the Member for approval before being incurred by the Association.
- b. *Conflicts of Interest*. No Director or Architectural Committee member may participate in the decision-making process of any architectural submittal made by that Director or Architectural Committee member or members of their family. Further, no Director or Architectural Committee member may participate in the decision-making process of any other architectural submittal if it results in a monetary benefit to the Director or Architectural Committee member or any company in which they or members of their family have a financial interest.

5.6 Rescinding Approval. The Architectural Committee and/or the Board shall have the authority to rescind approval of plans previously approved by the Association if they believe that there is good reason to rescind such approval.

- a. Applications are deemed approved within sixty (60) days from the date of submission of a complete application unless (i) disapproved by the Committee, (ii) additional information necessary to properly consider the application is requested by the Committee within the sixty (60) day

period, or (iii) any proposed Renovations would violate the Association's Governing Documents, any Building, Safety and Fire Codes, or any other laws.

- b. The Architectural Committee is authorized to impose any reasonable conditions of approving an architectural application, in writing, including, but not limited to, requiring modifications of particular aspects of the Member's architectural submission.
- c. Renovations approved by the Architectural Committee must be completed within one (1) year of the Member receiving approval. Renovations not completed within one (1) year must be resubmitted for approval. The Architectural Committee, in its discretion, may grant short extensions for Renovations to be completed.

5.7 Failure to Comply with Approval Requirements. Any Renovations, whether in progress or completed, which (1) were not approved in by the Architectural Committee or Board when such approval is required by the Governing Documents, (2) violate the Architectural Committee's or Board's conditions of approval, the Association's Governing Documents, or any Building, Safety and Fire Codes, or other laws, or (3) were performed by an unlicensed contractor (where a licensed contractor was required by law, the Governing Documents, or the Architectural Committee's conditions of approval), are automatically deemed disapproved and in violation of the Governing Documents.

5.8 Review Fees and Remodeling Agreement. The Board may establish a schedule of fees which may be charged against the submitting party to defray any costs incurred by the Association, including architectural and/or engineering consultant fees, legal fees, and expenses for reviewing plans. In addition, the Board may require Members to sign a remodeling agreement.

5.9 Variances. The Architectural Committee may grant reasonable architectural variances, subject to advanced written Board approval. The Board may grant the variance if it determines that the variance will not: (i) constitute a material deviation from the overall plan and scheme of the Development; (ii) result in a material detriment; or (iii) create a nuisance with respect to the Common Area or any other Member. The granting of a variance by the Board shall in no event be deemed a variance or waiver as to any other Unit, nor shall any variance affect the applicability or enforceability of any provision of this Article in respect to any other Unit.

5.10 Engineering and Code Requirements. Plans and specifications approved by the Architectural Committee or Board are not approved for engineering design, Building, Safety or Fire codes, or other safety specifications. Approval by the Architectural Committee or Board does not absolve Members of the responsibility of obtaining any necessary governmental approvals or permits. Members must ensure compliance with applicable Building, Safety and Fire codes, ordinances, and specifications.

5.11 Acoustical Limitations. All flooring shall meet or exceed a Field Impact Insulation Class ("FIIC") rating of not less than 55.

- a. *Hard-surfaced Flooring*. For all Units located on the first floor of an apartment-style building, said Units may have hard-surfaced flooring (which shall generally include, but is not limited to, marble, granite, tile, hardwood, and manufactured wood) installed throughout the Unit. For all Units located on the second or third floors of an apartment-style building or on the first floor of a townhouse-style Unit, hard-surfaced flooring may only be installed in the following areas within a Unit: kitchen, bathroom, and the entryway adjacent to the Unit's front door. Hard-surface flooring is not permitted in any living room or bedroom area of said second and third floor Units.

5.12 Inspection. The Association shall have the right, but not the obligation, to periodically inspect any improvements of which plans were approved by the Architectural Committee and Members shall allow any such inspection the Association elects to perform. Any work in progress may be halted and the Member will be subject to a fine if (1) an inspection is not allowed, or (2) the Renovations are in violation of the Governing Documents as provided in the Section above entitled "Failure to Comply with Approval Requirements" or elsewhere. Such inspections do not absolve Members from compliance with the Association's Architectural Standards and all applicable Building, Safety and Fire codes.

5.13 Building Department and Association Approvals. Any construction, repair, modification, or alteration of any Improvement requiring the issuance of a building permit shall be submitted by the Member to the appropriate governmental entity for review and approval. In the event of a conflict in the conditions of approval imposed by the governmental entity and the Architectural Committee, the more restrictive conditions shall control. Nothing herein shall limit the Architectural Committee from imposing conditions of approval which are more restrictive than conditions imposed by governmental agencies.

5.14 Mechanics' Liens. Members shall ensure that no lien is placed against any other Unit or against the Common Areas for labor or material furnished to their Units. If a lien is placed against the Common Areas and other Member's Units, and the responsible Member does not immediately cause the removal of the lien, the Association may, after written notice to the responsible Member, pay the amounts necessary to have the lien removed and levy a Reimbursement Special Assessment against the responsible Member.

5.15 Hold Harmless and Indemnify. Approval of plans by the Association signifies only a general conformance with its Architectural Standards and not with Building, Safety, or Fire code, lot lines, easements, or construction best practices. The Association and its Architectural Committee, Members, Officers, Directors, employees, and agents shall not be liable and shall be held harmless and indemnified for mistakes in judgment or negligence arising out of or in connection with the Association's approval or disapproval of plans.

5.16 Combining Units. No Units may be combined without prior written Board approval. Combining Units shall have the following consequences: (i) the Percentage Interest in the Common Area allotted to the combined Units shall be equal to the sum of the Percentage Interests in the Common Area of each of the combined Units; (ii) the Assessments due and owing on the combined Units shall be equal to the sum of the Assessments levied against each of the respective Units so combined; and (iii) the Owner of the combined Units shall continue to have the same number of votes assigned to the Units before they were combined.

5.17 No Right to Divide Units. No Member shall have the right to divide any Unit; provided, however, that once two or more Units have been combined, the Owner of such combined Units may seek written approval of the Board of Directors to divide the Units and thereby restore them to their original dimensions and footprint.

ARTICLE 6: BALCONIES, PATIOS AND PORCHES

6.1 Member Maintenance of Balconies, Patios and Porches. Members shall, at their sole expense, have the duty to maintain, service and repair the floors and surfaces of the interior walls of their Balconies, Patios and Porches, as follows:

- a. *Clean and Sanitary*. Members shall keep their Balconies, Patios and Porches in a clean and sanitary condition. However, any water used in cleaning Balconies may not be permitted to unreasonably spill over the edge of the Balcony onto other Units or the Common Area.
- b. *Balcony/Patio Doors*. Members shall maintain, repair, and replace their Balcony and Patio doors, door casings, thresholds, weather stripping, caulking, door guides, and any other related hardware and sealants associated with their Balcony or Patio doors.

6.2 Association Maintenance of Balconies, Patios and Porches. Excluding the Member obligations provided for above, the Association shall have the duty to maintain, repair and replace the exterior surfaces, railings, flashing, and structural components of Balconies, Patios and Porches. In addition to the foregoing, the Association shall have the duty to perform periodic waterproofing, as deemed reasonably needed by the Board of Directors, of the surfaces of the Balconies, Patios and Porches. Subject to the notice provisions in these CC&Rs under "Right of Entry," the Association shall have the right to enter upon any Balcony, Patio or Porch in connection with any maintenance, repair, or replacement for which the Association is responsible.

6.3 Right to Inspect and Repair. To ensure compliance, the Association shall have the right to enter the Balconies, Patios and Porches to inspect them. Failure by a Member to maintain a Balcony, Patio or Porch shall give the Association the right to repair it in accordance with the notice and repair provisions of these CC&Rs. The Association is permitted to recover the costs of such repairs by imposing a Reimbursement Assessment and imposing a lien against the Unit, if not paid, as provided for in these CC&Rs.

6.4 Balcony, Patio and Porch Alterations. Members shall not have the right to paint or alter their Balconies, Patios or Porches without the prior written approval of the Architectural Committee.

6.5 Balcony and Porch Ledge. No plants or hanging vines shall be permitted to extend over the edge of any Balcony or Porch, except as provided for in the Rules and Regulations. Nor shall any item be placed temporarily or permanently on any ledge, except as provided for in the Rules and Regulations. Laundry, rugs, or other items may not be draped over any Balcony or Porch wall or railing.

6.6 Dangerous Acts. No Member shall throw, or permit to be swept or thrown, any dirt, water, objects, or other substance of any kind whatsoever from his/her Unit, its doors, windows, or Balconies.

6.7 Unsightly Objects. In no event shall unsightly objects (including, but not limited to, laundry, mops, appliances) be placed or stored on a Balcony, Patio or Porch where they may be seen by other Members or by the public in general.

6.8 Balcony, Patio and Porch Furniture. Members shall have the right to furnish their Balconies and Patios with outdoor furniture, as provided for in the Rules and Regulations.

6.9 View Obstructions. No vegetation or other obstruction shall be planted or maintained upon any Balcony, Patio or Porch which shall unreasonably obstruct the view from any other Unit. Any item or vegetation which, in the opinion of the Board, creates an unreasonable view obstruction shall be removed or pruned to the Board's satisfaction.

6.10 Watering Plants. No Member shall water his/her plants or use water on his/her Balcony in such a way as to cause water to drip, spray, or flow onto the Balcony, Patio, Porch, or windows of another Unit or onto vehicles parked in the Common Areas garages below.

6.11 Balcony Weight Limitations. No Member shall allow the placement of unreasonable weight loads on his/her Balcony. The number and size of plants shall be regulated by the Rules and Regulations. No refrigerators, freezers, or other appliance shall be permitted on Balconies, Patios or Porches.

6.12 Damage. Members shall be liable for any damage to their Balconies, Patios or Porches caused by the acts, omissions, or willful misconduct of such Members, Residents, guests, or their family or pets. The Association shall cause the damage to be repaired and the expenses related to the repair assessed against the Member as a Reimbursement Special Assessment.

ARTICLE 7: GENERAL RESTRICTIONS

7.1 Antennas. No antennas for transmitting or receiving radio signals or any other form of electromagnetic radiation may be installed or attached to a wall, except as

provided in the Association's Rules and Regulations, its Architectural Standards, and applicable law.

7.2 Barbecues. Except for propane or electric barbecues in U.L.-approved receptacles designed for such purposes, barbecues are prohibited. To the extent allowed, propane or electric barbecues shall be restricted to the Balconies and/or Patios. The hours of operation, type of equipment, and rules regarding their operation shall be in the Rules and Regulations. Residents shall take reasonable precautions to minimize smoke from entering other Units.

