

AUG 23 1976

WHEN RECORDED MAIL TO:

William A. Ross
Attorney at Law
1413 Sepulveda Blvd.
Manhattan Beach, Calif. 90266

4234

RECORDED IN OFFICIAL RECORDS
OF LOS ANGELES COUNTY, CA
11 MIN. PAST 4 P.M. AUG 23 1976
Recorder's Office

DECLARATION

OF

COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

FEE \$ 2 1/2

THIS DECLARATION, made on the date hereinafter set forth by
GERALD C. DE CARNELLE and ANN E. DE CARNELLE,
husband and wife, hereinafter referred to
as "Declarant,"

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the City of
Manhattan Beach, County of Los Angeles, State of California, described
as Lots 1, 2 and 3 of Parcel Map Number 6010 in the City of Manhattan
Beach, as per Map recorded in Book 70, Page(s) 2 and 3 of Parcel
Maps, in the office of the County Recorder of said County; and

WHEREAS, Declarant will convey the said property, subject to certain
protective covenants, conditions, restrictions, easements, reservations,
liens, and charges as hereinafter set forth;

NOW, THEREFORE, Declarant hereby declares that all of the property
described as Lots 1, 2 and 3 of Parcel Map Number 6010 shall be held,
sold and conveyed, subject to the following easements, restrictions,
covenants, and conditions, all of which are for the purpose of
enhancing and protecting the value, desirability, and attractiveness
of the real property. These easements, covenants, restrictions and
conditions shall run with the real property and shall be binding on
all parties having or acquiring any right, title or interest in the
described property or any part thereof, and shall inure to the
benefit of each owner thereof.

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ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to MARINE VILLAS HOMEOWNERS' ASSOCIATION, an unincorporated association consisting of all the owners of dwellings in the project.

Section 2. "Property" shall mean and refer to that certain real property hereinbefore described.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the members of the Association. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as Lot 3 of Parcel Map Number 6010

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded parcel map of the property with the exception of the Common Area.

Section 5. "Member" shall mean and refer to every person or entity who holds a membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, including Declarant, so long as any dwellings remain unsold, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declarant" shall mean and refer to GERALD C. DE CARNELLE and ANN E. DE CARNELLE, their successors and assigns if such successors or assigns should acquire fee interest in more than one undeveloped lot from the Declarant for the purpose of development.

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ARTICLE II

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided interest in any Lot which is subject by covenants of record to assessment by the Association shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. There shall be no more than one membership per Lot. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such interest shall be the sole qualification for membership.

ARTICLE III

VOTING RIGHTS

Owners shall be entitled to one vote for each Lot of which they are the record owner. When there is more than one owner of a Lot, this vote to which the owner of the Lot is entitled to cast must be made with unanimous consent of all such owners. In no event shall more than one vote be cast for any Lot. Because there are only two units in the project, any disagreement between the Unit owners will result in deadlock, unless some provision is made for an impartial third party to decide the issue as to which disagreement has occurred. All disagreements between Unit owners shall be handled in accordance with the provisions of Article XIII Arbitration.

ARTICLE IV

PROPERTY RIGHTS

Section 1. Members' Easements of Enjoyment. Every resident member shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

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(a) The right of the Association to limit the number of guests of members;

(b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by a member for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed thirty (30) days after notice and hearing for any infraction of its published rules and regulations; and

Section 2. Delegation of Use. Any member may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or his guests who reside on the property.

Section 3. Title to the Common Area. The Declarant hereby covenants for themselves, their heirs and assigns, that they will convey control of the Common Areas to the owners association prior to the first organizational meeting.

ARTICLE I

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the property, hereby covenants, and each owner of any lot by acceptance of a deed, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) monthly assessments or charges, and (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. Any delinquency in the annual and special assessments, together with such interest thereon, and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the

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property against which each such delinquency is made when the Association causes to be recorded with the County Recorder of the County of Los Angeles, a Notice of said delinquency, stating the amount of such delinquency and such other charges as hereinbelow provided, a description of the property being assessed, and the name of the record owner thereof, executed by a duly authorized representative of the Association. Each such delinquency, together with such interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the owner of such property at the time when the delinquency fell due. The personal obligation shall not pass to his successors in title, unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the property and, in particular, for the improvement, operation and maintenance of the property, including the landscaping thereof, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, and of the homes situated upon the property.

