



LEAD SHEET

02-2738515

RECORDED/FILED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA

9:01 AM NOV 13 2002

SPACE ABOVE THIS LINE FOR RECORDERS USE

TITLE(S)

FEE

D.T.T.

FEE \$ 112 - V₃₆

CODE
20

D.A FEE Code 20 \$ 2-

CODE
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CODE
9

Assessor's Identification Number (AIN)

To Be Completed By Examiner OR Title Company In Black Ink

Number of Parcels Shown

RECORDING REQUESTED BY
RAPKIN & GITLIN

02-2738515

WHEN RECORDED MAIL TO
NAME RAPKIN & GITLIN

MAILING 5855 Topanga Canyon Bl.
ADDRESS Suite 301

CITY, STATE Woodland Hills, CA
ZIP CODE 91367

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

TITLE(S)

RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

02 2738515

**Restated Declaration of Covenants,
Conditions and Restrictions of**

THE LINDBROOK ASSOCIATION

a California Non-Profit Corporation

RESTATED
DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS OF
THE LINDBROOK ASSOCIATION
A CALIFORNIA NONPROFIT CORPORATION

Table of Contents

	<u>Page No.</u>
Recitals	1
Article I. - Definitions	2
Article II. - Property Rights and Obligations of Owners	4
2.1 Elements of Condominium	4
2.2 Owners' Nonexclusive Easements of Enjoyment	4
2.3 Persons Subject to Governing Documents	4
Article III - Leasing of Condominiums	5
3.1 Delegation of Use and Leasing of Units	5
3.2 Discipline of Tenants	5
3.3 Due Process Requirements for Disciplinary Action	5
3.4 Owner's Duty to Notify Association of Tenants and Contract Purchasers and Owner's Intent to Sell	6
3.5 Maximum Number of Rental Units	6
Article IV - Homeowners Association	7
4.1 Association Membership	7
4.2 One Class of Membership	7
4.3 Voting Rights of Members	7
4.4 Assessments	7
4.5 Powers and Authority of the Association	7
4.6 Association Rules	8
4.7 Breach of Rules or Regulations	9
4.8 Limitation on Liability of Association's Directors and Officers	9
Article V - Assessments	
5.1 Establishment of Assessments; Membership Approval Requirements	10
5.2 Mailing Notice of Assessment	10

5.3 Failure to Make Estimate 10

5.4 Installment Payment of Assessments 10

5.5 Equal Assessments 10

5.6 Assessments to Address Emergency Situations 10

5.7 Special Assessments 11

5.8 Special Individual Assessments 11

5.9 Maintenance of Assessment Funds 12

5.10 Collection of Assessments; Enforcement of Liens 12

5.11 Waiver of Exemption 13

5.14 Prohibition on Avoidance of Obligations 13

Article VI - Architectural Control 13

6.1 Improvements in General 13

6.2 Submission of Plans; Action by Board 14

6.3 Approval or Disapproval 14

6.4 Architectural Rules 14

6.5 Enforcement 14

Article VII - Restrictions on Use of Condominiums and Common Area 14

7.1 Residential Use 15

7.2 Interior Improvements 14

7.3 Damage to Common Area 15

7.4 Prohibition of Noxious Activities 15

7.5 Pets 15

7.6 Signs 16

7.7 Business Activities 16

7.8 Garbage 16

7.9 Storage 16

7.10 Clotheslines 16

7.11 Window Covers 16

7.12 Antennas and Similar Devices 16

7.13 Machinery and Equipment 17

7.14 Parking and Vehicle Restrictions 17

7.15 Behavior of Persons on the Property 17

7.16 Activities Affecting Insurance 17

7.17 Variances 17

Article VIII - Maintenance Responsibilities 18

8.1 Association's Responsibilities 18

8.2 Owner Maintenance, Repair and Replacement Responsibilities 18

8.3 Obligation to Permit Entry by Association and Adjacent Owners 19

8.4 Cooperative Maintenance Obligations 19

Article IX - Easements 19

9.1 Encroachment Easements 19

9.2 Blanket Utility Easement 19

Article X - Insurance 20

10.1 Fire, Casualty and Earthquake Insurance 20

10.2 Public Liability and Property Damage Insurance 20

10.3 Directors and Officers Liability Insurance 20

10.4 Fidelity Bond and Other Insurance 20

10.5 Coverage Not Available 21

10.6 Copies of Policies 21

10.7 Individual Fire, Casualty and Earthquake Insurance Limited 21

10.8 Individual Assessment Loss Coverage
and Other Individual Coverage 21

10.9 Trustee 22

10.10 Adjustment of Losses 22

Article XI - Damage or Destruction 22

11.1 Destruction; Proceeds Exceed 85 Percent of Reconstruction Costs .. 22

11.2 Destruction; Proceeds Less than 85 Percent of Reconstruction Costs 22

11.3 Apportionment of Assessments 23

11.4 Procedure if Rebuilding is Not Approved 23

11.5 Rebuilding Contract 23

11.6 Repair of Interiors of Units 24

Article XII - Condemnation 24

12.1 Sale by Unanimous Consent of Taking 24

12.2 Distribution of Proceeds of Condemnation Award 24

12.3 Appraiser 25

Article XIII - Partition of Common Area 25

13.1 Suspension of Right of Partition 25

13.2 Power of Attorney 26

Article XIV - Breach and Default 26

14.1 Remedy at Law Inadequate 26

14.2 Nuisance 26

14.3 Costs and Attorneys' Fees 26

14.4 Cumulative Remedies 27

14.5 Failure Not a Waiver 27

14.6 Rights and Remedies of the Association 27

Article XV - Amendment of Declaration 28

 15.1 Amendment in General 28

 15.2 Effective Date of Amendment 28

Article XVI - General Provisions 28

 16.1 Term 28

 16.2 Construction of Declaration 29

**RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF
THE LINDBROOK ASSOCIATION
A CALIFORNIA NON-PROFIT CORPORATION**

This Restated Declaration of Conditions, Covenants and Restrictions of THE LINDBROOK ASSOCIATION, a California Non-Profit Corporation, is made this 31st day of October, 2002, by the undersigned with reference to the following facts:

A. A Declaration of Conditions, Covenants, Restrictions and Reservations was recorded on November 1, 1972, as Document No. 4088 in the office of the County Recorder of Los Angeles County for the real property legally described as:

Lot 1 of Tract 27359, as per map recorded in Book 822, pages 29 and 30 of Maps, in the office of the County Recorder of Los Angeles County.

B. Amendments to Declaration of Conditions, Covenants, Restrictions and Reservations was recorded on April 4, 1975 as Document No. 3881, in the office of the County Recorder of Los Angeles County.

C. Amendment Number 1 to the Declaration of Conditions, Covenants, Restrictions and Reservations was recorded on July 24, 1973, as Document No. 3697, in the Office of the County Recorder of Los Angeles County.

D. The undersigned have confirmed and placed in the records of the Association the signatures representing the necessary voting power of the unit owners of the condominiums covered by said Declaration, reflecting their confirmation and approval to make the Restated Declaration which follows.

E. The undersigned desire to restate and by this Restated Declaration do, in fact, restate said Declaration.

All provisions of the original Declaration are deleted in their entirety and the following new provisions are inserted in their place:

ARTICLE I

DEFINITIONS

1.1 "Assessment" means any Regular, Special or Special Individual Assessment made or assessed by the Association against an Owner and his or her Condominium in accordance with the provisions of this Declaration.

1.2 "Association" means THE LINDBROOK ASSOCIATION, a California non-profit corporation, its successors and assigns. The Association is an "association" as defined in California Civil Code Section 1351(a). The Association's Members are the record owners of each of the 81 condominium units which are located on the Property.

1.3 "Association Rules" means the rules, regulations and policies adopted by the Board of Directors of the Association, pursuant to this Declaration, as the same may be in effect from time to time.

1.4 "Board of Directors" or "Board" means the Board of Directors of the Association.

1.5 "Bylaws" means the Bylaws of the Association, as such Bylaws may be amended from time to time.

1.6 "Common Area" means the entire Property except all Units, as defined and shown on the Condominium Plan. Unless the context clearly indicates a contrary intent, any reference herein to the "Common Areas" shall also include any Common Facilities located thereon.

1.7 "Common Expense" means any use of Common Funds authorized by this Declaration, by law, or by the Bylaws.

1.8 "Common Facilities" means the swimming pool, pool furniture and equipment, spa, sauna, storage spaces, trees, hedges, plants, lawns, shrubs, landscaping, fences, lines, lighting fixtures, buildings, elevators, walkways, driveways, structures, and other facilities constructed or installed, or to be constructed or installed, or currently located within the Common Area.