7.3 Drones. A "drone" is defined as a powered aerial vehicle that flies autonomously or is remotely piloted. The operation of drones in the Development, if allowed by the Association, must comply with the Association's Rules and Regulations, federal and state law. No person is permitted to operate, cause, allow or authorize the operation of a drone in the airspace above any portion of the Development in such a way as to invade the privacy of Association Members, guests, Residents or vendors, whether equipped with a camera or otherwise. Prior written approval of the Board of Directors must be given for drone operations that are contrary to this Section or the Association's Rules and must comply with such terms and conditions as the Board may deem appropriate under the circumstances.

7.4 Flammable Materials. Except for reasonable amounts of legal ammunition for use with legal firearms, the storage or use of explosives, fireworks, or highly flammable or highly corrosive materials by Members, Tenants, Residents, or their respective family, guests, or invitees anywhere in the Development is prohibited.

7.5 Health/Safety Hazards. Members shall not permit conditions which constitute a health, safety, or fire hazard to exist in their Units, Balconies, Patios, storage areas, Parking Areas, or Exclusive Use Common Areas. All Units shall have smoke detectors and carbon dioxide detectors installed in compliance with current state, county or municipal laws.

7.6 Spas and Hot Tubs. No spa or hot tub may be installed in any Unit.

7.7 Laundry. No clothesline or drying rack may be erected, maintained or used in the exterior of the Development, except in an exclusive use backyard of a Member. The Association may adopt reasonable rules and restrictions regarding the use of clotheslines and drying racks as allowed by law. No item may be draped over fences, trees or Balcony, Patio, or Porch walls or railings.

~~7.8 Washers and Dryers. No washers or dryers may be installed in any Unit.~~

7.9 Marijuana and Controlled Substances. Growing or distributing marijuana or medical marijuana, whether or not for personal use, as well as manufacturing, synthesizing, producing or distributing any illicit or controlled substances as defined by applicable state and/or federal laws is strictly prohibited in the Development, whether in Units, Exclusive Use Common Areas, or Common Areas.

7.10 Nudity. Public displays of nudity are prohibited.

7.11 Nuisance. No Member may cause or permit to be caused anything which constitutes a nuisance as outlined below:

- a. *Unreasonableness*. To constitute a nuisance, the activity must be such that it causes an unreasonable disturbance or annoyance, be unreasonably injurious to health, be indecent, or be unreasonably detrimental to Persons, employees, management, vendors, or property.
- b. *Secondhand Smoke*. Any "exfiltration" (air flow outward through a wall, building envelope, window, etc.) of any noxious odor or smoke, including tobacco smoke, from a Unit, whether through windows, doors, vents, or other means, is prohibited. It is the responsibility of the Member causing such exfiltration of smoke to prevent such exfiltration.
- c. *Allergies*. Residents with allergies or sensitivities must, at their own expense, take precautions to protect themselves against commonplace levels of noise, odors, dust, smoke, gases, pollen, or other environmental pollutants.
- d. *Board Action*. Because a nuisance is largely subjective, the Association is not obligated to become involved in disputes where, in the opinion of the Board, the alleged nuisance causes mere inconvenience. The Board shall be permitted to amend a Code of Conduct and Harassment policy in order to assist them in enforcing this Section 7.10, which can include fines for violations, following proper notice and a hearing.

7.12 Occupancy Restriction. The maximum number of Persons who may reside in any Unit is two (2) Persons per bedroom plus one additional Person for the Unit. For purposes of this restriction, "reside" means the use, residency, or occupancy of any Unit by any Person for more than thirty (30) consecutive days or more than sixty (60) aggregate days, whether or not consecutive, in any one calendar year.

7.13 Grandfathered Occupancy. In Units where the number of Persons residing in the Unit on the date of recordation of these CC&Rs is in violation of these CC&Rs, those Persons residing in excess of the maximum number of Persons permitted may continue to reside in the Unit; provided, however, once the current Residents in excess of the maximum number permitted cease to reside in the Unit, these Persons cannot be replaced. Along with other remedies provided for in these CC&Rs, the Board may impose a water usage surcharge per Person residing in a Unit in violation of the occupancy restriction.

7.14 Obstruction of Common Areas. No Common Area shall be obstructed or used for other than its intended purpose, except as expressly permitted in writing by the Board for good cause. If and to the extent approved by the Board, the Owners of townhouse Units and certain other Units with "front yard" areas may install plants, stepping stones, or the like, and may be required to maintain, repair, and/or remove the same, notwithstanding the Association's maintenance and repair of the Common Areas otherwise.

7.15 Quiet Enjoyment. No one may engage in any behavior, whether verbal or physical, including, but not limited to, the posting or distributing of documents, openly or anonymously, anywhere in the Development, where such behavior is abusive, harassing, threatening, intimidating, defaming, slanderous, unlawfully aggressive, and/or otherwise legally actionable against other Members, Residents, guests, invitees, members of the Board, or the Association's management, employees, agents, or vendors. Because such breaches of quiet enjoyment are largely subjective, the Board may choose to act only against egregious breaches. When the Association chooses not to act on a complaint of breach of quiet enjoyment, or the complaining party believes the Association's action is not sufficient, such party may take legal action to enforce this provision against other Members and/or Residents, but is not permitted and expressly waives his/her right to take any action, legal or otherwise, including commencing or maintaining a lawsuit against the Association and/or its Officers, Directors, employees, and/or agents for their failure to act on the party's complaint and/or for the manner in which they handled it.

7.16 Residential Use. No Member shall use or permit his/her Unit or any portion of it to be occupied or used for any purpose other than a private residential dwelling. Home based offices and businesses are permitted provided they are inspected, licensed and approved by the City of Redondo Beach, which requires a City business license, no employees, no walk-in customers, no displays, no stock storage, no products sold at the home, and no mechanical equipment used.

7.17 Roof Restricted Access. Members and their families, Unit Residents, guests, employees, vendors, and agents are prohibited from entering onto the Association's roofs without the prior written consent of the Board.

7.18 Sale of Unit. Restrictions or limitations on open houses, brokers' caravans and other matters relating to the sale of a Unit shall be provided for in the Rules and Regulations.

7.19 Satellite Dishes. Satellite dishes may only be installed as provided for in the Rules and Regulations, Architectural Standards, and applicable law.

7.20 Signs, Posters and Flags. Signs, posters, flags, banners, notices, nameplates, cards, and advertisements of any kind may only be displayed to the public view on or from any Unit or in or on any Common Area, including any Exclusive Use Common Area as allowed by law. Owners may display one sign in a designated area which is of reasonable dimensions and design, advertising that the property is for sale or lease, as allowed by law and subject to any restrictions in the Rules and Regulations. Commercial signs may not be displayed.

7.21 Smoking and Vaping. All smoking, vaping, and use of e-cigarettes is prohibited in the Development's Common Areas or the Exclusive Use Common Area of any Unit. "Smoking" means, but is not limited to, any practice by which a substance, whether tobacco, marijuana or any other substance, is burned for the purpose of inhaling its smoke. "Vaping" means inhaling water vapor to obtain nicotine, cannabis or any other substance. "E-cigarette" means an electronic device that vaporizes liquid nicotine,

cannabis or any other substance. Additional restrictions concerning Smoking, Vaping and E-cigarette use, consistent with these CC&Rs, may be adopted by the Board.

7.22 Solar Energy Systems. Solar Energy Systems may only be installed after obtaining written approval of the Architectural Committee and as provided for in the Rules and Regulations, Architectural Standards, and applicable law.

7.23 Toilets. No “turbo” toilets or any other types of noisy toilets are permitted.

7.24 Trash Chutes. Cardboard boxes may not be disposed of by placing them into the trash chutes. Under no circumstances may explosives, fireworks, or highly flammable or corrosive materials be disposed of in the trash chutes or anywhere else in the Development.

7.25 Hiring of Association Employees. Members may hire off-duty Association employees to perform work. However, the use of off-duty employees shall be at the employing Member’s expense and such Member shall be responsible for workers’ compensation and payroll deductions for that employee. In no event shall the Association be liable for the acts or omissions of employees hired by Members.

7.26 Use of Independent Contractors. Members may use independent contractors to perform work in their Unit subject to the Association’s Construction Guidelines. Such contractors shall be licensed and insured as required by law. The Association may, but is not required to, and is specifically relieved of any responsibility or liability for policing this provision. Members shall be liable for any injury to persons or damage to the Common Areas, Exclusive Use Common Areas, Units and any personal property caused by the acts or omissions of such Member’s contractor. The Association may in its discretion repair, restore or replace such damaged property and may impose a Reimbursement Special Assessment against the liable Member and that Member’s Unit for all costs and expenses incurred by the Association in connection with the damage. The Reimbursement Special Assessment may become a lien against the liable Member’s Separate Interest enforceable by the sale of the Member’s Unit under Civil Code sections 2924, 2924(b), and 2924(c).

7.27 Window Coverings. Owners may only install appropriate coverings on their windows. The color of such window coverings shall be in harmony with the exterior of the structure. No window may be covered by paint, aluminum foil, newspapers, bed sheets, cardboard, blankets, or other similar, unattractive or inappropriate items.

ARTICLE 8: LEASE AND OWNERSHIP LIMITATIONS

In addition to the restrictions found in Article 7, that Members may not use their Units for business, commercial, manufacturing, mercantile, storing, or vending purposes, the following residential restrictions apply:

8.1 No Transient Use. Units may not be rented for transient, hotel, fractional or similar purposes or any time-sharing arrangement under which occupancy rights for specific periods are distributed between two or more persons. No Unit may be listed with any organization or service (including, but not limited to, Airbnb, VRBO, Flipkey,

Homeaway, or Craigslist) or otherwise advertised as being available for rent or lease for a period of less than sixty (60) days or in a manner that would suggest or imply the Unit was available for rent or lease for a period less of than sixty (60) days.

8.2 No Time Sharing. Units may not be divided, used or conveyed on a time increment basis (commonly referred to as "time sharing"). The term "time sharing" is defined to include any agreement, plan, program or arrangement under which the right to use, occupy or possess a Unit or any portion of a Unit rotates among various persons, either corporate, partnership, individual or otherwise, on a periodically recurring basis.

8.3 Lease Requirements. Units may not be used for time-share purposes, hotel-like operations, or other transient purposes. No Member shall lease less than the entire Unit nor shall the lease be for an initial term of less than sixty (60) days. Notwithstanding anything to the contrary in this section, no Unit may be rented or otherwise occupied by a non-Owner for a period of less than sixty (60) days, except in compliance with the provisions of this Article 8.