Section 3. Basis of Monthly Assessments. Each owner shall be obligated to pay to the Board or a designated member thereof, or to the manager, if any, an initial monthly maintenance charge in accordance with the formula set forth in Exhibit "A", attached hereto and incorporated herein by reference. Any increase or decrease in said monthly maintenance charge for the entire project as may be made from time to time, shall be fixed by affirmative vote of a majority of the Board; such increase or decrease shall be made to each owner, in accordance with the formula set forth in Exhibit "A". Said maintenance charge shall be paid in equal monthly install-

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ments, in advance, on the first day of each month, commencing upon the close of the sales escrow for each particular unit, and prorated through escrow to the date of the close of escrow for the month in which escrow closes. Maintenance charges so collected shall be promptly deposited in a commercial bank account, in a bank to be selected by the Board, or by the manager, if any, which account shall be clearly designated, MARINE VILLAS HOMEOWNERS' ASSOCIATION. The Board or the manager, as the case may be, shall have exclusive control of said account and shall be responsible to the owners for the maintenance of accurate records thereof, at all times. No withdrawal shall be made from said account, except to pay for the charges and expenses for the common benefit of all owners.

Section 4. Special Assessments for Capital Improvements. In addition to the assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part the cost of any construction or re-construction, unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto; provided that, any such assessment shall have the assent of a majority of the votes of the members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than ten (10) days nor more than thirty (30) days in advance of the meeting setting forth the purpose of the meeting.

Section 5. Rate of Assessment. Both monthly and special assessments must be fixed in accordance with Exhibit "A" for all lots and may be collected on a monthly basis or other convenient basis.

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Section 6. Quorum for Any Action Authorized Under Sections 3 and 4.

At any meeting called, as provided in Sections 3 and 4 hereof, the presence at the meeting of members or of proxies entitled to cast a majority of all the votes of the membership, shall constitute a quorum. If the required quorum is not forthcoming, at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 3 and 4, and the required quorum at any such subsequent meeting shall be the same as the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Certification as to Assessments. The Association shall,

upon demand at any time, furnish a certificate in writing signed by an officer of the Association or a duly authorized agent setting forth whether the assessments on a specified lot have been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of Non-Payment of Assessments: Remedies of the Association.

Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after due date, the assessment shall bear interest from the date of delinquency at the rate of eight (8%) percent per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his lot.

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Section 9. Notice of Lien. No action shall be brought to foreclose said assessment lien or to proceed under the power of sale herein provided less than thirty (30) days after the date a notice of claim of lien is deposited in the United States mail, certified or registered, postage prepaid, to the owner of said lot, and a copy thereof is recorded by the Association in the office of the County Recorder in which the properties are located; said notice of claim must recite a good and sufficient legal description of any such lot, the record owner or reputed owner thereof, the amount claimed (which may at the Association's option, include interest on the unpaid assessment at the legal rate, plus reasonable attorney's fees and expenses of collection in connection with the debt secured by said lien) and the name and address of the claimant.

Section 10. Foreclosure Sale. Any such sale provided for above, is to be conducted in accordance with the provisions of Sections 2924, 2924b and 2924c of the Civil Code of the State of California, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted by law. The Association, through duly authorized agents, shall have the power to bid on the lot at foreclosure sale, and to acquire and hold, lease, mortgage or convey the same.

Section 11. Curing of Default. Upon the timely curing of any default for which a notice of claim of lien was filed by the Association, the officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting owner of a fee, to be determined by the Association, but not less than Fifty Dollars (\$50.00), to cover the costs of preparing and filing or recording such release.

Section 12. Cumulative Remedies. The assessment lien and the rights to foreclosure and sale thereunder shall be in addition to and not

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in substitution for all other rights and remedies which the Association and their assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments, as above provided.

Section 13. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinated to the lien of any deed of trust or mortgage. As to Cal-Vet contracts, the Board of Directors shall adopt such resolutions as may be required in connection with Cal-Vet Financing in order to reflect the fact that such Cal-Vet contracts are superior in right to the assessment liens created in the within instrument in the same manner and to the same extent as mortgages and deeds of trust are superior thereto. Sale or transfer of any lot shall not effect the assessment lien. However, the sale or transfer of any lot which is subject to any deed of trust or mortgage, pursuant to a decree of foreclosure under such deed of trust or mortgage, or trustee's sale or deed-in-lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments that thereafter become due or from the lien thereof.