1.9 "Condominium" means an estate in real property as described in Civil Code Sections 783 and 1351(f) consisting of an undivided interest as a tenant in common in all of the Common Area, together with a separate fee interest in a Unit and any other separate interests in the real property as are described in this Declaration, in the Condominium Plan, or in the deed conveying the Condominium.

1.10 "Condominium Plan" means the Condominium Plan recorded on November 11, 1972, in Book M4197, Page 272, in the Official Records of Los Angeles County, respecting the Property, and any amendments to the plan.

1.11 "Declarant" means the original developer of the Property, namely The Lindbrook, a partnership.

1.12 "Declaration" means this instrument, as it may be amended or restated from time to time.

1.13 "Exclusive Use Common Area" means a portion of the Common Area designated for the exclusive use of one or more, but fewer than all, of the Owners of the Units, including, but not limited to, patios, balconies, parking spaces, storage spaces, window boxes, doorsteps, stoops, porches, exterior doors, door frames, and hardware incident thereto, screens and windows or other fixtures, if any.

1.14 "Governing Documents" is a collective term that means and refers to this Declaration and to the Articles, the Bylaws, and the Association Rules.

1.15 "Improvement" includes, without limitation, the construction, installation, alteration, or remodeling of any buildings, walls, fences, swimming pools, landscaping, landscape structures, solar heating equipment, spas, saunas, utility lines, or any structure of any kind.

1.16 "Member" means every person or entity who holds a membership in the Association and whose rights as a Member are not suspended pursuant to this Declaration.

1.17 "Owner" or "Owner of Record" and "Member of the Association" mean any person, firm, corporation, or other entity in which title to a Condominium is vested as shown by the Official Records of the Office of the County Recorder.

1.18 "Project" means the Property and the improvements located thereon which are intended to create a condominium project as described in Civil Code Section 1351(f).

1.19 "Property" means the land and all buildings, structures, utilities, Common Facilities, and other improvements located thereon, and all appurtenances thereto.

1.20 "Residential Use" means occupation and use of a Condominium Unit for dwelling purposes in conformity with this Declaration and the requirements imposed by applicable zoning or other applicable laws or governmental regulations limiting the number of persons who may occupy residential dwellings.

1.21 "Tenant" means any person occupying a Unit other than the Owner of Record or his or her immediate family members, whether the person pays rent or not.

1.22 "Unit" means the elements of a Condominium that are not owned in common with the Owners of other Condominiums in the Project, such Condominium Units and their respective boundaries being shown and particularly described in the Condominium Plan, deeds conveying Condominiums, and this Declaration.

ARTICLE II

PROPERTY RIGHTS AND OBLIGATIONS OF OWNERS

2.1 Elements of Condominium. Ownership of each Condominium within the Project includes a Unit; an undivided interest in the Common Area which is specified in the deed to each Owner; a membership in the Association; and any exclusive or nonexclusive easement or easements appurtenant to such Condominium over the Common Area as described in the Declaration, the Condominium Plan and the deed to the Condominium.

2.2 Owners' Nonexclusive Easements of Enjoyment. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Areas within the Property, including ingress and egress to and from his or her Condominium, which shall be appurtenant to and shall pass with the title to every Condominium, subject to the following rights and restrictions:

(a) The right of the Association to assign, rent, lease, and to otherwise designate and control the use of any unassigned parking and storage spaces, if any, within the Common Area and to limit the number of guests of Members who may use any recreational Common Facilities.

(b) The right of the Association to adopt Association Rules regulating the use and enjoyment of the Property for the benefit and well-being of the Owners in common, and, in the event of the breach of such rules or any provision of any Governing Document by any Owner or Tenant, to temporarily suspend the voting rights and/or right to use the Common Facilities, other than parking and storage spaces, if any, by any Owner and/or the Owner's Tenants and guests, subject to compliance with due process requirements.

(c) The right of the Association to enter upon and have access to Exclusive Use Common Areas when such access is essential for the maintenance of the Common Area or to enforce the provisions of the Governing Documents.

2.3 Persons Subject to Governing Documents. All present and future Owners, Tenants, and guests within the Property shall be subject to, and shall comply with, each and every provision of the Governing Documents, as the same or any of them shall be amended from time to time. The acceptance of a deed to any Condominium, the entering into a lease, sublease or contract of sale with respect to any Unit, or the occupancy of any Unit shall constitute the consent and agreement of such Owner or Tenant that each and all of the provisions of this Declaration, as the same or any of them may be amended from time to time, shall be binding upon said person and that said person will observe and comply with the Governing Documents.

ARTICLE III

LEASING OF CONDOMINIUMS

3.1 Delegation of Use and Leasing of Units. Any Owner may delegate the Owner's rights to use and enjoy the Common Area and Common Facilities to members of the Owner's family or to the Owner's Tenants or contract purchasers who reside in the Owner's Unit, provided that any rental or lease may only be for Residential Use and for a term not less than one year.

During any period when a Unit has been rented or leased, the Owner-lessor, his or her family, guests and invitees shall not be entitled to use and enjoy the Common Areas or Common Facilities of the Properties, except to the extent reasonably necessary to perform the Owner's responsibilities as an Owner of a Unit.

Any rental or lease of a Unit shall be subject to the provisions of the Governing Documents, all of which shall be deemed incorporated by reference in the lease or rental agreement. Each Owner shall provide any Tenant with a current copy of all Governing Documents and shall be responsible for compliance by the Owner's Tenant with all of the provisions of the Governing Documents during the Tenant's occupancy and use of the Unit.

3.2 Discipline of Tenants. Subject to Paragraph 3.3 below, in the event that any Tenant fails to honor the provisions of any Governing Document, the Association may, but shall not be obligated, to take such corrective action as it deems necessary or appropriate under the circumstances, which may include, but is not limited to, suspension of the Tenant's privileges to use any recreational Common Facilities, or the imposition of fines and penalties against the Owner or Tenant.

Any fine or penalty levied pursuant to this section shall be considered a Special Individual Assessment, but shall not be enforced by foreclosure of a lien. If a Special Individual Assessment is imposed as a result of the conduct of a Tenant, the Tenant agrees to be personally obligated for the payment of such assessments in the event the Owner fails to pay the assessments prior to the delinquency date. This provision, however, shall not be interpreted to release the Owner from any obligation, including the obligation to pay any duly imposed Special Individual Assessments for which such Owner would otherwise be responsible.

3.3 Due Process Requirements for Disciplinary Action. Except for circumstances in which immediate corrective action is necessary to prevent damage or destruction to the Property or to preserve the rights of quiet enjoyment of other Owners and Tenants, the Association shall have no right to initiate disciplinary action against an Owner or Tenant on account of the misconduct of the Tenant unless and until the following conditions have been satisfied: (i) the Owner has received written notice from the Board or the Association's property manager or authorized representative detailing the nature of the Tenant's alleged infraction or misconduct and advising the Owner of his or her right to a

hearing on the matter; (ii) the Owner has been given a reasonable opportunity to take corrective action on a voluntary basis or to appear at a hearing; and (iii) the Owner has failed to prevent or correct the Tenant's objectionable actions or misconduct or evict the Tenant.

3.4 Owner's Duty to Notify Association of Tenants and Contract Purchasers and Owner's Intent to Sell. Each Owner shall notify the Association in writing of his intention to sell and shall provide the Association with the name of any escrow company and buyer for a pending or proposed sale of a condominium. Each Owner shall notify the Secretary of the Association or the Association's property manager, if any, of the names of any contract purchaser or Tenant of the Owner's Condominium. Each Owner, contract purchaser or Tenant shall also notify the Secretary of the Association of the names of all persons to whom such Owner, contract purchaser or Tenant has delegated any rights to use and enjoy the Property and the relationship that each such person bears to the Owner, contract purchaser or Tenant.

3.5 Maximum Number of Rental Units. In order to limit the number of rental units to comply with lenders' guidelines, prevent transient tenancy, and to avoid increased insurance premiums, any person who now owns a condominium unit and any person who acquires title to a condominium unit within the Project on or after the effective date of this Section may lease or rent the unit for a period of not less than one year, provided that the percentage of units occupied by tenants does not exceed twenty five percent (25%) of the total units in the Project.

Any Owner who rents his/her unit ("Rental Unit") in compliance with this Section may continue to rent his/her unit until the Owner sells or otherwise transfers title to his/her unit to another person or until the Owner occupies the unit. A Rental Unit shall be considered a Rental Unit whenever it is occupied by one or more persons but does not include the Owner or the Owner's immediate family, whether as the result of the payment of rent or otherwise. A unit does not lose its status as a Rental Unit by virtue of the fact that a tenant's tenancy terminates. The ability to rent a unit may not and shall not be transferred by the Owner of a Rental Unit to a purchaser or other person who acquires title to the unit after the effective date of this Section.