8.4 Lease Addendum. Any lease or rental agreement between Member and Tenant shall be in writing. In addition, Member, Tenant, and the Association shall execute a "Lease Addendum" which executed addendum must be furnished to the Association. Member and Tenant shall agree, at a minimum, to the following terms: (i) the lease is for the entire Unit; (ii) Member transfers any right to use Common Area facilities to the Tenant; (iii) no assignments or subleases are permitted; (iv) the lease is for an initial term of not less than sixty (60) days; (v) Tenant agrees to comply with the Association's Governing Documents and be subject to the same disciplinary procedures and fines as Members; (vi) Member assigns rents to the Association in the event Member becomes sixty (60) days delinquent in the payment of Assessments to the Association; (vii) Tenant shall carry renter's insurance; (viii) Member grants the Association the power to institute an unlawful detainer action on his/her behalf for violation of the terms of the Lease Addendum; and (ix) in the event of a conflict, the terms of the Lease Addendum supersede the terms of any other agreement between Member and Tenant. If a Lease Addendum is not executed as described above, Member and Association are nonetheless bound by the terms of this section as though the Lease Addendum had been executed by them.

8.5 Governing Documents. Members shall provide their Tenants with copies of all Governing Documents, including, but not limited to, the CC&Rs, Bylaws, and Rules and Regulations, as well as any applicable amendments, and must ensure compliance with all provisions of the Governing Documents.

8.6 Transfer of Common Area Privileges. Any Member residing off-site and whose Unit is occupied by others automatically relinquishes to their Unit's Residents the Member's rights to use the Association's Common Area facilities until the Member re-takes possession of the Unit.

8.7 Transfer of Occupancy. Members living offsite shall promptly provide the Association with the name, address, phone number, and email address of all Unit Residents and any change in occupancy.

8.8 Repair Damage. Members shall be liable for any and all damage to the Units, Common Areas, including Exclusive-Use Common Areas, and any personal property when the cause of such damage originates from that Member's Unit or Exclusive Use Common Area, or which was caused by the acts or omissions of such Member, Member's Tenant, or their respective family, guests, invitees, or pets. The Association may in its discretion repair, restore or replace such damaged property and may impose a Reimbursement Special Assessment against the liable Member and that Member's Unit for all costs, expenses and attorney fees incurred by the Association in connection with the damage. The Reimbursement Special Assessment may become a lien against the liable Member's Separate Interest enforceable by the sale of the Member's Unit under Civil Code sections 2924, 2924(b), and 2924(c).

8.9 Unlawful Detainer. Members who lease their Units shall be responsible for assuring their Tenants comply with the Association's Governing Documents. A Member's failure to take legal action against his/her Tenant who is in violation of the Governing Documents (including the institution of proceedings in unlawful detainer) within ten (10) days after receipt of written demand to do so from the Board shall entitle the Association to institute unlawful detainer proceedings on behalf of such Member and against the Tenant. Any expense the Association incurs, including attorneys' fees and costs of suit, shall become a Special Assessment against the Unit.

8.10 Assignment of Rents. As security for the payment of Assessments, fines, and other sums owed to the Association, Members who lease their Units hereby pledge their rights as landlords (including the right to receive rent) to the Association. In the event a Member becomes delinquent in payment of Assessments or fines to the Association, the Association may require the Tenant to direct any and all rent payments to it until such deficiencies have been paid in full. Members shall have no right to collect these amounts from Tenants and may not evict Tenants for complying with the Association's demand for rents.

8.11 No Criminal Activity. No Person may reside in any Unit if they engage in criminal activities. For purposes of this section "criminal activities" means drug-related activities (including the illegal manufacture, sale, distribution, use or possession of a controlled substance), gang related activities, unlawful use or discharge of firearms, prostitution, or any misdemeanors or felonies enumerated in the California Penal Code. For purposes of this section "reside" means the use, residency or occupancy of any Unit by any Person for more than five (5) consecutive days or more than ten (10) aggregate days, whether or not consecutive, in any one calendar year. In addition, no Owner of a Unit shall permit, by rental agreement or otherwise, Persons who engage in criminal activities to reside in their Unit.

ARTICLE 9: PETS

9.1 Pet Limitation. The following restrictions regarding the care and maintenance of pets within the Development shall be observed by each Owner and resident:

- a. Not more than one common household pet may be kept in each Unit as long as the same are not kept, bred, or maintained for commercial purposes. No other animals, livestock or poultry of any kind shall be kept, bred, or raised on or in any Unit or anywhere else in the Development. No animal that measures more than fifteen (15) inches in height from level ground to the top of any shoulder of that animal shall be allowed within the Development.
- b. Dogs shall only be allowed on the Common Area when they are leashed in accordance with the Rules and Regulations and otherwise under the supervision and restraint of a responsible person capable of controlling the dog.
- c. No household pet shall be left chained or otherwise tethered in front of any Unit or in the Common Area. Pet owners shall be responsible for the prompt removal and disposal of pet wastes deposited by their pets within the Development.
- d. Each person bringing or keeping a pet on the Development shall be solely responsible for the conduct of his or her pet. The Association, its Board, officers, employees and agents shall have no liability (whether by virtue of these CC&Rs or otherwise) to any Owners, their family members, guests, invitees, tenants and/or contract purchasers for any damage or injury to persons or property caused by any pet.
- e. The Board shall have the right to establish and enforce additional rules and regulations and impose standards for the reasonable control and keeping of household pets in, on and around the Development to ensure that the same do not interfere with the quiet and peaceful enjoyment of the Development by the other owners and residents.
- f. The Board can, in the sole and exclusive discretion, prohibit the maintenance in the Development of any pet that constitutes a nuisance to any other Owner or resident of the Development.
- g. Each person bringing or keeping a pet in the Development shall be absolutely liable to other owners, their family members, guests, invitees, tenants and contract purchasers for any damage to persons or property caused by any pet brought on or kept on the Development by such person or by members of his family, his guests or invitees.
- h. Any Owner or member of the Board may cause any unleashed dog found within the Common Area to be removed to a pound or animal shelter

under the jurisdiction of the County of Los Angeles by calling the appropriate authority.

- i. No dog whose barking disturbs any other Owner or resident of the Development shall be permitted to remain at the Development.
- j. Owners shall prevent their pets from soiling any portion of the Development and shall promptly clean up any mess left by their pet.

9.2 Grandfathered Pets. Pets residing at the Association on the date of recordation of these CC&Rs which were not in violation prior to that date, but which are prohibited under these CC&Rs, are permitted; provided, however, those pets are registered with the Association. Residents may keep any such registered pets for as long as the Resident resides in the Development. However, once the Resident has moved from the Development the pet cannot remain in the Development. If the pet has died it may not be replaced, except as provided for in these CC&Rs.

9.3 Service Animals. An animal otherwise prohibited by these CC&Rs, which is kept by a Resident for the purpose of servicing the Resident's disability, may be kept by such Resident provided: (i) the Resident submits appropriate documentation to the Board verifying the existence of a legally-defined disability; (ii) the service animal is properly cared for by the Resident (i.e., kept healthy, clean, and properly groomed and waste material is properly disposed of); and (iii) the animal is not unruly or disruptive (e.g., barking, growling, running loose, displaying aggressive behavior, etc.). All applicable pet conduct rules shall apply to service animals.

9.4 Nuisance. Members shall be liable to the Association and other Members for any damage to Person or property or nuisance noise caused by the pets of such Member, Member's Tenant, or their respective family, guests, or invitees. The Board shall have the right to prohibit any pet which, in its opinion, constitutes a nuisance to other Members pursuant to evidence provided at a noticed hearing.

9.5 Dangerous Animals. No animal may be kept in the Development which the Board has determined to be aggressive or dangerous pursuant to evidence provided at a noticed hearing. Pets that exhibit aggressive or dangerous behavior, though not previously determined to be aggressive or dangerous, shall upon request of the Board, wear a muzzle while in the Common Area until a determination is made by the Board as to whether the pet will be allowed to remain in the Development. Should the Board determine that the pet is not permitted to remain in the Development, the Association has the right to remove said pet from the Development at the Owner's cost.

9.6 Prohibited Animals. The following breeds of dogs may not be kept as pets: Pit Bulls, German Shepherds, Malamutes, Chows, Great Danes, Rottweilers, Husky-types, Wolf-dog hybrids, Doberman Pinchers, Akitas, Staffordshire Terriers, and Jindos. The Association may restrict other categories of animals which are dangerous or have aggressive tendencies, as designated by the insurance industry or a governmental agency.

9.7 Liability. Members are liable for any injury to Persons or property caused by any animal brought or permitted onto or kept within the Development by the Member, Member's Tenant or their respective family, guests, or invitees.

9.8 Control. Pets are permitted in the Common Area, only as permitted by the Rules or this Section. All dogs in the Common Area must be on a leash held by a Person capable of controlling the dog. The Association is permitted to remove any unleashed dog found within the Common Areas to a pound or animal shelter under the jurisdiction of the city or county in which the Development is located.

ARTICLE 10: VEHICLES AND PARKING

10.1 Management of Parking. The Association shall manage and control the use of all Common Area parking and driveway areas.

10.2 Restricted Parking. Only the following types of vehicles may be parked or stored in parking spaces: automobiles, trucks, motorcycles, and mopeds. Vehicles shall be parked completely within the parking space. No RV, camper, boat, recreational water craft, trailer, or any other similar vehicle is permitted in any portion of the Common Areas or in any parking space. Only permitted vehicles may be stored in parking spaces.

10.3 Commercial Vehicles. Commercial vehicles, including pickup trucks 3/4 ton or larger panel trucks, tow trucks, stake bed trucks, tank trucks, dump trucks, step vans, concrete trucks, taxis, buses, vans designed for 10 people or more, vehicles with commercial signage, and the like, are prohibited, except as provided in the Rules and Regulations.

10.4 Assigned Parking. Each Unit has been assigned one or more numbered parking spaces in the Common Area, for the exclusive use of the residents of that Unit, for the sole purpose of parking one non-commercial passenger vehicle (which shall include motorcycles, passenger cars and vehicles) in each single space, or two such vehicles in each tandem space. In addition to the foregoing, each Unit shall be permitted to park up to four (4) bicycles in (or immediately adjacent to) its assigned parking space so long as said parking space can continue to accommodate the number of vehicles it was designed to accommodate. The Board shall maintain a schedule of such assigned spaces, and such assignments shall not be revised except upon the vote of seventy-five percent (75%) of all the Owners. The sale or other transfer of a Unit shall not affect such assignments. Use of parking spaces is subject to compliance with the Governing Documents; vehicles may be removed for nuisance or noncompliance and rules violations. It is each Owner's sole responsibility to confirm that his/her vehicle can fit within the Owner's assigned parking space(s).

10.5 Guest Parking. Guest parking is limited and no vehicle shall be permitted to park in guest parking, except as provided for in the Rules and Regulations. Members' guest parking may be suspended for delinquencies and rules violations.

10.6 Renting of Parking Spaces. No parking space may be rented to or leased to a non-Member, except to a Tenant in connection with the lease of a Unit. However,

Members may rent space on a month-to-month basis from other Members, subject to any conditions provided for in the Rules and Regulations. Once a Member moves or passes away, said Member's parking space rental shall be terminated.