ARTICLE VI
ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the property, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association. In the event said Board

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fails to approve or disapprove such design and location within sixty (60) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VII

USE RESTRICTIONS

The lots shall be used solely for private single family townhouse residential purposes and there shall not be constructed or maintained thereon more than one single family townhouse dwelling with a private garage and the land and improvements thereto shall not be used so as to disturb the neighborhood or occupants of adjoining property, or to constitute a nuisance or to violate any public law, ordinance or regulation from time to time applicable thereto. The Common Area shall be used for purposes directly related to the private single family townhouse residential use authorized hereunder. In addition the lots shall be subject to the following restrictions:

Section 1. No part of the properties shall ever be used or caused to be used or allowed or authorized in any way, directly or indirectly for any business, commercial, manufacturing, mercantile, storing, vending or other such non-residential purposes except Declarant, their successors or assigns, may use the properties for a sales office during the sales period.

Section 2. No sign or billboard of any kind shall be displayed to the public view on any portion of the property or any lot, except should an owner desire to sell or lease his unit, he shall be allowed to display a sign of customary and reasonable dimension advertising his unit for sale or lease and which sign shall be of a professional type and of dignified appearance and may be placed in some appropriate location on his lot or the Common Area open to public

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view. Such sign may be the sign of a licensed real estate broker engaged by an owner for the purpose of selling or leasing his unit. Nothing herein shall prohibit or restrict in any way the right of Declarant, their successors or assigns to advertise the property during the sales period.

Section 3. No noxious or offensive activity shall be carried on or upon any lot or any part of the property nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to the neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the owners of his respective dwelling unit, or which shall in any way increase the rate of insurance.

Section 4. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other out-buildings shall be used on any lot at any time as a residence, either temporarily or permanently. No trailer, camper, boat or similar equipment shall be permitted to remain upon any property within the properties, unless placed or maintained within an enclosed garage. No partially dismantled vehicle may remain for a period in excess of seventy-two (72) hours either within an enclosed garage or on the apron leading to said enclosed garage.

Section 5. No animals, livestock, or poultry of any kind, shall be raised, bred or kept on any lot, except that dogs, cats, or other household pets may be kept on the lots, provided, they are not kept, bred or maintained for any commercial purpose, or in unreasonable or unlawful numbers. Notwithstanding the foregoing, no animals or fowl may be kept on the properties which result in any annoyance or are obnoxious to residents in the vicinity.

Section 6. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind, shall be

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permitted upon or in any lot, nor shall oil wells, tanks, tunnels, or mineral excavations or shafts be permitted upon the surface of any lot or within five hundred (500) feet below the surface of the properties. No derrick or other structure designed for use in boring for water, oil or natural gas, shall be erected, maintained or permitted upon any lot

Section 7. All rubbish, trash and garbage shall be regularly removed from the properties, and shall not be allowed to accumulate thereon. All clotheslines, refuse containers, storage areas and machinery and equipment shall be prohibited upon any lot, unless completely obscured from the view of adjoining lots and streets. However, no clotheslines may be maintained in any garage.

Section 8. Each lot within the properties is hereby declared to have an easement over all adjoining lots for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the building, roof overhangs, architectural or other appendages, drainage of rainwater from roofs, or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the rights and obligations of owners shall not be altered in any way by said encroachments, settlement or shifting; provided, however, that in no event shall a valid easement for encroachment be created in favor of an owner or owners if said encroachment occurred due to the willful misconduct of said owner or owners. In the event a structure on any lot is partially or totally destroyed and then repaired or rebuilt, the owners of each lot agree that minor encroachments over adjoining lots shall be permitted, and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist.