Once twenty five percent (25%) of the units are rented, the Board shall establish a waiting list to permit other Owners who have a genuine intent to rent their units to have the opportunity to do so. Once a Rental Unit ceases to be a Rental Unit, those Owners on the waiting list shall be entitled to priority on a first-come, first-serve basis, unless an Owner is unable to occupy his/her unit due to death, illness, or dire emergency, in which event the Board shall hold a hearing in order to verify the exception and authorize the Owner to rent his/her unit prior to Owners before him/her on the waiting list. Even though twenty-five percent (25%) of the units may be Rental Units, the Board may grant an exception to an Owner or the Owner's heirs and representatives based upon the death of the Owner, illness, or dire emergency. All exceptions shall be documented in a written Resolution by the Board. Upon sale or transfer of title to a Rental Unit or upon the Owner of the unit

occupying the unit, the unit shall cease to be considered a Rental Unit and the Owner whose name is next on the waiting list shall be permitted to rent his/her unit.

ARTICLE IV

HOMEOWNERS ASSOCIATION

4.1 Association Membership. Every Owner of a Condominium shall be a Member of the Association and shall hold one membership in the Association for each Condominium owned.

4.2 One Class of Membership. The Association shall have one class of membership and the rights, duties, obligations and privileges of the Members shall be as set forth in the Governing Documents.

4.3 Voting Rights of Members. Each Member of the Association shall be entitled to one vote for each Condominium owned by said Member. When more than one person holds an interest in any Condominium, all such persons shall be Members, although in no event shall more than one vote be cast with respect to any Condominium. Voting rights may be temporarily suspended pursuant to the provisions of the Governing Documents for non-payment of Assessments and other violations of the Governing Documents.

4.4 Assessments. The Association shall have the power to establish, fix and levy Assessments against the Owners of Condominiums within the Property and to enforce payment of such Assessments in accordance with the provisions of this Declaration.

4.5 Powers and Authority of the Association.

(a) Powers Generally. The Association shall have the responsibility of managing and maintaining the Common Areas and Common Facilities and discharging the other duties and responsibilities imposed on the Association by the Governing Documents. In the discharge of such responsibilities and duties, the Association shall have all of the powers of a non-profit corporation organized under the laws of the State of California in the ownership and management of the Property and the discharge of its responsibilities hereunder for the benefit of its Members, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Governing Documents. The Association and its Board of Directors shall have the power to do any and all lawful things which may be authorized, required or permitted to be done under and by virtue of the Governing Documents, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Association for the peace, health, comfort, safety or general welfare of the Owners. The specific powers of the Association and the limitations thereon shall be as set forth in the Bylaws.

(b) Association's Limited Right of Entry. The Association, and/or its agents, shall have the right, when necessary, to enter any Unit to perform the Association's obligations under this Declaration, including: (i) exterior maintenance or repair obligations;

(ii) obligations to enforce the Governing Documents; (iii) any obligations with respect to construction, maintenance and repair of adjacent Common Facilities; or (iv) after 15 days written notice, to make necessary repairs that an Owner has failed to perform which, if left undone, will pose a threat to, or cause an unreasonable interference with, Association property or the other Owners.

The Association's rights of entry under this subparagraph (b) shall be immediate in case of an emergency originating in or threatening the Condominium where entry is required, or any adjoining Condominium or Common Area, and the Association's work may be performed under such circumstances whether or not the Owner or his or her Tenant is present. In all non-emergency situations, the Association or its agents shall furnish the Owner or his or her lessee with at least 24 hours' written notice of its intent to enter the Condominium, specifying the purpose and scheduled time of such entry and shall make every reasonable effort to perform its work and schedule its entry in a manner that respects the privacy of the persons residing within the Condominium.

4.6 Association Rules.

(a) Rule-Making Power. The Board may, from time to time and subject to the provisions of this Declaration, by a majority vote propose, enact and amend rules and regulations of general application to the Owners and Tenants of Condominiums within the Property. Such rules may concern, but are not be limited to: (i) matters pertaining to the maintenance, repair, management and use of the Common Area and Common Facilities by Owners, their Tenants, guests and invitees, or any other person(s) who have rights of use and enjoyment of such Common Area and Common Facilities; (ii) architectural control; (iii) the conduct of disciplinary proceedings; (iv) regulation of parking and use of the pool, spa and sauna; and (v) any other subject or matter within the jurisdiction of the Association as provided in the Governing Documents.

Notwithstanding the foregoing grant of authority, the Association Rules shall not be inconsistent with or materially alter any provision of the other Governing Documents. In the event of any material conflict between any Association Rule and any provision of the other Governing Documents, the conflicting provisions contained in the other Governing Documents shall be deemed to prevail.

(b) Distribution of Rules. A copy of the Association Rules, as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner and Tenant.

(c) Adoption and Amendment of Rules. Any duly adopted rule or amendment to the Rules shall become effective immediately following the date of adoption and distribution by the Board to the Owners and Tenants.

4.7 Breach of Rules or Restrictions.

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Any breach of the Association Rules or of any other Governing Document provision shall give rise to the rights and remedies set forth in this Declaration.

4.8 Limitation on Liability of Association's Directors and Officers.

(a) Claims Regarding Breach of Duty. No director or officer of the Association shall be personally liable to any of the Association's Members, or to any other person, for any error or omission in the discharge of their duties and responsibilities or for their failure to provide any service required hereunder or under the Bylaws, provided that such director or officer has, upon the basis of such information as may be possessed by the director or officer, acted in good faith, in a manner that such person believes to be in the best interests of the Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

(b) Other Claims Involving Tortious Acts and Property Damage. No person who suffers bodily injury (including, without limitation, emotional distress or wrongful death) as a result of the tortious act or omission of a volunteer member of the Board or volunteer officer of the Association shall recover damages from such Board member or officer if all of the following conditions are satisfied:

(i) The act or omission was performed within the scope of the volunteer Board member's or officer's Association duties;

(ii) The act or omission was performed in good faith;

(iii) The act or omission was not willful, wanton, or grossly negligent;

(iv) The Association maintained and had in effect at the time the act or omission occurred and at the time a claim was made one or more policies of insurance that include coverage for general liability of the Association in a sum not less than \$2,000,000.00 and individual liability of the officers and directors of the Association for negligent acts or omissions in their official capacities, with minimum coverage of insurance being not less than \$1,000,000.00.

The payment of actual expenses incurred by a Board member or officer in the execution of that person's Association duties shall not affect that person's status as a volunteer Board member or officer for the purposes of this section.

The provisions of this subparagraph (b) are intended to reflect the protections accorded to volunteer directors and officers of community associations under Civil Code Section 1365.7. In the event that Civil Code Section is amended or superseded by another, similar provision of the California statutes, this subparagraph (b) shall be deemed amended, without the necessity of further Member approval, to correspond to the amended or successor Civil Code provision.

ARTICLE V

ASSESSMENTS

5.1 Establishment of Assessments; Membership Approval Requirements. The total annual expenses estimated in the Association's budget (less projected income from sources other than assessments) shall become the aggregate Regular Assessment for the next succeeding fiscal year, provided that the Board of Directors may not impose a Regular Assessment that is more than 20 percent greater than the Regular Assessment for the Association's immediately preceding fiscal year without the vote or written assent of Members, constituting a quorum, casting a majority of the votes at a meeting or election of the Association.

5.2 Mailing Notice of Assessment. The Board of Directors shall mail to each Owner at the street address of the Owner's Condominium, or at such other address as the Owner may from time to time designate in writing to the Association, notice of any increase or decrease in the amount of the Regular or Special Assessments for the next succeeding fiscal year no less than 30 days nor more than 60 days prior to the increased assessment becoming due.

5.3 Failure to Make Estimate. If, for any reason, the Board of Directors fails to make an estimate of the Common Expenses for any fiscal year, then the Regular Assessment made for the preceding fiscal year, together with any Special Assessment made for that year, shall be assessed against each Owner and his or her Condominium on account of the then current fiscal year, and installment payments (as hereinafter provided) based upon such automatic Assessment shall be payable on the regular payment dates established by the Association.

5.4 Installment Payment of Assessments. The Regular Assessment levied against each Owner and his or her Condominium shall be due and payable in advance to the Association in equal monthly installments on the first day of each month. Installments of Regular Assessments shall be delinquent if not paid by the 15th day of the month in which the Assessment is due.

5.5 Equal Assessments. Assessments shall be allocated among, assessed against, and charged to each Owner so that each Condominium bears an equal share of the total Assessment.

5.6 Assessments to Address Emergency Situations. The requirement of a membership vote to approve Regular Assessment increases in excess of 20 percent of the previous year's Regular Assessment shall not apply to assessment increases necessary to address emergency situations, as defined in Civil Code Section 1366(b).