10.7 Proper Operating Condition. All vehicles shall be maintained in proper operating condition, so as not to be a hazard or nuisance by noise, exhaust emissions, or appearance. All vehicles shall carry current registration tags and shall be insured.

10.8 Limited Operation. The engines of vehicles shall not be allowed to operate in the Common Areas except as may be necessary to move the vehicle into or out of the Parking Areas.

10.9 Electric Vehicle Charging Stations. Members are permitted, with written approval of the Architectural Committee and/or Board, to install at their own expense an electric charging station compliant with Section 4745 of the Civil Code or any successor statute. Use of Association electricity to power a Member's electrical vehicle charging station is prohibited unless, following written approval of the Architectural Committee and/or the Board, the member has installed an electrical submeter to track electricity usage. The Member must pay the Association for all Association electricity used by the electrical vehicle charging station. The Association may impose reasonable requirements on the location and installation of the equipment. All electrical work must be done by a licensed electrician with appropriate permits from the Building Department.

10.10 Noise Limitation. All vehicles must be configured so as to provide for their quiet operation.

10.11 Repair of Vehicles. No Member shall construct, repair, or service any vehicle within any portion of the Development. However, to the extent necessary to move a vehicle to a proper repair facility, emergency repairs are permitted.

10.12 Washing of Vehicles. Vehicles may not be washed or detailed in the Development, except as provided for in the Rules and Regulations.

10.13 Fluid Leaks. Members must keep the Common Area free of fluids such as oil, radiator coolant, brake fluid, power steering fluid, etc. Members who fail to do so may be fined or may be subject to a Reimbursement Assessment for the cost of cleaning the affected areas.

10.14 Theft or Damage. The Association shall not be liable for any loss or damage suffered by any Member, Tenant, or guest by reason of theft of or damage to any Vehicle or Vehicle contents, unless caused by the Association's intentional misconduct or gross negligence.

10.15 Impeding Access. No vehicle shall be parked in such a manner as to impede or prevent ready access to any door, gate, entrance, or exit.

ARTICLE 11: ENFORCEMENT OF GOVERNING DOCUMENTS

11.1 Association Enforcement Rights. In addition to any other rights described in these CC&Rs and without waiving the Association's right to institute other enforcement measures, and subject to the notice and hearing provisions in the Bylaws, the Governing Documents may be enforced by any or all of the following, as may be appropriate:

- a. *Monetary Penalties*. The Board may assess reasonable monetary penalties for violations of the Association's Governing Documents by a Member, Member's Tenants or their respective family, Unit Residents, invitees or guests. Such Member shall be liable for all costs of collection, including reasonable attorneys' fees, court costs, and related expenses regarding unpaid fines. Additionally, a monetary penalty (fine) imposed by the Association as a disciplinary measure for failure of a Member to comply with the governing documents, may be treated as and is hereby an assessment that may become a lien against the Member's separate interest, but such lien may not be enforced by the sale of the interest under Sections 2924, 2924b, and 2924c (non-judicial foreclosure).
- b. *Suspend Common Area Privileges*. Subject to the notice and hearing provisions set forth in the Bylaws, the Board may temporarily suspend the Common Area privileges of Members, Member's Tenants and their respective family, invitees, and guests for their failure to comply with the Association's Governing Documents. Any such suspension shall be for a period of time not to exceed thirty (30) days for each non-continuing violation. For continuing violations, the suspension may be imposed for as long as the violation continues.
- c. *Suspend Voting Rights*. Subject to the notice and hearing provisions set forth in the Bylaws, the voting rights of a Member may be suspended for continuing violations of the Governing Documents. Once suspended, a Member's voting rights shall remain suspended until such continuing violation is cured.
- d. *Dispute Resolution*. As to any dispute between a Member and the Association, the Association is authorized to engage in Internal Dispute Resolution and/or Alternative Dispute Resolution as provided for in the Governing Documents and the law.
- e. *Judicial Enforcement*. A lawsuit for damages, declaratory relief, and/or injunctive relief may be filed, whether or not the relief sought is for negative or affirmative action.

11.2 Cumulative Remedies. The respective rights and remedies, provided by these CC&Rs, by law, or available in equity, shall be cumulative and the exercise of any one or more of such rights or remedies shall not preclude or affect the exercise, at the same

or at different times, of any other such rights or for the same or different failures of the Members or others to perform or observe any provision of these CC&Rs.

11.3 Failure to Enforce Not a Waiver. Failure to enforce the Governing documents, whether by the Board or any Member or other Person entitled to enforce them, shall in no event be deemed a waiver of the right to do so. Waiver or attempted waiver of any provision of these CC&Rs with respect to a given Unit shall not be deemed a waiver as to any other Unit. Additionally, violation of any provision hereof with respect to any Unit or Units shall not affect the applicability or enforceability of any provision of these CC&Rs to any other Unit.

11.4 Remedy at Law Inadequate. In the event remedies at law for violation of the Association's Governing Documents are inadequate, then equitable and injunctive relief may be sought and awarded.

11.5 Right of Action Against Buyer. Failure by a Member to correct Unit violations prior to the transfer of title to the Unit shall give the Association the right to enforce compliance against the buyer.

11.6 Right to Request Identification. All Persons using the Association's Common Area facilities shall/agree to show proper identification when so requested by Directors of the Board or the Association's designated agents.

11.7 Attorneys' Fees. In the event any party initiates any action or proceeding to enforce or interpret the Governing Documents or California law relating to the Development, the substantially-prevailing party shall be awarded reasonable attorneys' fees and costs, including reasonable experts' fees.

ARTICLE 12: RIGHT OF ENTRY

12.1 Limited Right of Entry. During reasonable hours and subject to the notice requirements contained in this Article, the Association's representatives, employees, and vendors may enter Units, Common Areas, and Exclusive Use Common Areas: (i) to inspect and perform maintenance or repairs to the Common Areas or Exclusive Use Common Area; or (ii) to mitigate or repair damages; or (iii) to inspect the Unit to ensure compliance with the Governing Documents. Such Persons, acting in good faith, shall not be liable for trespass.

12.2 Notice of Entry. The Association shall give at least three (3) business days' written notice if by personal delivery and five (5) days written notice by first class mail or email, to the Resident and the Unit Owner, stating the purpose for the entry and the time of the entry. Email notification may be used only if the recipient previously agreed to receive notices and communications from the Association by email.

12.3 Avoid Unreasonable Interference. The right of entry shall be exercised in such a manner as to avoid any unreasonable or unnecessary interference with the possession, use, and enjoyment of the Member or Resident of such Unit.

12.4 Emergency Entry. In the event of an emergency, the Board or its authorized representative may enter the Unit without permission and shall not be subject to liability to the Member or occupant. Such entry shall not constitute trespass or any other wrongful act. If it is necessary for the Association to damage or destroy property to gain access to the Unit, the Member shall have no right of action against the Association or its representatives. However, the Association shall repair the damage if the emergency did not originate in the Unit. Prior to emergency entry, if feasible, the Board shall make a good faith effort to give notice.

12.5 Refusal to Allow Entry. In the event the Resident refuses to allow entry for any reason authorized in these CC&Rs, the Association shall have the right to assess against the Member all expenses including reasonable attorneys' fees (regardless of whether legal proceedings are instituted) incurred by the Association arising from the Resident's refusal to allow entry. Such fees and expenses shall become a Reimbursement Special Assessment against the Member and shall be fully enforceable by all means provided for in these CC&Rs including lien and foreclosure.

12.6 Damage Repaired by Association. Any damage caused by the Association to the Common Areas or Unit improvements shall be promptly repaired by the Association to original building construction standards. If the damage was caused by others, the Association shall have the right to seek reimbursement from the responsible parties.

12.7 Power to Vacate Unit. If necessary, the Board has the authority to vacate a Unit to make repairs to the Association's Common Areas or to treat termites, other pest infestations, and microorganisms. All costs of food, lodging and other associated expenses shall be borne by the Member and not by the Association. Any lost rent or income resulting from vacating a Unit shall be borne by the Member and not by the Association. However, the Association shall have the duty to diligently make repairs so as to return occupancy as quickly as possible.

- a. *Notice*. The Board shall give notice of the need to temporarily vacate a Unit to Residents and Members not less than fifteen (15) days prior to the date of the relocation by first class mail, certified mail return receipt requested, or email. Email notification may be used only if recipient previously agreed to receive notices and communications from the Association by email. The notice shall state the reason for the temporary relocation, the date and time of the repairs, and the anticipated date and time of completion of repairs. Notice shall be either by personal delivery or first class mail to the address shown on the books of the Association.
- b. *Duty to Vacate*. Members shall ensure that Residents vacate their Units. In the event any Member fails to cause the Residents to vacate, the Association shall have the right to levy a Reimbursement Special Assessments against the Member for all expenses and attorneys' fees incurred by the Association in removing such Residents from the Unit and any additional costs caused by the delay.

12.8 Entry by Member. Each Member shall permit other Members and their representatives to enter his/her Unit to perform installations, alterations, or repairs to the mechanical or electrical services to a Unit, if: (i) requests for entry are made in advance; (ii) entry is made at a time reasonably convenient to the Member whose Unit is being entered; and (iii) the entered Unit is left in substantially the same condition as existed immediately preceding such entry. Any damage to the Unit caused by entry shall be repaired by the entering Member. Both the Member allowing entry and the Member gaining entry shall hold harmless and defend the Association and its Officers, Directors, Committee members, Members, agents, and employees against claims of damage or injury resulting from one Member's entry into another Member's Unit.

ARTICLE 13: ASSESSMENTS

13.1 Purpose of Assessments. The general purpose of Assessments is to provide for the recreation, health, safety, and welfare of the Members, enforce and comply with the Governing Documents, manage the Development, enhance the quality of life in the Association, improve and maintain the Common Areas, provide for the acquisition and maintenance of property, services and facilities devoted to these purposes, and for any action or undertaking on behalf of the Association.

13.2 Regular Assessment. The Board shall levy Regular Assessments in an amount sufficient to provide for the performance by the Board of each and every one of its powers and duties provided, however:

- a. *20% Limitation*. Pursuant to the Davis-Stirling Act, the Board shall not, without the approval of Members casting a majority of the votes with Quorum present, impose a Regular Assessment which is more than twenty percent (20%) greater than the Regular Assessment for the immediately preceding fiscal year. Quorum for the purposes of this provision means more than fifty percent (50%) of the Members of the Association.
- b. *Assessment Allocation*. Regular assessments were initially set at the monthly rates set forth in **Exhibit "A"** attached and incorporated by this reference. As and when the Association's budget shall have increased or decreased, and shall increase or decrease as provided in these CC&Rs, such increase or decrease shall have resulted in, and shall result in, an adjustment to Regular Assessments. The increase or decrease shall be determined by adding or subtracting an equal dollar amount for each Unit, regardless of type of Unit. Exhibit "A" includes the 2019 calendar year assessment rates.
- c. *Payable Monthly*. Regular Assessments shall be payable by each Member against whom assessed in twelve (12) equal monthly installments on the first day of each calendar month or at such other dates and in such other installments as the Board shall determine. Assessments for new Members shall be prorated in the first month of membership according to the date on which the individual becomes a Member.