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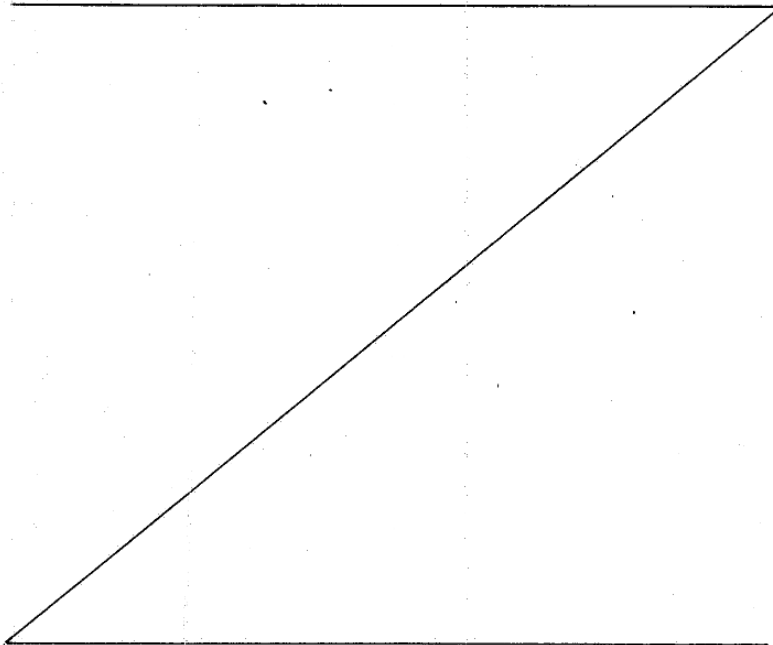
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ARTICLE VIII
EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association, exclusively, and not the individual lot owners, shall provide exterior maintenance upon each lot which is subject to assessment hereunder, as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, shrubs, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces. In the event that the need for maintenance or repair is caused through the willful or negligent act of the owner, his family or guests or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such lot is subject.

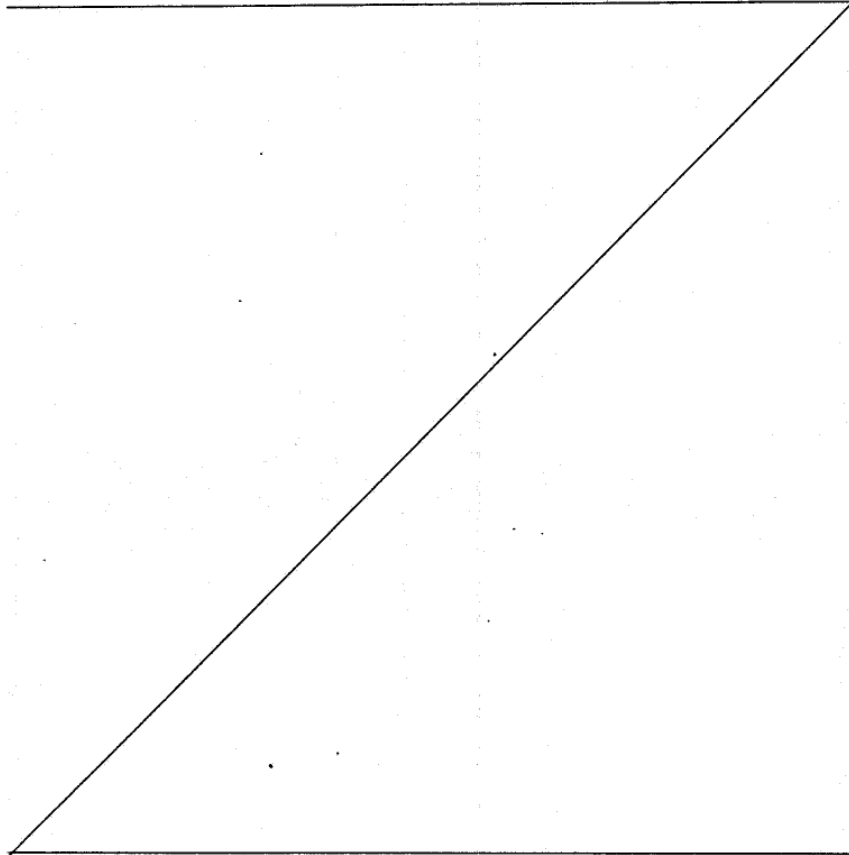
ARTICLE IX

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ARTICLE X
UTILITY EASEMENTS

This Declaration of Covenants, Conditions, Restrictions and Easements shall be subject to all easements theretofore or hereafter granted by the Declarant or its successors and assigns for the installation and maintenance of utilities and drainage facilities, that are reasonably necessary to the development of the property.

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ARTICLE XI

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so hereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the owner of any lot subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, and are imposed upon the property as a servitude in favor of each and every parcel of land therein as a dominant tenement, for a term of thirty (30) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. The covenants and restrictions of this Declaration may be amended by an instrument signed by not less than a majority of the lot owners, and by not less than a majority of the institutional beneficiaries of first trust deeds or institutional holders of first mortgages, which may then be of record as valid encumbrances against said property, or any part or portion thereof. Said amended Declaration or amendment to the Declaration, shall not be effective for any

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purpose, unless and until recorded in the office of the County Recorder of Los Angeles County, California, but shall thereafter be conclusive and presumed to be valid as to anyone relying thereon in good faith. The written approval endorsed or any such amendment and acknowledged by all beneficiaries shall be a sufficient compliance with this paragraph. Any modification or amendment to the Declaration of Covenants, Conditions and Restrictions which would affect the procedure for the maintenance of any improvements to the Common Areas shall also be approved by the Planning Director and/or the City Attorney of City of Manhattan Beach, and such approval shall be recorded prior to effective date of modification or amendment. Any amendment or modification must be properly recorded.