5.7 Special Assessments.

(a) Purposes for Which Special Assessments May Be Levied. Subject to the membership approval requirements set forth in subparagraph (b) below, the Board of Directors shall have the authority to levy Special Assessments against the Owners and their Condominiums for the following purposes:

(i) Regular Assessment Insufficient in Amount. If, at any time, the Regular Assessment for any fiscal year is insufficient in amount due to extraordinary expenses not contemplated in the budget prepared for said fiscal year, then the Board of Directors shall levy and collect a Special Assessment, for the purpose of defraying, in whole or in part, any deficit which the Association may incur in the performance of its duties and the discharge of its obligations hereunder.

(ii) Capital Improvements. The Board may also levy Special Assessments for additional capital improvements within the Common Area (i.e., improvements not in existence on the date of this Declaration that are unrelated to repairs for damage to, or destruction of, the existing Common Facilities).

(iii) Loan Repayments. The Board may levy Special Assessments to repay disaster loans or loans obtained for the purpose of repairing Common Area facilities or financing litigation.

(b) Special Assessments Requiring Owner Approval. No Special Assessments which in the aggregate exceed 5 percent of the budgeted gross expenses of the Association for the fiscal year in which the Special Assessment(s) is levied shall be made without the vote or written assent of Owners, constituting a quorum, casting a majority of the votes at a meeting or election of the Association.

(c) Special Assessments for purposes described in this Section shall be due as a separate debt of the Owner and a lien against his or her Condominium.

5.8 Special Individual Assessments.

(a) Circumstances Giving Rise to Special Individual Assessments. In addition to the Special Assessments levied against all Owners in accordance with Section 5.7, above, the Board of Directors may impose Special Individual Assessments against an Owner in any of the following circumstances, after the Owner has been given the notice and hearing rights to which the Owner is entitled, and, if appropriate, has been given a reasonable opportunity to comply voluntarily with the Association's Governing Documents.

(i) Damage to Common Area or Common Facilities. In the event that any damage to, or destruction of, any portion of the Common Area or the Common Facilities, including any portion of the Unit structure which the Association is obligated to repair and maintain is caused by the willful misconduct or negligent act or omission of any Owner, any member of his or her family, or any of his or her Tenants, guests, servants,

employees, or invitees, the Board shall cause the same to be repaired or replaced, and all costs and expenses incurred in connection therewith shall be assessed and charged solely to and against such Owner as a Special Individual Assessment.

(ii) Expenses Incurred in Gaining Member Compliance. In the event that the Association incurs any costs or expenses, to accomplish: (A) any repair, maintenance or replacement to any portion of the Property that the Owner is responsible to maintain under the Governing Documents but has failed to undertake or complete after 15 days' written notice; or (B) to otherwise bring the Owner, the Owner's Tenant, and/or his or her Condominium into compliance with any provision of the Governing Documents, the amount incurred by the Association [including fines and penalties, accounting fees, management fees, court costs and reasonable attorney's fees (including those incurred prior to filing a lawsuit)] shall be assessed and charged solely to and against such Owner as a Special Individual Assessment.

(b) Levy of Special Individual Assessment and Payment. Once a Special Individual Assessment has been levied against an Owner for any reason described, notice of such Special Individual Assessment shall be mailed to the affected Owner and the Special Individual Assessment shall thereafter be due as a separate debt of the Owner payable in full to the Association within 30 days after the mailing of notice of the Assessment, or within such other time period as the Board may determine.

5.9 Maintenance of Assessment Funds. All sums received or collected by the Association from Assessments, together with any interest or late charges thereon, shall be promptly deposited in one or more insured checking, savings or money market accounts in a bank or savings and loan association selected by the Board of Directors which has offices located within the State of California, County of Los Angeles. In addition, the Board shall be entitled to make prudent investment of reserve funds in insured certificates of deposit, money market funds or similar investments consistent with the investment standards normally observed by trustees.

5.10 Collection of Assessments; Enforcement of Liens.

(a) Delinquent Assessments. If any installment payment of a Regular Assessment or lump sum or installment payment of any Special Assessment or Special Individual Assessment or Emergency Assessment assessed to any Owner is not paid within 15 days after the same becomes due, such payment shall be delinquent and may, at the Board's election, bear interest at the rate of twelve percent (12%) per annum beginning 30 days after the due date until the same is paid. In addition to the accrual of interest, the Board of Directors is authorized and empowered to impose a late charge for any delinquent Assessments not exceeding ten percent (10%) of the delinquent assessment or ten dollars (\$10.00), whichever is greater.

(b) Effect of Nonpayment of Assessments.

(i) Creation and Imposition of a Lien for Delinquent Assessments. As more particularly provided in Civil Code Section 1367 or comparable superseding statute(s), the amount of any delinquent Regular, Special, or Emergency Assessment, together with any late charges, interest and costs (including reasonable attorneys' fees) shall become a lien upon the Condominium of the Owner so assessed only when the Association causes to be recorded in the Office of the County Recorder of the County, a Notice of Delinquent Assessment (or equivalent) executed by the Board or an authorized representative of the Association. Prior to recording an assessment lien, the Association shall notify the Owner in writing by certified mail of the fee and penalty procedures of the Association, provide an itemized statement of the charges owed by the Owner, including items on the statement which indicate the principal owed, any late charges and the method of calculation, any attorney's fees, and the collection practices used by the Association, including the right of the Association to the reasonable costs of collection. Upon payment in full of the sums specified in the Notice of Delinquent Assessment, and such sums as may become due and be charged up to the date of payment, the Association shall cause to be recorded a release of the lien.

(ii) Remedies Available to the Association to Collect Assessments. After the expiration of thirty (30) days following the recording of an assessment lien, the Association may initiate a legal action against the Owner personally obligated to pay the delinquent Assessment for a money judgment and/or, foreclose its lien against the Owner's Condominium or accept a deed in lieu of foreclosure. Foreclosure by the Association of its lien may be by judicial foreclosure or by non-judicial foreclosure.

5.11 Waiver of Exemptions. Each Owner, to the extent permitted by law, waives, to the extent of any liens created pursuant to this Article, the benefit of any homestead or exemption law of California in effect at the time any Assessment or installment thereof becomes delinquent or any lien is imposed against the Owner's Condominium.

5.12 Prohibition on Avoidance of Obligations. No Owner, by non-use of the Common Area or Common Facilities, abandonment of the Owner's Condominium or otherwise may avoid the burdens and obligations imposed on such Owner by the Governing Documents, including, without limitation, the payment of Assessments levied against the Owner and his or her Condominium pursuant to this Declaration.

ARTICLE VI

ARCHITECTURAL CONTROL

6.1 Improvements in General. No "improvement" (as defined in Article I) of any kind shall be commenced, erected or maintained within the Property, nor shall any exterior addition to or change or alteration be made in or to any portion of the Common Area, any Unit, any Common Facility structure, or to any Exclusive Use Common Area until the plans and specifications showing the nature, color, kind, shape, height (including front, side and

rear elevations), materials, and location of the same shall have been submitted to and approved in writing by the Association's Board of Directors as to quality of workmanship and materials, harmony of external design and location in relation to surrounding structures, setback lines, topography and finish grade elevation. No patio or balcony shall be enclosed.

6.2 Submission of Plans; Action by Board. Plans and specifications for the proposed Improvement shall be submitted to the Board of Directors by personal delivery or certified mail to the Secretary of the Association.

6.3 Approval or Disapproval. In the event the Board fails to approve or disapprove such plans within 45 days after said plans and specifications have been submitted to it, the request shall be deemed to have been denied. Under such circumstances, the written request may be resubmitted. Approval of the Board may contain conditions or requests for modification of particular aspects of the Owner's plans and specifications.

6.4 Architectural Rules. The Board may from time to time adopt, amend and repeal rules and regulations to be known as "Architectural Rules." Said rules shall interpret and implement the provisions of this Declaration by setting forth the standards and procedures for the review and approval of proposed Improvements and guidelines for architectural design, placement of any work of Improvement or color schemes, exterior finishes and materials and similar features which are recommended for use within the Property, provided that said rules shall not be in derogation of the minimum standards required by this Declaration. In the event of any conflict between the Architectural Rules and this Declaration, the Declaration shall prevail.

6.5 Enforcement. In the event of an architectural violation, the Board shall have the right to suspend the right to use recreational facilities, suspend the Owner's voting rights, and levy fines, after notice and the opportunity to be heard is first provided to the violating Owner or Tenant. The Board may also pursue such legal remedies as the Board deems appropriate, including, but not limited to, a lawsuit for a temporary restraining order or an injunction to compel the Owner or Tenant to bring his/her condominium into compliance with the Governing Documents, including architectural decisions made by the Board pursuant to this Section. The court may award to the prevailing party in any such action such attorney's fees and other costs as the court deems just and reasonable.