- d. *Written Notice.* Written notice of any increase in Regular Assessments shall be sent by first-class mail to each Member not less than thirty (30) days nor more than sixty (60) days prior to the increased Assessment becoming due.
- e. *Modification of Assessment.* The Board may modify the Regular Assessments during the course of a fiscal year if necessary to conform to a revised estimate of costs and expenses. However, if the aggregate increase exceeds twenty percent (20%) of the Regular Assessment for the immediately preceding fiscal year, the Board must obtain the approval of Members as provided for in the Davis-Stirling Act. If an annual Regular Assessment is not published for a new fiscal year, the Regular Assessment for the prior fiscal year shall apply and govern each Member's payments until changed by a new Regular Assessment.

13.3 Special Assessment. In addition to the Regular Assessment, the Board may levy a "Special Assessment" for any purpose necessary for the Association to carry out its duties; provided, however:

- a. *5% Limitation.* Pursuant to the Davis-Stirling Act, the Board shall not, without the approval of Members casting a majority of the votes with Quorum present, impose a Special Assessment which is more than five percent (5%) of the budgeted gross expenses of the Association for such fiscal year. Quorum for purposes of this provision means more than fifty percent (50%) of the Members of the Association.
- b. *Rate of Assessment.* Special Assessments levied to meet a temporary operational shortfall when the Association's actual costs exceed the Association's budgeted expenses or other such costs that qualify as a Special Assessment under this Declaration or the law (except as specifically outlined below in this 13.3(b)) shall be levied in the same proportion for each Unit as Regular Assessments, pursuant to Section 13.2 above. Except as otherwise stated above in this 13.3(b), Special Assessments levied to cover any costs for the repair or replacement related to any damage or destruction of the Common Areas shall be levied equally as to all Units. Special Assessments levied to cover any costs for any capital improvements to the Common Areas shall be levied equally as to all Units.
- c. *Reimbursement Assessments.* Special Assessments may also be levied against individual Units for reimbursement of expenses incurred by the Association arising out of actions or omissions of such Member, Member's Tenant, or their respective family, guests, invitees or pets. As provided elsewhere in these CC&Rs, such expenses shall include, but not be limited to: (i) enforcing compliance with the Association's Governing Documents; (ii) mitigating or repairing damage to Units, Association property, and/or Common Areas; (iii) collecting delinquent Assessments;

(iv) attorneys' fees and costs; and (v) materials and services provided by the Association to individual Members, Tenants or their respective family, guests, or invitees.

- d. *Payment Schedule.* Special Assessments shall be payable by each Member against whom assessed either monthly or at such dates and in such installments as the Board shall determine.
- e. *Written Notice.* Written notice of Special Assessments shall be sent by first-class mail to each Member not less than thirty (30) days nor more than sixty (60) days prior to the Assessment becoming due.

13.4 Emergency Assessment. In emergency situations, the Board may increase Regular Assessments beyond twenty percent (20%) or impose Special Assessments above five percent (5%) only as provided for by law.

13.5 Deposit of Assessments. All sums received by the Association shall be promptly deposited into accounts clearly designated in the Association's name.

- a. *Commingling.* The Association shall maintain separate accounts for its operating funds and its Reserves, respectively, and no funds from those separate accounts shall be commingled at any time.
- b. *Interest.* No Member shall have the right to receive interest on any such funds deposited.

13.6 Reserves. All sums assessed and collected by the Association which are budgeted to fund Reserves for anticipated long-term maintenance, repair, and replacement of Improvements upon the Common Area, the cost of which would not ordinarily be incurred on an annual basis, shall:

- a. *Be Segregated.* Be received in trust by the Board, set aside and segregated from the other monies and not be commingled with the Association's Operating Account.
- b. *Be Invested.* Be invested in low-risk investments. Reserves shall be deposited in financial institutions authorized to do business in California and where the Association's deposits are insured against loss. Alternatively, the Association may deposit funds with brokerage houses or institutions which are members of the Financial Industry Regulatory Authority and where the Association's deposits are insured against loss.
- c. *Require Two Signatures.* Be withdrawn from the Reserve account only upon approval by the Board and the signature of two (2) members of the Board.
- d. *Not Be Reimbursed.* All contributions to the Reserves, as well as interest earned, are for the benefit of the Association and not to the benefit of any

individual Member. As such, contributions and interest are not refundable to Members when they cease to be Members of the Association.

ARTICLE 14: ENFORCEMENT OF ASSESSMENTS

14.1 Liability for Assessments. Assessments, together with charges, interest, costs, and attorneys' fees (regardless of whether legal proceedings are instituted), shall be a charge on the land and shall be a continuing lien upon the property against which each such Assessment is made. In addition, Members shall be personally liable for any and all Assessments provided for by these CC&Rs, together with any accompanying late charges, interest, costs, reasonable attorneys' fees), and penalties as may be authorized under these CC&Rs. Co-owners shall be jointly and severally liable for all Assessments, late charges, interest, costs, and penalties. All Members owning a partial interest in a Unit shall be personally liable, jointly and severally, for the entire amount of any and all Assessments against such Unit.

14.2 Enforcement Rights. Any Assessment made in accordance with these CC&Rs shall be the separate debt of each Member against whom the same is assessed. In addition to any other rights provided for by law or described in these CC&Rs, the Board has the right to collect delinquent Assessments as follows:

- a. *Late Fees and Interest.* Unpaid Assessments shall be deemed delinquent fifteen (15) days after they are due and shall be subject to a late charge of five percent (5%), which may not be imposed more than once on any delinquent payment, and interest at the rate of twelve percent (12%) per annum, which may commence thirty (30) days after the Assessment becomes due.
- b. *File Suit.* The Association may commence and maintain a lawsuit directly on the debt without waiving its right to establish a lien and initiate foreclosure against the Member's Unit for the delinquent Assessment. In any action to collect delinquent Assessments, late charges or interest, the prevailing party shall be entitled to costs and reasonable attorneys' fees. If such costs and fees are awarded to the Association, they shall become a Reimbursement Special Assessment against the Member and shall be fully enforceable by all means provided for in these CC&Rs including lien and foreclosure.
- c. *Lien and Foreclose.* In accordance with the Davis-Stirling Act, a delinquent Assessment or installment, together with any late charges, interest, costs, attorneys' fees, and penalties, shall become a lien on the Unit upon the recordation of a "Notice of Delinquent Assessment" in the Office of the County Recorder. The Board may enforce any Assessment lien against a Unit by filing an action for judicial foreclosure or by nonjudicial foreclosure. The Association, through its Board, may bid on the Unit at the sale and may hold, lease, mortgage, and convey the acquired Unit.

- d. *Suspend Privileges.* Subject to the notice and hearing provisions set forth in the Bylaws, privileges may be suspended until such time as delinquent Assessments, fees and fines, including any accumulated penalties, interest, and costs of collection have been paid in full.
- e. *Suspend Voting Rights.* Subject to the notice and hearing provisions set forth in the Bylaws, voting rights of a Member may be suspended if the Member is more than sixty (60) days delinquent in paying any Assessment, fee, or fine. Once suspended, a Member's voting privileges shall remain suspended until such time as the delinquency, including any accumulated late charges, interest, and costs of collection, have been paid in full.
- f. *Additional Remedies.* The remedies provided in this Section shall be in addition to, not in substitution for, any other rights and remedies which the Association may have.

14.3 No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation: (i) a claim that the Association is not properly exercising its duties and powers, as provided in these CC&Rs; (ii) a Member has not made or elects not to make use of the Common Area; (iii) any construction or maintenance for which the Association is responsible that has not been performed; or (iv) any construction or maintenance for which the Association is responsible that has not been performed to a Member's satisfaction.

14.4 No Exemption by Waiver of Use. Members may not exempt themselves from liability for Assessments nor release their Units from liens and charges by waiver of their use and enjoyment of the Common Areas, by abandonment of their Units, or through non-use of Common Areas or membership privileges.

14.5 Attorneys' Fees. Any reasonable attorneys' fees and costs incurred by the Association in the enforcement of its Assessment rights against a Member may become a Reimbursement Special Assessment against that Member, which may be collected in any manner provided for by these CC&Rs or by law.

14.6 Non -Waiver of Assessments. If the Board fails to approve a Budget or fix the Assessments for the current year, the Budget and Assessments from the preceding year shall continue until a new Budget is approved and new Assessments are fixed.

ARTICLE 15: INSURANCE

15.1 Association Insurance. The Association must obtain and maintain policies of insurance as described below. To help keep premiums at a reasonable level, the Association is authorized to establish appropriate deductibles for its policies of insurance. Unless otherwise determined by the Board, coverage must be on an occurrence basis.

- a. *Automobile Liability Insurance.* If appropriate, the Association is permitted to purchase non-owned and hired automobile liability coverage and garage-keepers legal liability coverage.
- b. *Boiler and Machinery Insurance.* If appropriate, the Association is permitted to purchase insurance for the loss or damage to or as a result of equipment failures such as boilers, pressure vessels, pressure pipes, motors, mechanical breakdowns, electrical failures, and the like.
- c. *Commercial General Liability ("CGL").* The Association must maintain one or more CGL policies which provide appropriate liability limits for injury or death to one or more Persons in any one accident or occurrence. The Association must carry coverage in amounts that meet or exceed those called for in Civil Code §5805 and any successor statutes.
- d. *Direct Physical Loss.* The Association must maintain one or more policies for loss or damage by fire or other perils covered by the standard "Special Form" policy (or its equivalent) covering all Common Area Improvements in the Development, and such other Improvements in the Development as the Board may deem appropriate. The Board is authorized, in its sole discretion, to limit the scope of coverage under such policies to what is commonly referred to as "bare walls," which exclusions from coverage may include, but are not limited to, the following fixtures and/or components within or appurtenant to a separate interest:
 - i. Exclusive Use Common Areas;
 - ii. Floor, wall, and ceiling coverings;
 - iii. Forced air units, heaters, air conditioners, and electrical and plumbing fixtures;
 - iv. Water heaters, water softeners, water filters, and built-in and free-standing appliances;
 - v. Built-in cabinets and countertops;
 - vi. Window treatments and components, such as curtains, drapes, blinds, and related hardware;
 - vii. Personal property of a Member;
 - viii. Betterments and improvements made by the Members; and
 - ix. Replacements of any of the foregoing.