Section 4. Breach of Restrictions, Easements, Conditions, Covenants and Reservations. A breach of any of the restrictions, easements, conditions, covenants, and reservations herein contained, shall not defeat or render invalid the lien of any mortgage or Deed of Trust made in good faith and for value as to the lot or portion of the lots in the real property covered hereby, but said restrictions, easements, conditions, covenants and reservations shall be binding upon and effective against any owner thereof, whose title thereto is acquired by foreclosure, trustee's sale, or otherwise.

ARTICLE XII
ADMINISTRATION

Section 1. Association Responsibilities. The owners of the units will constitute the Association of Owners who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly and/or annual assessments and contracting for the management of the project pursuant to an agreement containing provisions relating to the duties, obligations, removal and compensation of the management agent.

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Section 2. Place of Meetings. Annual and special meetings of the members of the Association shall be held at the project or in such other suitable place in the County of Los Angeles as close thereto as practicable as may be designated by the Board of Directors.

Section 3. Annual Meetings. The first annual meeting of the Association shall be held at the project after 51% of the Lots have been sold, or within six (6) months after the sale of the first lot to be sold, whichever occurs first. Thereafter, the annual meetings of the Association shall be held at a time to be determined by the By-Laws as they may be amended from time to time. At such meetings there shall be elected by ballot of the owners, a Board of Directors in accordance with the By-Laws.

Section 4. Applicability of By-Laws. All present or future owners, tenants, future tenants; or their employees, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in the By-Laws of MARINE VILLAS HOMEOWNERS' ASSOCIATION.

The mere acquisition or rental of any of the Lots of the project or the mere act of occupancy of any of said Lots will signify that the By-Laws of MARINE VILLAS HOMEOWNERS' ASSOCIATION are accepted, ratified and will be complied with.

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ARTICLE XIII
ARBITRATION

Declarant hereby appoints WILLIAM A. ROSS, 1413 Sepulveda Boulevard, Manhattan Beach, California 90266, ("Initial Arbitrator") as the person to be the initial arbitrator in the event of disagreement. Should either Unit owner hereafter contend that the said WILLIAM A. ROSS is not an appropriate arbitrator, for any reason whatsoever, or said arbitrator should resign, the Unit owners shall thereupon select a new arbitrator to replace the Initial Arbitrator. Should the Unit owners fail to agree upon a new arbitrator, each Unit owner shall name an individual, the two individuals so named shall select the new arbitrator, which selection shall be binding upon the Unit owners.

The decision of the arbitrator shall be binding upon the Unit owners, and judgment may be entered upon the award in accordance with the provisions of Sections 1281 through 1281.6 of the Code of Civil Procedures of the State of California, as those Sections may be amended from time to time.

IN WITNESS WHEREOF, this Declaration has been executed at Manhattan Beach, California, as of the 30TH day of JULY 1976.

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TO THE
(Individual)

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

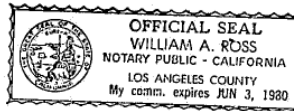
On JULY 30, 1976 before me, the undersigned a Notary Public in and for said State, personally appeared GERALD C. DE CARNELLE and ANNE E. DE CARNELLE

Gerald C. De Carnelle
Gerald C. De Carnelle

Ann E. De Carnelle
Ann E. De Carnelle

known to me to be the person(s) whose name(s) ARE subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.
(Seal) Signature *William A. Ross*



Name (Typed or Printed)
Notary Public in and for said State

STAPLE HERE

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The owners of Lots 1 and 2 of Parcel Map No. 6010 shall each pay to the Board a percentage of the total monthly maintenance charge in the manner provided by Article V of the Declaration and in accordance with the percentage formular for each individual unit as follows:

Lot 1 - 50.0
Lot 2 - 50.0

The owners of Lots 1 and 2 shall each pay to the Board an initial monthly maintenance charge in accordance with the above percentage formular for each individual unit as follows:

Lot 1 - \$20.00
Lot 2 - \$20.00

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