ARTICLE VII

RESTRICTIONS ON USE OF CONDOMINIUMS AND COMMON AREA

In addition to the restrictions established by law and Association Rules, which are not inconsistent with this Declaration, the following restrictions are hereby imposed upon the use of Condominiums, Common Areas, and Exclusive Use Common Area within the Property.

7.1 Residential Use. The use of the Condominiums within the Property is restricted to Residential Use, as defined in Article I hereof.

7.2 Interior Improvements. No interior improvement to any Condominium involving structural components of the building structure, other than non-load-bearing interior walls, shall be commenced without the prior written approval of the Board. Under no circumstances shall any Owner undertake any activity or work with respect to the Owner's Condominium that will impair the structural soundness or integrity of another Condominium or impair any easement.

7.3 Damage to Common Area. No Owner, Tenant, invitee, guest, or contractor employed by anyone other than the Board may make any improvement to the Common Area or Common Area Facilities or remove or alter any furnishings, structure or landscaping materials. The Common Area shall not be obstructed by any person. Each Owner shall be liable to the remaining Owners for any damage to the Common Area and Common Facilities that may be sustained by reason of the negligent or intentional conduct of that Owner, that Owner's family members, contract purchasers, Tenants, guests, or invitees. Each Owner, by acceptance of his or her deed, agrees personally and for family members, contract purchasers, Tenants, guests, and invitees, to indemnify each and every other Owner, and to hold such other Owner harmless from, and to defend him against, any claim of any person for personal injury or property damage occurring within the Condominium of the Owner, including Exclusive Use Common Area, except to the extent that the injury or damage occurred by reason of the willful or negligent act or omission of the Association or another Owner or Tenant.

7.4 Prohibition of Noxious Activities. No illegal, noxious or offensive activities shall be carried on or conducted upon any Condominium or Common Area nor shall anything be done within the Property which is or could become an unreasonable annoyance or nuisance to other residents. Without limiting the foregoing, no Owner shall permit unreasonable noise, including, but not limited to, the operation of excessively noisy air conditioners, stereo amplifier systems, television systems, motor vehicles or power tools, to emanate from an Owner's Unit or from activities within the Common Area, which would unreasonably disturb any other Owner's or Tenant's enjoyment of his or her Unit or the Common Area.

7.5 Pets. No animals, livestock, or poultry of any kind, shall be raised, bred or kept on any Condominium, except that dogs, cats, or other household pets may be kept on the Condominiums, provided they are not kept, bred or maintained for any commercial purpose, or in unreasonable numbers. Notwithstanding the foregoing, no animals or fowl may be kept on the properties which result in an annoyance or are a nuisance or obnoxious to residents in the vicinity. In addition, no more than one (1) dog and one (1) cat, or two (2) dogs or two (2) cats, may be kept within an Owner's Unit. Animals shall be allowed on the Common Area only when they are leashed and are otherwise under the supervision and restraint of their Owners. No household pet shall be left chained or otherwise tethered in front of a Condominium or in the Common Area. Pet owners shall be responsible for the prompt disposal of pet wastes deposited by their pets in the

Common Areas, patios or in fenced yard areas adjacent to the Owner's Residence. Every Owner shall be liable to each and all remaining Owners, their families, guests, invitees, and Tenants, for any damages and unreasonable noise to person or property caused by any animals brought or kept upon the Property by an Owner or by members of his or her family, Tenants, guests, and invitees.

7.6 Signs. No advertising signs or billboards shall be displayed on any building containing Units or posted within or upon any portion of the Common Area, except that Owners may display one sign which advertises their condominiums "For Rent," "For Lease", "For Sale", or "For Exchange" or advertise directions to the condominium on a common sign post to be reasonably located in plain view of the public. The sign shall be of reasonable dimensions and design.

7.7 Business Activities. No business or commercial activities of any kind whatsoever shall be conducted in any Unit, parking garage or building. No restrictions contained in this Section shall be interpreted in such a manner so as to prohibit any Owner or Tenant from maintaining a home office, unless other residents are disturbed by an unreasonable number of visitors to the Property, excessive noise, or additional traffic.

7.8 Garbage. No rubbish, trash, or garbage shall be allowed to accumulate within or outside of any Unit. No Owner or Tenant shall allow an accumulation of trash, debris, paper, or other items which would create a fire or health hazard. Any extraordinary accumulation of rubbish, trash, garbage or debris (such as debris generated upon vacating of premises or during the construction of modifications and Improvements) shall be removed from the Property to a public dump or trash collection area by the Owner or Tenant at his or her expense.

7.9 Storage. Storage of personal property shall be within a Unit, or within the Owner's garage. The Board may regulate storage in the Owners' garage, subject to conditions determined by the Board and included in the Rules and Regulations. The planting or placement of plants, shrubs, and other greenery which can be seen from the Common Area shall require the prior written approval of the Board.

7.10 Clotheslines. No exterior clothesline shall be erected or maintained and there shall be no drying or laundering of clothes on any Unit or Exclusive Use Common Area in a manner which is visible from any neighboring Unit, the street or the Common Area.

7.11 Window Covers. Only curtains, drapes, blinds, shutters, and shades may be installed as interior window covers. No window shall be covered by paint, foil, sheets or similar items. The Board may adopt rules regulating the type, color and design of window covers. Absolutely no sunshades, awnings, canvass, ornamental screens, or any other window covering shall be installed on the exterior of the building, including the exterior walls within the patio or balcony areas.

7.12 Antennas and Similar Devices. In order to ensure adequate esthetic controls and to maintain the general attractive appearance of the Property, no Owner or Tenant

shall place or maintain any objects, such as masts, towers, poles, television and radio antennas, or television satellite reception dishes on or about the exterior of any building or on any Common Area within the Property, except as permitted by law. A satellite dish may not be installed on Common Area walls. The Board may establish guidelines on the placement of satellite dishes which are consistent with the law.

7.13 Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Unit or the Common Area except such machinery or equipment as is usual or customary in connection with the use, maintenance or repair of a private Unit or appurtenant structures within the Property. No hobby or carpenter shops are permitted on the Property. No automobile overhaul, repair or maintenance work, other than emergency work, is permitted on the Property. The Board may establish rules and regulations regarding the washing of vehicles on the Property, including a prohibition against such activity.

7.14 Parking and Vehicle Restrictions. The following parking and vehicle restrictions shall apply within the Property:

(a) The Board shall have the authority to make reasonable rules and restrictions regarding parking and vehicles within the Property as may be deemed prudent and appropriate.

(b) The Board shall have the authority to tow, at the Owner's expense, any vehicle parked or stored in violation of this section. The Board shall post such notices or signs within the Common Area as may be required by law to effectuate this towing provision.

7.15 Behavior of Persons on the Property. Each Owner and Tenant shall be accountable to the remaining Owners and Tenants, their families, guests and invitees, for the conduct and behavior of all persons residing in or visiting the Owner or Tenant and for any property damage caused by such persons.

7.16 Activities Affecting Insurance. Nothing shall be done or kept within any Unit or within the Common Area which will increase the rate of insurance on any policy maintained by the Association without the prior written consent of the Association and no Owner shall permit anything to be done or kept within his or her Unit or within the Common Area which would cause any Improvements to be uninsurable against loss by fire or casualty or result in the cancellation of insurance on any Unit or any part of the Common Area.

7.17 Variances. Upon application by any Owner, the Board of Directors shall be authorized and empowered to grant reasonable variances from the property use restrictions set forth in this Article, if specific application of the restriction will, in the sole discretion of the Board, either cause an undue hardship to the affected Owner or Tenant or fail to further or preserve the common plan and scheme of development contemplated by this Declaration.

ARTICLE VIII

MAINTENANCE RESPONSIBILITIES

8.1 Association's Responsibilities. The Association shall be solely responsible for all maintenance, repair, upkeep and replacement of the Common Area and Common Facilities.

(a) The Association shall paint, maintain, repair and replace (as necessary due to normal wear and tear, deterioration or damage or destruction other than by the conduct of an Owner or his Tenant, family, or guests) roofs, bearing walls, vertical supports, foundations, gutters, downspouts, entry gates and mechanical openers, exterior surfaces of the Unit entry doors, the pool and spa, railings and exterior building surfaces. The Association shall also maintain, repair and replace the landscaping, including, but not limited to, the trees, shrubs, grass, driveways, walks, and patios within the Common Area. The Association shall resurface the streets as the Board determines is necessary.

(b) The Association shall maintain, repair and replace sewer, water and electrical lines located under or within the Common Area, including sewer and plumbing pipes and other lines within the walls of the Units.