The amount of such insurance must not be less than one hundred percent (100%) of the aggregate full insurable value, meaning replacement cost,

not a depreciated amount or actual cash value (ACV), if available. The coverage must be written on a blanket basis with an agreed value endorsement and an inflation guard endorsement, if available. The Association's insurance policy must be primary with respect to property damage in the event of overlapping coverage with a Member's property damage policy. Because construction costs can be unpredictable and suddenly escalate whenever large losses occur, Directors are not liable if actual construction costs are greater than the 100% replacement cost provided by the insurance policy. In addition, if available, the Association must include the following:

1. "Ordinance or Law Coverage" or its equivalent, including:
 - (a) Coverage for Loss to the Undamaged Portion of the building or structure.
 - (b) Demolition Cost Coverage.
 - (c) Increased Cost of Construction Coverage.
 2. "Maintenance Fees Receivable" coverage, or its equivalent, to cover the loss from unpaid or uncollected Assessments resulting from a covered property loss.
 3. Such other endorsements which the Board may deem necessary or reasonable.
- e. *Directors and Officers.* The Association must purchase Directors and Officers errors and omission insurance insuring the Association, Directors, Officers, Committee members, trustees, Association employees, Association volunteers, any community manager in contract with the Association, any management company in contract with the Association and employees of such Association management company who perform services on behalf of the Association. The Association must carry coverage in amounts that meet or exceed those called for in Civil Code §5800 and any successor statutes.
- f. *Earthquake Insurance.* The Association may purchase earthquake insurance, after considering the cost and availability.
- g. *Employment Practices Liability.* The Association should consider purchasing employment practices liability coverage (whether or not it has employees), when available and affordable.
- h. *Fidelity Bond.* The Association must maintain fidelity bond coverage for all Directors, Officers, Committee members, and employees of the Association in an amount no less than the greater of either (1) 150% of annual operating expenses plus Association reserves, or (2) the combined

amounts of the total assessments of the Association for three months, plus Association reserves. Such fidelity bond must include coverage for computer fraud, funds transfer fraud and social engineering fraud. If the Association uses a managing agent or management company, the fidelity bond coverage must also include dishonest acts by that person or entity and its employees.

- i. *Flood Insurance.* When required by any first mortgage holder, Fannie Mae, Freddie Mac, or the Fair Housing Administration (FHA), the Association must purchase flood insurance on any portion of the premises that Federal Emergency Management Agency (FEMA) determines to be in a Special Flood Hazard Area (SFHA). Otherwise, the Association may purchase flood insurance, after considering the cost and availability.
- j. *Umbrella Policy.* The Association may purchase an excess or umbrella policy over its public liability and property damage, Directors and Officers liability, and workers' compensation policies to provide higher liability limits as the Board determines.
- k. *Workers' Compensation.* The Association must carry workers' compensation insurance as required by law to cover employees of the association. If available, the Association is also permitted to also purchase a Voluntary Labor Endorsement to protect its volunteers.

15.2 Member Obligation to Carry Insurance. At their sole expense, Members must purchase insurance covering their personalty and property, including, without limitation: (i) real property and personal property coverage that insures their Separate Interest and its contents against damage or loss, including, but not limited to, all fixtures and components within or appurtenant to the Separate Interest or Exclusive Use Common Area which are not covered by the Association's property damage policy; (ii) premises liability that includes protection for bodily injury and property damage; (iii) personal liability coverage; (iv) loss of use that protects a Member for additional living expenses should his/her Unit become uninhabitable due to a covered loss; (v) loss assessment coverage that protects against Special Assessments due to a loss which exceeds the Association's master policy limits or deductible; (vi) master policy deductible coverage; and (vii) such other coverage as the Member deems appropriate. In addition, if a Member operates a vehicle which is driven across or stored in the Association's Common Areas, the Member must carry appropriate automobile insurance. Members who rent their Units shall also obtain landlord insurance (sometimes referred to as a "landlord protector policy" or an "owner rental to others" endorsement) for the duration of the tenancy. The Association has no obligation to police this provision and is specifically relieved of any responsibility or liability from doing so or failing to do so.

- a. *Waiver of Claims.* Members waive their claims against the Association to the extent such claims are covered under insurance which Members are required to carry under these CC&Rs, regardless of whether Members actually carry such insurance.

- b. *Assignment of Proceeds.* If any loss intended to be covered by the Association's insurance occurs and the proceeds payable by the Association's insurance are reduced because of proceeds paid under a Member's insurance coverage, that Member must assign such insurance proceeds to the Association, to the extent of the reduction. The Board must apply those proceeds to the same purposes as the reduced proceeds received by the Association.

15.3 Additional Member Insurance Obligations. If the Board elects to limit the scope of coverage in the Association's policies required under Section 15.1(d) herein to what is commonly referred to as "bare walls," the real property and personal property coverage Members are required to obtain under Section 15.2 to insure their Separate Interest and its contents against damage or loss must include coverage for all portions of their Separate Interest or Exclusive Use Common Area excluded by that "bare walls" coverage which may include, but is not limited to: (i) floor, wall, and ceiling coverings; (ii) forced air units, heaters, air conditioners, and electrical and plumbing fixtures; (iii) water heaters, water softeners, water filters, and built-in and free-standing appliances; (iv) built-in cabinets and countertops; (v) window treatments and components, such as curtains, drapes, blinds, and related hardware; (vi) personal property of the Members; and (vii) betterments and improvements made by the Members. The Association has no obligation to police this provision and is specifically relieved of any responsibility or liability from doing so or failing to do so.

15.4 Responsibility for Deductible and Uncovered Losses.

- a. *Intentional or Negligent Acts.* If any property damage loss, which results from intentional or negligent acts or omissions of any Member, Member's Tenant, or their respective family, guests, invitees, vendors, or pets, is tendered to the Association's property damage policy, the Member and/or any other legally responsible parties are solely liable for any portion of such claim not paid due to a deductible.
- b. *Non-Negligent, Unintentional Acts.* If any property damage loss, which results from a failure of any component, element, or portion of the Development and did not result from a negligent or intentional act or omission, is tendered to the Association's property damage policy, in distributing the Association's insurance proceeds to the various claimants, the Association will apportion the deductible of such policy or policies amongst all claimants according to the percentage each claim bears against the total of all claims for the loss.
- c. *Uncovered Losses.* Apart from deductibles as set forth above, responsibility for any losses for which the Association's property damage policy does not provide coverage will be determined according to the maintenance, repair and/or replacement provisions set forth in these CC&Rs and/or the law.

15.5 Liability for Increased Insurance Rates. If any negligent act or omission of any Member, Member's Tenant, or their respective family, guests, invitees, vendors, or pets causes an increase in the cost of the Association's insurance, the amount of the increase must be assessed against the Member and his/her Unit as a Reimbursement Special Assessment.

15.6 Choice of Contractor. With respect to any repairs for which proceeds of insurance are paid or are payable to the Association, the Board must designate the contractor to perform the repairs to the Common Areas. Individual Members are responsible for overseeing repairs done to their respective Units.

15.7 Insurance Company Rating. All policies of insurance required by this Article must be issued by either a California admitted insurance company or an approved carrier on the California List of Approved Surplus Line Insurers (LASLI). Each such carrier must hold an A.M. Best Insurance or Standard and Poor's rating of "A" or better.

ARTICLE 16: PROTECTION OF LENDERS

16.1 Any Owner may encumber his Condominium by Mortgage.

16.2 A breach of any of the provisions of these CC&Rs shall not affect or impair the lien or charge of any bona fide Mortgage made in good faith and for value encumbering any of the Condominiums.

16.3 A Lender who acquires title by foreclosure or deed in lieu of foreclosure shall not be obligated to cure any breach of these CC&Rs which is non-curable or of a type which is not practical or feasible to cure.

16.4 It is intended that any loan to facilitate the resale of any Condominium after foreclosure or deed in lieu of foreclosure is a loan made in good faith and for value and entitled to all of the rights and protections afforded to other Lenders.

16.5 All liens created by these CC&Rs which pertain in any manner or way whatsoever to any Regular or Special Assessments for the payment of money shall be subordinate to the lien created by any bona fide Mortgage given to any Lender. It is specifically understood, however, that any such Lender shall be liable for all such Assessments during the actual period of time that Lender holds title to a Condominium. This liability for Assessments on the part of the Lender is on a pro-rata basis with the pro-rata period commencing on the date the Lender acquires title and ending upon resale or other transfer by the Lender, whereupon the liability for new future Assessments will attach to the transferee.

16.8 A Lender is authorized to furnish information to the Board concerning the status of any loan encumbering a Condominium.

16.9 All applicable fire and all physical loss or extended coverage insurance policies shall contain loss payable clauses naming the Lenders who encumber Condominiums by Mortgage as their interests may appear.

ARTICLE 17: LIMITATIONS OF LIABILITY

17.1 Standard for Liability. Officers, Directors, Committee members, employees, or agents shall not be responsible to any Member, Member's Tenant, or their respective family, guests, or invitees for any loss or damage to Person or property suffered by reason of water, fire, smoke, explosion, electricity, dust, sand, insect or rodent infestation, or any other source, unless there is clear and convincing evidence the damage or loss was caused by the gross negligence or willful misconduct of the Association's Officers, Directors, Committee members, employees, or agents. The standard for determining liability shall not be strict liability. The Association's Officers, Directors, Committee members, employees and agents cannot be held strictly liable for their acts or omissions.

17.2 Limited Personal Liability. No Officer, Director, Committee member, or employee of the Association shall be personally liable for any loss, injury, or damage to Persons or property for any act or omission, if the act or omission was performed in good faith, within the scope of the Person's duties for the Association, was not self-dealing, and did not constitute willful or intentional misconduct.

17.3 Association Not a Security Provider. The Association may, from time to time, provide measures of security in the Development. However, the Association is not a provider of security and shall have no duty to provide any security in the Development. The obligation to provide security lies with each Member individually. The Association shall not be held liable for any harm to Persons or property by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. This shall include, but not be limited to, any loss or damage suffered by reason of theft of or damage to any article or thing which is placed or stored in or on any portion of the Common Area.

17.4 Duty to Defend. The Association shall indemnify and defend and shall advance reasonable attorneys' fees and costs to its Officers, Directors, Committee members, and employees against all expenses and liabilities reasonably incurred by such Person(s) in connection with any proceeding (including, but not limited to, alternative dispute resolution proceedings) to which they may be a party by reason of having been an Officer, Director, Committee member, or employee of the Association. Provided, however, the Association may recover its attorneys' fees and costs from, and shall not be liable for any judgments or other liabilities for, those Persons who are adjudged to have acted in bad faith or in gross negligence in the performance of their duties.

17.5 Duty to Protect. The Association must protect its Officers, Directors, Committee members, and employees from unlawful harassment in the workplace as such phrase is defined in the law. However, the Association has no duty to prosecute or fund the prosecution of any claim or cause of action which an Officer, Director, Committee member, or employees of the Association asserts against another Officer, Director, Committee member or employee of the Association, or against a Member, which is (1) not based on conduct of the accused performed in the course and scope of his or her duties (2) founded on personal issues or disputes between the parties, (3) for personal injuries or emotional distress, or (4) for defamation.

17.6 Personal Injury or Property Damage Sustained Within a Unit. The following shall apply if any Person sustains personal injury or property damage within a Unit or on its attached Balcony, Patio or Porch and the injury or damage results in a claim against the Association or any of its Officers, Directors, Committee members, Members, agents, or employees. The Owner of the Unit, Patio, Balcony or Porch where the injury or damage occurred shall: (i) fully indemnify and hold harmless the Association, Officer, Director, Committee member, Member, agent, or employee against whom such claim or suit is brought; and (ii) defend, at his own cost and expense, any resulting litigation against the parties. However, there shall be no obligation to defend or indemnify any party whose gross negligence or willful misconduct was the cause of the injury or damage.

17.7 Actions Against Directors. Members are not permitted to and waive all rights to file an action or state any cause of action in any pleading against a Director or Officer of the Association, acting within the scope of that person's duties as a Director or Officer unless the court first determines that the Member seeking to file the pleading has established evidence that substantiates the claim.

ARTICLE 18: DAMAGE/DESTRUCTION TO IMPROVEMENTS

18.1 Common Area Damage. All provisions of this Article 18 apply only when the Common Area has been partially or totally destroyed by fire, earthquake, groundwater flooding or other similar casualties. The provisions do not apply to (1) any damage resulting from any plumbing failure originating in a single Unit and/or (2) any damage resulting from any casualty or occurrence that affected only a single Unit. The provisions of this Article are also subject to any prohibitions against partitioning the Common Area that might apply.

- a. *Cost of Reconstruction.* As soon as practical, the Board shall: (i) obtain bids from at least two (2) reputable contractors that are licensed in California and insured, which bids shall set forth in detail the work required to reconstruct 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 (subject to any increased building standards then in effect); and (ii) determine the amount of all insurance proceeds and Reserves available to the Association for the purpose of effecting such reconstruction.
- b. *Automatic Reconstruction.* If the cost to reconstruct the Common Areas, excluding the deductible and the value of any insurance proceeds due the Association, is less than or equal to three times the amount of the total annual operating Budget of the Association for the current fiscal year, the Board, without a vote of the membership, shall cause the Common Area to be reconstructed to substantially the same condition as existed prior to such damage (subject to any increased building standards then in effect). Such reconstruction shall be completed as promptly as practical. Notwithstanding any other provision, the Board shall have the authority, without a vote of the membership, to levy an Emergency Special

Assessment against the membership to provide the funds necessary for such reconstruction and/or for repayment of any monies borrowed by the Association for such reconstruction.

- c. *Membership Approval.* If the Board determines that the cost to reconstruct the Common Areas, excluding the deductible and the value of any insurance proceeds due the Association, is an amount greater than three times the total annual operating Budget of the Association for the current fiscal year, then the Common Areas shall be reconstructed unless sixty-seven percent (67%) of the membership, by ballot or at a special meeting called for such purpose, vote not to reconstruct the damaged or destroyed Common Areas.
- d. *Decision Not to Rebuild.* In the event the membership votes not to rebuild the Common Areas, the Association or any Member is authorized to file a partition action under Civil Code §4610 seeking sale of the entire condominium project.
- e. *Distribution of Insurance Proceeds.*
 - i. **No Partition Action Promptly Filed.** If a partition action is not filed within six (6) months of the partial or total destruction, the Board must distribute the insurance proceeds available for reconstruction, together with any other sums otherwise available to the Association for such purpose, to the Owners, less costs for clearing the debris, collecting insurance proceeds, and any other expenses necessarily incurred as a result of the damage or destruction, proportionately according to an appraised fair market value of the Condominiums (as of a date immediately prior to destruction or condemnation). Such payment is subject to rights of Mortgagees holding Mortgages encumbering Units and all unpaid Assessments, together with any interest charges. Appraisers hired by the Board to appraise the Condominiums will be paid by the Association.
 - ii. **Partition Action Promptly Filed.** If a partition action is filed within six (6) months of the partial or total destruction, the Association must interplead the insurance proceeds available for reconstruction, together with any other sums otherwise available to the Association for such purpose, to the Owners, less costs for clearing the debris, collecting insurance proceeds, and any other expenses necessarily incurred as a result of the damage or destruction into the partition action.
- f. *Elimination of Units.* In the event of the elimination of all of a Unit, the Unit shall cease to be part of the Development, the Owner of the Unit shall cease to be a Member of the Association, and the Percentage Interest in

the Common Area appurtenant to that Unit shall automatically become vested in the Members of the remaining Units in proportion to their respective Percentage Interest in the Common Area. In the event of the elimination of a part of a Unit, the Percentage Interest in the Common Area appurtenant to that Unit shall be reduced in direct proportion to the reduction in square footage of the Unit, and the Percentage Interests and Assessment obligations of all Members shall automatically be adjusted accordingly.

18.2 Duties of Board During Reconstruction. If reconstruction is undertaken, the Board shall: (i) enter into a written contract with a contractor who is licensed and insured for such repair, reconstruction, and restoration; (ii) disburse insurance proceeds available for the work, along with funds collected by reason of Assessments, 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.

18.3 Right of Entry to Assess Damage and Make Repairs. Representatives of the Association, contractors, engineers, workmen, or any other Persons designated by the Board shall have the right and authority to enter any Unit, Common Area, or Exclusive Use Common Area after such casualty to determine the extent of damage and to make repairs, as provided for under the "Right of Entry" provisions contained in these CC&Rs.

18.4 Power to Vacate Unit. If necessary, the Board has the authority to vacate a Unit to make repairs, as provided for under the "Right of Entry" provisions contained in these CC&Rs.

18.5 Labor and Materials. In determining whether the plans for a reconstructed Building are in substantial conformance with the Condominium Plan, the Board may take into consideration the availability and expense of the labor and materials in the original construction of the Building. If such labor or material is not available or is prohibitively expensive at the time of reconstruction, the Board may permit the substitution of other labor or material, as it deems proper.

18.6 Interior Unit Damage. Restoration and repair of any damage caused by fire, earthquake, or other casualty to: (i) the interior of any individual Unit; (ii) personal property, furniture, furnishings, and decorations contained within a Unit; or (iii) any Improvements which were added to the Unit by any present or prior Unit Resident or Member shall be made by and at the individual expense of the current Unit Owner. The repairs, restoration and reconstruction shall be completed as promptly as practical and in a lawful and workmanlike manner. If the work is of a nature that would normally require approval by the Association, the Member shall seek approval, as provided for in these CC&Rs.

18.7 Damage to Drywall. In the event of damage to the plaster and drywall inside a Unit:

- a. *Replacement.* The Association shall only be liable for the replacement of drywall on the perimeter walls and ceiling of the Unit which, in the estimation of the Board, suffered sufficient damage to require replacement. The Association shall not be liable for repainting the walls or replacing wall coverings of any kind. The restoration and repair of all other interior walls shall be at the sole expense of the Member.
- b. *Re-Taping.* Damage to perimeter walls that does not require replacement of the drywall (e.g., buckled joint tape, hairline fractures of the drywall, etc.) shall be the responsibility of the individual Member. The Member shall be responsible for the restoration and repair of all finished surfaces, including, but not limited to, re-taping, painting, plastering, and wallpapering.

18.8 Special Assessment for Reconstruction. In the event the proceeds of insurance obtained by the Association are paid to any Mortgagee of a Unit and, by reason of such payment, the insurance proceeds are not made available to the Association as trustee or otherwise, to effect any repair, reconstruction, or restoration of any damage and/or destruction to all or any portion of the Development, as provided in these CC&Rs, the amount of such proceeds not made available shall be assessed and charged to and against the Member and his/her Unit as an Emergency Special Assessment. The Special Assessment shall be made by written notification from the Board to the Member or Members against whom made.

18.9 Encroachment. In the event a Building is partially or totally destroyed and then rebuilt, Members agree that minor encroachments of the Common Area on Units or of Units on the Common Area or on other Units shall be permitted and that valid easements for the encroachments shall exist. Such encroachments shall not be considered to be encumbrances either on the Units or the Common Area.

ARTICLE 19: CONDEMNATION

19.1 Notice. Promptly upon learning of any potential condemnation or sale by eminent domain, the Board shall notify all Members and first mortgagees who have filed a written request for notice.

19.2 Payment for Common Area. In the event an action in eminent domain is brought to condemn all or any portion of the Common Areas, the Association shall represent the Members in all proceedings, negotiations, or settlements. Awards for the acquisition of Common Area shall be paid to the Board, as trustee, for deposit into the Association's Reserves unless a majority of the total Voting Power of the Association elects to distribute the award among the Members in accordance with their Percentage Interest.

19.3 Payment for Unit. In the event that an action in eminent domain is brought to condemn all or any portion of one or more Units, the award made for such taking shall be payable to the respective Owners of the Units, subject to: (i) the rights of Mortgagees

holding Mortgages covering such Units; and (ii) all unpaid Assessments of each Member, taken together with interest charges. The Board of Directors shall have no responsibility for the restoration of a Member's personal or real property taken as a result of condemnation.

19.4 Revision of Documents. In the event of any condemnation of a part of the Development, the Board shall, as soon as practical, cause to be prepared, filed, and/or recorded a revised subdivision map, Condominium Plan, or other documents, reports, schedules, or exhibits necessary to show the changed or altered status of the Development.

19.5 Status of Membership. In the event a Unit is taken in condemnation, the Unit shall cease to be part of the Development, the Member shall cease to be a Member of the Association, and the Percentage Interest in Common Area appurtenant to that Unit shall automatically become vested in the remaining Members, in proportion to their respective Percentage Interests in the Common Area.

ARTICLE 20: MISCELLANEOUS

20.1 Amendment. These CC&Rs may be amended by the affirmative vote of Members comprising more than fifty percent (50%) of the Voting Power of the Association or as provided for by law, provided that the percentage of the Voting Power necessary to amend a specific provision shall not be less than the percentage of affirmative votes prescribed for action to be taken under that provision. Any amendment enacted in compliance with this provision shall become effective when recorded with the Office of the County Recorder.

20.2 Lender Approval. If a First Mortgagee is entitled by the terms of these CC&Rs to consent to or approve a proposed amendment or restatement to the CC&Rs, fails to return a ballot, or other form providing written disapproval or objection within 30 days of receipt, such first Mortgagee shall be deemed to have consented to and approved the proposed amendment or restatement, provided the ballot, or other form permitting written disapproval or objection, was delivered by certified or registered mail with return receipt requested and the delivery signed for by a representative of the First Mortgagee.