(c) The Association shall be responsible for the repair and maintenance of the Common Area occasioned by the presence of wood-destroying pests or organisms.

8.2 Owner Maintenance, Repair and Replacement Responsibilities.

(a) Each Owner of a Condominium shall be responsible for maintaining and repairing his or her Unit, including the equipment and fixtures in the Unit and the interior surfaces of the perimeter walls, ceilings and floors, partition walls, windows, and doors of the Owner's Unit, and the garages in a clean, sanitary, workable, and attractive condition. Each Owner shall clean any oil from his/her garage floors. Each Owner has complete discretion as to the choice of furniture, furnishings, and interior decorating, except as provided in this Declaration, provided, however, that each Owner shall not replace the windows or the glass of any windows except with windows or glass of similar color and quality to that which is supplied with the Unit.

(b) Each Owner also shall be responsible for the repair, replacement, and cleaning of the glass windows and doors of his or her Unit, both exterior and interior.

(c) Each Owner shall be responsible for maintaining the interior surfaces of his/her patio and balcony, including the floor, by keeping same in a clean and attractive condition. The Owners of Units with patios and balconies shall be responsible for the repair and replacement of the cement slabs and wood floors.

(d) Each Owner shall be responsible for the maintenance, repair and replacement of the plumbing, electrical and heating and air conditioning systems, including air conditioning compressors and equipment, within and servicing the Unit. Each Owner

shall also be responsible for maintaining in an open and unobstructed condition all sewer and drainage pipes and lines serving only his Unit. If the Association is called upon by an Owner to investigate a stoppage or leak, the origin of which is unknown, the Association's plumber shall determine whether the repair or replacement involves a portion of the plumbing or sewer lines required to be maintained by an individual Owner. If it is, the Owner agrees to reimburse the Association for the expense within thirty (30) days. If the Owner fails to reimburse the Association, the expense may be levied against the Owner as a Special Individual Assessment.

(e) In the event an Owner shall do anything with respect to his/her Unit that might have the effect of increasing the level of noise or sounds that can be heard outside his/her Unit during normal use and occupancy of his/her Unit, including, but not limited to the replacement of carpeting with tile, parquet or other hard floor covering, he/she shall be required to take at his/her own expense all reasonable measures to deaden, insulate and otherwise decrease the level of such noise or sounds to the minimum level reasonably possible.

8.3 Obligation To Permit Entry by Association and Adjacent Owners. Each Owner shall be obligated to permit the Owners of adjacent Units or the representatives of such adjacent Owners to enter the Owner's Unit for purposes of performing installations, alterations, maintenance or repairs to utilities, mechanical or electrical services, including installation of television antennas and related cables, which are reasonably necessary for the use and enjoyment of his or her Unit, provided that requests for entry are made at least 24 hours in advance and that entry is at a time convenient to the Owner whose Unit is being entered upon, except in the event of an emergency when no notice shall be required. Each Owner shall also honor the right of the Association and its agents to enter his or her Unit as provided in this Declaration for maintenance and repairs.

8.4 Cooperative Maintenance Obligations. To the extent necessary or desirable to accomplish the Association's maintenance and repair obligations hereunder, individual Owners shall cooperate with the Association and its agents and maintenance personnel in the prosecution of its work.

ARTICLE IX

EASEMENTS

9.1 Encroachment Easements. If any portion of the Common Area encroaches on any Unit or if any portion of a Unit encroaches on the Common Area, regardless of the cause, a valid easement exists for such encroachment and for the maintenance of it as long as it remains, and all Units and the Common Area are made subject to such easements.

9.2 Blanket Utility Easement. There is hereby created a blanket easement upon, across, over and under all of the Property for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewer, gas,

telephones, drainage and electricity and the master television antenna or cable television system, if any. By virtue of this easement, it shall be expressly permissible for the providing utility company to erect and maintain the necessary equipment and underground facilities on the Common Area. Notwithstanding the foregoing, no sewer, electrical lines, water lines, or other utilities may be installed or relocated on said Property except as initially designed and approved by the Declarant or thereafter approved by the Association's Board of Directors. The easements provided for in this Section shall in no way effect any other recorded easement on the Property.

ARTICLE X

INSURANCE

10.1 Fire, Casualty and Earthquake Insurance. The Association shall obtain and maintain a master or blanket policy of fire and casualty insurance, for the full insurable value (replacement cost) of all the Common Area buildings, facilities and fixtures within the Property. The Association shall additionally obtain and maintain a policy of earthquake insurance, if available for a reasonable cost, for the full insurable value (replacement cost) of all the Common Area buildings, facilities and fixtures. If available for a reasonable cost, the insurance policy shall include building code upgrade coverage. The deductibles on both policies should be applied on a "per building" basis. The insurance shall be kept in full force and effect at all times and the full replacement value of the insured property shall be redetermined on an annual basis.

10.2 Public Liability and Property Damage Insurance. The Association shall obtain and maintain a policy of comprehensive public liability and property damage insurance naming as parties insured the Association, each member of the Association Board of Directors, any manager, the Owners of all Units, and such other persons as the Board may determine. The policy shall insure each named party against liability incident to the ownership, maintenance, and use of the Common Area and any other Association-owned or maintained real or personal property. The limits of such insurance shall not be less than Two Million Dollars (\$2,000,000.00) covering all claims for death, personal injury, and property damage arising out of a single occurrence.

10.3 Directors and Officers Liability Insurance. The Association shall obtain and maintain Directors and Officers Liability Insurance covering prior acts in order to ensure that past Board Members are protected for decisions made during their term of service. The limits of such insurance shall not be less than One Million Dollars (\$1,000,000.00). The policy shall name as insureds not only the current Board Members but also volunteer committee members.

10.4 Fidelity Bond and Other Insurance.

- (a) The Board shall obtain and maintain fidelity bonds or insurance.
- (b) To the extent such insurance is reasonably obtainable or required by any institutional First Mortgagee, the Association may also purchase with Common Funds

such additional insurance and bonds as it may, from time to time, determine to be necessary or desirable, including, without limitation, demolition insurance, flood insurance, worker's compensation, commercial umbrella coverage, and boiler and machinery coverage.

10.5 Coverage Not Available. If any insurance policy or endorsement required herein is for any reason not available, then the Association shall obtain such other or substitute policy or endorsement as may be available which provides, as nearly as possible, the coverage described above. The Board shall also notify the unit owners of any material adverse changes in the Association's insurance coverage.

10.6 Copies of Policies. Copies of all insurance policies shall be retained by the Association and shall be available for inspection by any Unit Owner at any reasonable time.

10.7 Individual Fire, Casualty and Earthquake Insurance Limited. The Association's blanket insurance policy maintained pursuant to Section 10.1 above shall be the primary coverage in the event of a loss covered by the Association's insurance. If any Unit Owner maintains insurance coverage which results in a reduction in insurance proceeds otherwise payable to the Association pursuant to policies obtained by the Association, the Association shall specially assess the Owner to the extent of any reduction.

10.8 Individual Assessment Loss Coverage and Other Individual Coverage.

(a) Each Owner shall obtain and maintain assessment loss coverage for fire, earthquake, and other casualties with a minimum limit of \$25,000.00, if available for a reasonable cost. In the event of fire, earthquake, or other casualty which results in each Owner becoming responsible for the payment of a special or emergency assessment, each Owner with Assessment Loss Coverage shall instruct the insurance carrier to pay the proceeds directly to the Treasurer of the Association to pay for services, labor and materials provided to the Association for repair and/or reconstruction or to replenish reserve funds. Each Owner shall annually provide to the Board of Directors a copy of the Declaration Page showing the Owner's compliance with this Section and the following Subsections.

(b) Each Owner may also carry the following insurance (any premises liability and property damage insurance policy shall include a waiver of subrogation clause as to the Association, other Owners, and any institutional First Mortgagee of such Unit):

- (1) Coverage on portions of the structure not covered by the Master Policy of the Association. ("Tenant's Improvements" coverage).
- (2) Loss of use coverage for living expenses.
- (3) Personal property coverage.

(4) Premises liability coverage.

10.9 Trustee. All insurance proceeds payable pursuant to policies maintained by the Association may, in the discretion of the Board of Directors, be paid to a trustee to be held and expended for the benefit of the Owners, Mortgagees and others, as their respective interests appear. Said trustee shall be a commercial bank, escrow company, title company, or other person or institution with trust powers within the County that agrees in writing to accept such trust.

10.10 Adjustment of Losses. The Board is appointed attorney-in-fact by each Owner to negotiate and agree on the value and extent of any loss under any policy carried by the Association. The Board is granted full right and authority to compromise and settle any claims or enforce any claim by legal action or otherwise and to execute releases in favor of any insured.

ARTICLE XI**DAMAGE OR DESTRUCTION****11.1 Destruction; Proceeds Exceed 85 Percent of Reconstruction Costs.**

(a) If there is a total or partial destruction of the improvements in the Project, and if the available proceeds of the insurance carried by the Association are sufficient to cover not less than eighty-five percent (85%) of the costs of repair and reconstruction, the improvements shall be promptly rebuilt unless, within 90 days from the date of destruction, Owners then holding at least 25 percent (25%) of the total voting power of Owners object in writing to rebuilding.

(i) If at least 25 percent (25%) of the total voting power of Owners object in writing to rebuilding, the Board shall call a meeting of Owners or conduct a vote by written ballot in order to determine whether repair and reconstruction shall take place. If a majority of the Owners, in person or by proxy, at a duly constituted meeting or voting by written ballot determine that repair and reconstruction shall not take place, the Board shall proceed as set forth below in this Article.

(ii) If the repair and reconstruction shall take place, the Association shall solicit and obtain bids from at least two reputable contractors to repair and reconstruct the improvements in accordance with the original plans and shall present this information to the Owners at a meeting. If repair and reconstruction is to take place the Association shall be required to execute, acknowledge, and record in the office of the County Recorder of the County not later than 120 days from the date of destruction, a certificate declaring the intention of the Owners to rebuild.

11.2 Destruction; Proceeds Less Than 85 Percent of Reconstruction Costs. If the proceeds of insurance carried by the Association are less than 85 percent (85%) of the costs of repair and reconstruction, a majority of the Owners, at a duly constituted meeting

or by written ballot, shall determine whether repair and reconstruction shall take place. If such repair and reconstruction is approved, the Association shall solicit and obtain bids from at least two reputable contractors to repair and reconstruct the improvements in accordance with the original plans and shall present this information to the Owners at the meeting. If repair and reconstruction are to take place, the Association shall execute, acknowledge, and record in the office of the County Recorder of the County not later than 120 days from the date of destruction a certificate declaring the intention of the Owners to rebuild.

11.3 Apportionment of Assessments. If the Owners determine to rebuild, each Owner shall be obligated to contribute an equal share to the cost of reconstruction or restoration over and above the available insurance proceeds. If any Owner fails or refuses to pay his or her proportionate share, the Association may levy a special assessment against the Condominium of such Owner, which may be enforced under the lien provisions provided in this Declaration.

11.4 Procedure If Rebuilding is Not Approved.

(a) The Board or Trustee shall collect all available insurance proceeds and arrange for the sale of the Property, with or without the buildings.

(b) If the Board determines that a higher sales price will result from a sale of the Property without the Improvements, the Board shall arrange for the demolition of the Improvements. After paying all common expenses relative to the sale and for the operation of the Association prior to the date of sale, the Board or Trustee shall divide the remaining insurance proceeds among the 81 Units according to either the square footage of each Unit, the relative fair market value of each Unit determined by the original purchase price or comparable sales data, or in equal shares. The method of distribution shall be determined by the vote of a majority of the Owners. The Association shall have the duty, within 120 days from the date of destruction, to execute, acknowledge, and record in the office of the County Recorder of the County, a certificate declaring the intention of the Owners not to rebuild.

(c) After paying common expenses, the share of insurance proceeds for each Unit shall be first applied to reduce or eliminate any outstanding Mortgages. As to those Units without mortgages, the Board or Trustee shall pay the Unit's share of the insurance proceeds to the Owner. Any insurance proceeds remaining after payments to the Mortgagee of a Unit shall be distributed to the Owner of the Unit to which the proceeds are allocated.

11.5 Rebuilding Contract. If the Owners determine to rebuild, the Board or its authorized representative shall, after obtaining bids from at least two contractors, award the repair and reconstruction work to the most qualified contractor. The Board shall have the authority to enter into a written contract with the contractor for the repair and reconstruction, and the insurance proceeds shall be disbursed to this contractor according to the terms of the contract. It shall be the obligation of the Association to take all steps

necessary to assure the commencement and completion of authorized repair and reconstruction at the earliest possible date.

11.6 Repair of Interiors of Units. If there are any insurance proceeds remaining after the repair and replacement of the Common Area, the insurance proceeds shall be allocated to each Unit according to the square footage of each Unit. Each Owner shall be required to spend the allocated funds for the improvement of the Unit or towards any special assessment levied for repairs. If there are insufficient insurance proceeds remaining after the repair and replacement of the Common Area, installation of improvements to, and repair of any damage to, the interior of a Unit shall be made by and at the individual expense of the Owner of the Unit and shall be completed in a lawful and workmanlike manner.

ARTICLE XII

CONDEMNATION

12.1 Sale by Unanimous Consent or Taking. If an action for condemnation of all or a portion of the Property is proposed or threatened by any governmental agency having the right of eminent domain, then, on unanimous written consent of all of the Owners and all institutional Mortgagees, the Property, or a portion thereof may be sold and conveyed to the condemning authority by the Board or its designees acting as the attorney-in-fact of all Owners under an irrevocable power of attorney, which each Owner by accepting a deed to a Condominium in the Property hereby grants and which shall be coupled with the interest of all other Owners, for a price deemed fair and equitable by the Board. If the requisite number of Owners or institutional Mortgagees do not consent to a sale of all or a portion of the Property, and the condemning authority institutes condemnation proceedings, the court shall fix and determine the condemnation award.

12.2 Distribution and Sale Proceeds of Condemnation Award.

(a) Total Sale or Taking. A total sale or taking of the Property is a sale or taking that: (i) renders more than 50 percent of the Condominiums uninhabitable (such determination to be made by the Board in the case of a sale and by the court in the case of a taking); or (ii) renders the Property as a whole uneconomical as determined by the vote or written consent of 66-2/3 percent of those Owners and their respective institutional Mortgagees whose Condominiums will remain habitable after the taking. However, any determination that a sale or taking is total must be made before the proceeds from any sale or award are distributed. The proceeds of any such total sale or taking of the Property, after payment of all expenses relating to the sale or taking, shall be paid to all Owners and to their respective Mortgagees in the proportion that the fair market value of each Condominium bears to the fair market value of all Condominiums on the Property. The fair market value of Lots shall be determined in the condemnation action, if such be instituted, or by an appraiser.

(b) Partial Sale or Taking. In the event of a partial sale or taking of the Properties, meaning a sale or taking that is not a total taking, as determined in section

12.2(a), above, the proceeds from the sale or taking shall be paid or applied in the following order of priority and any judgments of condemnation shall include the following provisions as part of its terms:

(i) To the payment of expenses of the Association in effecting the sale or to any prevailing party in any condemnation action to whom such expenses are awarded by the Court to be paid from the amount awarded; then

(ii) To Owners and to their respective Mortgagees, as their interests may appear, of Condominiums on the Property whose Condominiums have been sold or taken, an amount up to the fair market value of such Condominiums as determined by the court in the condemnation proceeding or by an appraiser, less such Owners' share of expenses paid pursuant to section 12.2(b)(i) (which share shall be in proportion to the ratio that the fair market value of each Owner's Condominium bears to the fair market value of all Condominiums.

(iii) To any remaining Owner(s) and to his or her Mortgagees, as their interests may appear, whose Condominium has been diminished in value as a result of the sale or taking disproportionate to any diminution in value of all Condominiums, as determined by the Court in the condemnation proceeding or by an appraiser, an amount up to the total diminution in value; then

(iv) To all remaining Owners and to their respective Mortgagees, as their interests may appear, the balance of the sale proceeds or award in proportion to the ratio that the fair market value of each remaining Owner's Condominium bears to the fair market value of all remaining Owners' Condominiums as of a date immediately prior to commencement of condemnation proceedings, as determined by the Court in the condemnation proceeding or by an appraiser.

12.3 Appraiser.

Wherever in this Article reference is made to a determination of the value or fair market value of one or more Condominiums by an appraiser, this shall mean an appraisal by an independent appraiser selected by the Board, who shall be a member of the Society of Real Estate Appraisers (SREA) or other nationally recognized appraiser organization and who shall apply the SREA or other national appraisal organization's standards in determining the value or fair market value of each Condominium. The costs of such appraisals shall be paid from the condemnation proceeds as an expense of the Association.

ARTICLE XIII

PARTITION OF COMMON AREA

13.1 Suspension of Right of Partition. Except as expressly provided in this Article, an Owner shall have no right to partition or divide his or her ownership of the Common Area. Partition of the Common Area can be had on a showing that the conditions to such

partition as stated in the Articles relating to damage or destruction, condemnation or in California Civil Code Section 1359 have been met. Nothing in this Declaration shall prevent partition of a co-tenancy in a Condominium.