20.3 Amendment to Conform to Statute. If at any time a provision in these CC&Rs contradicts current law, according to a written opinion of the Association's legal counsel, the Board of Directors will have the authority, on the unanimous approval of the Directors and without approval of the Members, to amend that provision, but only to the extent necessary to render the provision compliant with applicable law. A resolution explaining the need for the change must be adopted by the Board in an open meeting of the Board and recorded in the minutes.

20.4 Term of CC&Rs. These CC&Rs continue in full force and effect for a term of sixty (60) years from the date of their recordation (the Renewal Date), after which time they are automatically extended for successive periods of twenty (20) years. The provisions of this Article are also subject to any prohibitions against partitioning the Common Area that might apply. These CC&Rs may be terminated if, within six (6) months prior to the

Renewal Date of any twenty-year extension period, (i) at least seventy-five percent (75%) of the Members and seventy-five percent (75%) of the First Mortgagees approve by secret ballot circulated by the Association via its Board of Directors to terminate these CC&Rs, and (ii) an appropriate governmental agency has agreed in writing to assume the Association's Common Area maintenance, repair, and replacement obligations, and (iii) certification of the Membership's and First Mortgagee's approval to terminate and the agency's agreement to assume maintenance duties are recorded with the Office of County Recorder in which the Development is situated, and (iv) the Association's contractual and other legal obligations are wound up, and (v) all required corporate filings, tax returns, and notices are filed with appropriate agencies to effectuate dissolution of the Association/corporation, and (vi) insurance tail coverage is purchased to cover any potential liability the Association may have until all applicable statutes of limitations have run their course.

20.5 Attorneys' Fees. Any reasonable attorneys' fees and costs incurred by the Association in the enforcement of the Governing Documents against a Member or to determine the rights or duties of the Member under the Governing Documents may be levied against that Member by the Board as a Reimbursement Special Assessment, which may be collected in any manner provided for by these CC&Rs or by law.

20.6 Notices. Any communication or notice of any kind permitted or required to be delivered pursuant to the Association's Governing Documents, or pursuant to the Davis-Stirling Act, must be in writing. Such delivery must be made as follows:

a. *To the Association:*

- i. **Manner of Delivery.** By electronic delivery (email, facsimile, or other electronic means), by personal delivery (for which a receipt will be provided), or by mail (first class, postage prepaid, registered or certified, express mail, or overnight delivery by an express service center). The provision consent to allow personal delivery and electronic delivery to the Association. However, the Association is permitted to withdraw such consent, in writing, as to any Member whose electronic communications or personal visits are abusive or harassing, and limit communications and notices from such Member to mail only.
- ii. **Recipient of Delivery.** The person designated in the Association's annual policy statement to receive documents on behalf of the Association. If no person has been designated to receive documents, the document must be delivered to the President or Secretary of the Association.

b. *To the Members:*

- i. **Manner of Delivery.** For communications and notices subject to the Davis-Stirling Act, in the manner required therein, including

individual notice or delivery, general notice or delivery, electronic delivery (with consent), or otherwise. For other communications and notices not subject to the Davis-Stirling Act, by electronic delivery (email, facsimile, or other electronic means), by personal delivery, or by mail (first class, postage prepaid, registered or certified, express mail, or overnight delivery by an express service center).

ii. **Address for Delivery by Mail.** To the Association's address of record for the Member as determined by Civil Code §4041.

c. *When Notice Deemed Delivered.*

i. **By Mail.** If a document is delivered by mail, delivery is deemed to be complete on deposit into the United States mail.

ii. **By Electronic Means.** If a document is delivered by electronic means, delivery is complete at the time of transmission.

20.7 Headings. The headings contained in these CC&Rs are for convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction of any term or provision of these CC&Rs.

20.8 Liberal Construction. The provisions of the Governing Documents shall be liberally construed to effectuate their purpose of creating a uniform plan for the use, operation and maintenance of the Development.

20.9 Number and Gender. Whenever the context so requires, the singular number includes the plural, the plural includes the singular, the masculine gender includes the feminine and/or neuter, and the neuter gender includes the masculine and/or feminine.

20.10 Severability. The provisions of these CC&Rs and any other Governing Document shall be deemed independent and severable and the invalidity, partial invalidity, or unenforceability of any one provision shall not affect the validity or enforceability of any other provision.

20.11 No Public Rights. Nothing contained in these CC&Rs shall be deemed to be a gift or dedication of all or any portion of the Development to the general public or for any public use or purpose whatsoever.

20.12 Successor Association. In the event the Association, as a corporate entity, is dissolved, a nonprofit, unincorporated association shall, without further action, automatically succeed to all the rights and duties of the corporation. The affairs of the unincorporated association shall continue to be governed by these CC&Rs, the Bylaws, Architectural Standards, and the Rules and Regulations, as well as any applicable law.

20.13 Conflicting Provisions. In the event of any conflict between these CC&Rs and the Articles or the Bylaws, these CC&Rs shall control. In the event of any conflict

between the Articles and the Bylaws, the Articles shall control. A Chart for Maintenance, Repair and Replacement and Liabilities which sets forth the obligations and duties of Members and the Association regarding maintenance, repair and replacement of components, items and fixtures in the Development (unless otherwise stated), and certain liabilities, is attached hereto as Exhibit B, incorporated by reference and made a part of these CC&Rs. When there is a conflict between the Chart and any other portions of the CC&Rs (Articles 1 through 20, inclusive), the other portions of the CC&Rs (Articles 1 through 20, inclusive) control.

CERTIFICATION

WE CERTIFY this ____ day of _____, 20__ that this Restated Declaration of Covenants, Conditions and Restrictions has been duly approved and adopted by the membership of The Village Condominium Owners Association, Inc.

THE VILLAGE CONDOMINIUM OWNERS ASSOCIATION, INC.

President

Secretary

REPLACE THIS PAGE WITH NOTARY ACKNOWLEDGEMENT

EXHIBIT A
INITIAL MONTHLY REGULAR ASSESSMENTS

AS OF JANUARY 2019

DOES NOT REFLECT SUBSEQUENT INCREASES OR CURRENT ASSESSMENTS

Unit #	Type of Unit	Unit Description	Square Footage	1973 Monthly Assessment	2019 Monthly Assessment
	A	Bachelor	410 sq. ft.	\$20.00	\$268.00
	B	Cave	562 sq. ft.	\$32.00	\$280.00
	C	1 Bedroom	619 sq. ft.	\$42.00	\$290.00
	D	2 Bedroom	938 sq. ft.	\$23.00	\$271.00
	E	Townhouse 1	1146 sq. ft.	\$49.00	\$297.00
	F	Townhouse 2	1156 sq. ft.	\$55.00	\$303.00

**EXHIBIT B
MAINTENANCE RESPONSIBILITY CHART**

	OWNER	ASSN
WALLS, CEILINGS & FLOORS		
Perimeter walls surrounding the Unit; all load-bearing wall structures, joists, etc.		X
Non-bearing interior walls and partitions such as bedroom, dining room walls, etc.	X	
Wall interior surfaces and coverings – drywall, paint, wallpaper, paneling, mirrors, etc.	X	
Ceiling surfaces	X	
Floor coverings - carpeting, hardwood, tile, marble, granite, vinyl, etc.	X	
Floors - unfinished slab and/or sub-floors		X
WINDOWS & DOORS		
Windows - glass, mullions, screens, hardware, weather stripping, drapes, blinds, etc.	X	
Window frame replacement	X	
Entry door - locks, weather stripping, interior finishing, hardware, and replacement	X	
Entry door - exterior finish, frame, and door jambs		X
Interior doors - bedrooms, closets, bathrooms, etc.	X	
ELECTRICAL		
Electrical panel and breakers for Unit	X	
Electrical wiring in walls which serve only the Unit	X	
Light switches, electrical outlets and wall plates	X	
Light fixtures - in Unit and on Balconies and Patios	X	

	OWNER	ASSN
Telephone lines, cable television, computer lines, DSL cables, etc.	X	
KITCHEN		
Sink, faucet, garbage disposal, drain, supply lines and angle stops	X	
Leaky faucets	X	
Garbage disposal clogs	X	
Appliances (dishwasher, refrigerator, microwave, stove, oven, range hood & fan, etc.)	X	
Cabinets and counter tops	X	
Loose, missing or failing grout or caulk around, sinks, faucets, countertops	X	
Water lines in walls, ceilings and floors		X
Drain lines in walls and floors		X
BATHROOMS		
Tubs, showers, faucets, valves, shower pans, & drains	X	
Leaky faucets	X	
Loose, missing or failing grout or caulk around tubs, showers, sinks, faucets, countertops	X	
Vanities, sinks, faucets, drains, supply lines and angle stops that exclusively serve a Unit	X	
Toilets, tank mechanisms, wax ring, supply lines and angle stops and local stoppage (not in main line)	X	
Water lines in walls, ceilings and floors		X
Drain lines in walls and floors		X
Heater & ceiling fan	X	

	OWNER	ASSN
BALCONIES, PATIOS & PORCHES		
Clean and maintain Balcony, Patio and Porch surfaces	X	
Waterproof Balcony, Patio and Porch flooring		X
Sliding glass door – door, hardware, rollers, weather stripping, mullions, etc.	X	
Exterior surfaces, railings, and structural components of Balconies, Patios and Porches		X
Paint Balconies, Patios and Porches		X
Light fixtures on Porches		X
Fencing between townhouse Patios		X
MISCELLANEOUS		
Thermostats, HVAC controls	X	
Moisture from or around vents, A/C condenser lines	X	
Termite treatment in Common Areas		X
Termite treatment inside Units	X	
Fireplace –firebox, mantle and all interior surfaces	X	
Fireplace –flue, exterior of the chimney and chimney cap		X
Security of Unit	X	
INSURANCE		
Contents of Unit (furniture, clothing, jewelry, appliances, etc.)	X	
Improvements to Unit (carpet, hardwood floors, wallpaper, etc.)	X	
Common Areas		X

	OWNER	ASSN
Water damage originating in Owner's Unit or caused by Owner, Tenant, guest, etc. or negligence or misconduct: Association repairs damage to Common Areas and bills the Owner of the Unit that caused the damage. Owners repair damage to their own property (contents and improvements).	X	
Water damage caused by Association's negligence or misconduct		X

**EXHIBIT C
SHARED USE AGREEMENT**

I CERTIFY THAT THIS IS A TRUE CORRECT AND COMPLETE
COPY OF THE ORIGINAL RECORD IN MY CUSTODY.

DATED **SEP 18 2020**
SHERRI R. CARTER, EXECUTIVE OFFICER/CLERK
SUPERIOR COURT SOUTHWEST DISTRICT,
TORRANCE COURTHOUSE
COUNTY OF LOS ANGELES STATE OF CALIFORNIA



[Handwritten signature]
..... DEPUTY
C. R. LAW