13.2 Power of Attorney. Pursuant to California Civil Code Section 1355(b)(9), each of the Owners irrevocably appoints the Association as attorney-in-fact and irrevocably grants to the Association full power in the name and stead of such Owner to sell the entire Project, and to execute deeds and conveyances to it, in one or more transactions, for the benefit of all Owners when partition of the Project may be had under Civil Code Section 1359 and under the circumstances authorizing partition under this Declaration. The power of attorney shall: (a) be binding on all Owners, whether they assume the obligations under this Declaration or not; (b) be exercisable by a majority of the Board acting on behalf of the Association, subject to obtaining the prior approval by vote or written consent of a majority of the Owners and a majority of all institutional first Mortgagees; and (c) be exercisable only after recordation with the County Recorder of a certificate executed by those who have power to exercise the power of attorney that the power of attorney is properly exercisable under Civil Code Section 1359. This certificate shall be conclusive evidence of proper exercise in favor of any person relying on it in good faith. Each Owner shall cooperate in executing a Power of Attorney form to the Board if a title company requires it for the sale of the Property.

ARTICLE XIV

BREACH AND DEFAULT

14.1 Remedy at Law Inadequate. Except for the nonpayment of any Assessment, it is hereby expressly declared and agreed that the remedy at law to recover damages for the breach, default or violation of any of the covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, charges or equitable servitudes contained in this Declaration are inadequate and that the failure of any Owner or Tenant of any Unit, or any portion of the Common Area or Common Facilities, to comply with any provision of the Governing Documents may be enjoined by appropriate legal proceedings instituted by any Owner, the Association, its officers or Board of Directors, or by their respective successors in interest.

14.2 Nuisance. Without limiting the generality of the foregoing section, the result of every act or omission whereby any covenant contained in this Declaration is violated in whole or in part is hereby declared to be a nuisance, and every remedy against nuisance, either public or private, shall be applicable against every such act or omission.

14.3 Costs and Attorneys' Fees. In any action brought because of any alleged breach or default of any Owner or Tenant of any unit, the court may award to the prevailing party in any such action such attorneys' fees and other costs as the court deems just and reasonable. An Owner shall be responsible for attorneys' fees and costs incurred by the Association to cure the Owner's Tenants' defaults.

14.4 Cumulative Remedies. The respective rights and remedies provided by this Declaration or by law 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 remedies for the same or any different default or breach or for the same or any different failure of any Owner or Tenant or others to perform or observe any provision of this Declaration.

14.5 Failure Not a Waiver. The failure of any Owner, the Board of Directors, the Association or its officers or agents to enforce any of the covenants, conditions, restrictions, limitations, reservations, grants or easements, rights, rights-of-way, liens, charges or equitable servitudes contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter, nor shall such failure result in or impose any liability upon the Association or the Board, or any of its officers or agents.

14.6 Rights and Remedies of the Association.

(a) Rights Generally. In the event of a breach or violation of any Association Rule or of any of the restrictions contained in any Governing Document by an Owner, his or her family, or the Owner's Tenants, guests, employees, invitees, or contractors, the Board, for and on behalf of all other Owners, may enforce the obligations of each Owner to obey such Rules, covenants, or restrictions through the use of such remedies as are deemed appropriate by the Board and available in law or in equity, including but not limited to the hiring of legal counsel, the imposition of fines and monetary penalties, the pursuit of legal action, or the suspension of the Owner's right to use recreational Common Facilities or suspension of the Owner's voting rights as a Member of the Association.

(b) Schedule of Fines. The Board may implement a schedule of reasonable fines and penalties for particular offenses that are common or recurring in nature and for which a uniform fine schedule is appropriate (such as fines for illegally parked vehicles). Such fines may not be levied unless the Board first provides a Notice of the violation to the Owner and the opportunity for a hearing before the Board. No penalty or temporary suspension of rights shall be imposed pursuant to this Section unless the Owner alleged to be in violation is given at least 10 days prior notice of the proposed penalty or temporary suspension and is given an opportunity to be heard before the Board of Directors.

Notwithstanding the foregoing, under circumstances involving conduct that constitutes: (1) an immediate and unreasonable infringement of, or threat to, the safety or quiet enjoyment of neighboring Owners; (2) a traffic or fire hazard; (3) a threat of material damage to, or destruction of, the Common Area or Common Facilities; or (4) a violation of the Governing Documents that is of such a nature that there is no material question regarding the identity of the violator or whether a violation has occurred (such as parking violations), the Board of Directors or its duly authorized agents may undertake immediate corrective or disciplinary action and, upon request of the offending Owner, or on its own initiative, conduct a hearing as soon thereafter as reasonably possible.

(c) Rules Regarding Disciplinary Proceedings. The Board shall be entitled to adopt rules that further elaborate and refine the procedures for conducting disciplinary proceedings. Such rules, when approved and adopted by the Board, shall become a part of the Association Rules and shall provide for notices and procedures satisfying the alternative dispute resolution requirements of Civil Code Section 1354 or comparable superseding statute.

(d) Court Actions. Before initiating any court action seeking solely declaratory or injunctive relief to interpret or enforce the Governing Documents or declaratory or injunctive relief in conjunction with a claim for monetary damages not in excess of \$5,000.00, the Association or Owner shall first comply with the provisions of Civil Code Section 1354, or comparable superseding statute, relating to alternative dispute resolution, except in the case of an emergency in which a temporary restraining order is necessary.

ARTICLE XV

AMENDMENT OF DECLARATION

15.1 Amendment in General. This Declaration may be amended or revoked by the vote or assent of 51 percent of all Owners, in person or by proxy at a meeting or by written ballot. The percentage of Owners necessary to amend a specific clause or provision of this Declaration shall not be less than the percentage of affirmative votes prescribed for action to be taken under that clause.

15.2 Effective Date of Amendment. The amendment will be effective upon the recording in the Office of the Recorder of Los Angeles County a Certificate of Amendment, duly executed and certified by the President and Secretary of the Association setting forth in full the amendment so approved and that the approval requirements of Section 15.1, above, have been duly met and the distribution of a copy of the Amendment to each Owner of record. Notwithstanding anything to the contrary herein contained, no such amendment shall affect the rights of the holder of any first deed of trust or Mortgage recorded prior to the recording of such amendment.

ARTICLE XVI

GENERAL PROVISIONS

16.1 Term. The covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of-way, liens, charges and equitable servitudes contained in this Declaration shall run with, and shall benefit and burden the Condominiums and the Common Area as herein provided, and shall inure to the benefit of and be binding upon the Owners, the Association, its Board of Directors, and its officers and agents, and their respective successors in interest, for a term of 60 years from the date of the recording of this Declaration, after which time the same shall be automatically extended for successive

periods of 10 years each unless, within 6 months prior to the expiration of the initial 60-year term or any such 10-year extension period, a recordable written instrument, approved by 75 percent of all Owners terminating the effectiveness of this Declaration shall be filed for recording in the Office of the County Recorder of Los Angeles County, California.

16.2 Construction of Declaration.

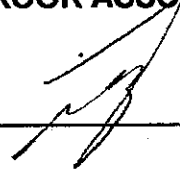
(a) Restrictions Construed Together. All of the covenants, conditions, and restrictions of this Declaration shall be liberally construed together to promote and effectuate the fundamental concepts of the development of the Property as set forth in the Recitals of this Declaration.

(b) Restrictions Severable. Notwithstanding the provisions of subparagraph (a) above, the covenants, conditions, and restrictions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision.

IN WITNESS WHEREOF, this Restated Declaration of Covenants, Conditions and Restrictions has been adopted as provided above effective this 31st day of October, 2002.

THE LINDBROOK ASSOCIATION

By:



, President

By:



, Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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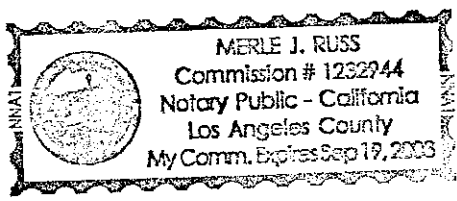
State of CALIFORNIA

County of Los Angeles

On October 31, 2002 before me, Merle J. Russ Notary Public
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Norman Samuel Sewitz and Sherman Gamson
NAME(S) OF SIGNER(S)

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



WITNESS my hand and official seal.

Merle J. Russ
SIGNATURE OF NOTARY

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
- CORPORATE OFFICER
- _____ TITLE(S)
- PARTNER(S) LIMITED
- GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: _____

DESCRIPTION OF ATTACHED DOCUMENT

RESTATED CC+RS for Linderoeth
TITLE OR TYPE OF DOCUMENT

29
NUMBER OF PAGES

10/31/02
DATE OF DOCUMENT

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

SIGNER(S) OTHER THAN NAMED ABOVE