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2014 AMENDED AND RESTATED

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

OF

PLAYMOR BERNARDO
HOMEOWNERS
ASSOCIATION

If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to *Section 12956.2 of the Government Code*. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

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ACKNOWLEDGMENTS

- Exhibit “A”** – Common Area Interest Per Unit
- Exhibit “B”** – Maintenance Responsibility Checklist

**2014 AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF PLAYMOR BERNARDO HOMEOWNERS ASSOCIATION**

This 2014 AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF PLAYMOR BERNARDO HOMEOWNERS ASSOCIATION (“**Declaration**”) is made on the date indicated below by PLAYMOR BERNARDO HOMEOWNERS ASSOCIATION, a California nonprofit mutual benefit corporation (“**Association**”) with reference to the facts set forth in the “Recitals” below.

RECITALS

A. **Property.** Declarant was the Owner of that certain real property (“**Property**”) located in the City of San Diego, County of San Diego, State of California, which is more particularly described as follows:

LOTS 1 THROUGH 11, INCLUSIVE, OF PLAYMOR BERNARDO, IN THE CITY
OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA,
ACCORDING TO MAP THEREOF NO. 8955 FILED IN THE OFFICE OF THE
COUNTY RECORDER OF SAN DIEGO COUNTY, AUGUST 11, 1978.

B. **Prior Declaration.** The Property is subject to that certain Second Restated Declaration of Covenants, Conditions and Restrictions for Playmor Bernardo Homeowners Association recorded on December 23, 2004, as Document No. 2004-1209992, as amended, modified and supplemented (collectively, “**Prior Declaration**”). The Association intends, by recordation of this Declaration to amend, restate and supersede the Prior Declaration and subsequent amendments thereto in their entirety.

C. **Nature of Project.** The Project is a residential condominium development consisting of two hundred seventy-six (276) Living Units, Restricted Common Areas and Common Area. The Living Units are four-plexes. Recreational facilities include two swimming pools, two spas, a tennis court and a multi-purpose court. Declarant conveyed the Property, subject to certain easements, protective covenants, conditions, restrictions, reservations, liens and charges as set forth in the Prior Declaration, all of which are for the purpose of enhancing and protecting the value, desirability and

attractiveness of the Property and all of which shall run with the Property and be binding on all parties having or acquiring any right, title or interest in the Property, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

D. **Project Subject to Declaration.** It was the further intention of the Declarant to sell and convey residential condominiums, subject to the protective covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, and charges set forth in this Declaration, which are enforceable equitable servitudes between Declarant and such Owners. These equitable servitudes shall run with the land, bind all present and future Owners and are intended to be in furtherance of a general plan for the subdivision, development, sale and use of the Property in furtherance of a plan of condominium ownership as described in Civil Code Section 4285.¹

E. **Common Interest Development.** The Property is a “Common Interest Development” subject to the provisions of the Davis-Stirling Common Interest Subdivision Act (Civil Code Section 4000, *et seq.*).

F. **Member Approval of Declaration.** Prior to the date shown hereunder, a majority of the Owners of Condominiums within the Property voted by written ballot to amend, restate and supersede the Prior Declaration in accordance with the procedures set forth in Section 13.6 of the Prior Declaration. The Owners intend to replace the Prior Declaration, in its entirety when this Declaration is recorded in accordance with Civil Code Section 4270(a). The certification of this Declaration by an officer of the Association constitutes evidence that the requisite number of owners approved this Declaration in accordance with Civil Code Section 4270(a). The easements, covenants, restrictions and conditions set forth in this Declaration shall run with the Property and shall be binding upon all persons having or acquiring any right, title or interest in the Property or any portion thereof, and shall inure to the benefit of each Owner.

¹ Unless otherwise indicated, all Civil Code Section references are to sections of the California Civil Code.

**ARTICLE I
DEFINITIONS**

1.1 “**Articles**” means the Articles of Incorporation of the Association, as they may be amended from time to time, which are filed in the Office of the California Secretary of State.

1.2 “**Annual Assessments**” means the assessments which are levied pursuant to the provisions of **Article IV** of this Declaration.

1.3 “**Annual Budget Report**” means the pro forma operating budget described in Section 10.3 of the Bylaws.

1.4 “**Architectural Guidelines**” means the design criteria adopted by the Board pursuant to **Section 8.8** of this Declaration.

1.5 “**Architectural Review Committee**” or “**Committee**” means the committee which may be appointed by the Board pursuant to **Article VIII** of this Declaration.

1.6 “**Assessment**” means any Annual, Special or Individual Assessment made or assessed by the Association against an Owner and his or her Condominium in accordance with the provisions of **Article IV** of this Declaration.

1.7 “**Association**” means the Playmor Bernardo Homeowners Association, a California nonprofit mutual benefit corporation, its successors and assigns. The Association is an “Association” as defined in California Civil Code Section 4080.

1.8 “**Association Rules**” means the rules, regulations, policies and Architectural Guidelines adopted by the Board of the Association, as the same may be in effect from time to time.

1.9 “**Board**” means the Board of Directors of the Association.

1.10 “**Bylaws**” means the bylaws of the Association, as they may be amended from time to time which are or shall be adopted by the Board.

1.11 “City” means the City of San Diego, California.

1.12 “Common Area” means the entire Project and excepting therefrom the Living Units as shown on the Condominium Plan. The ownership of each Condominium shall include the ownership of a Unit, the respective undivided interest in the Common Area of the particular phase in which the Unit is located as set forth in **Exhibit “A”** of the Declaration, the exclusive right to use those portions of the Common Area designated as Restricted Common Area and assigned to each Unit on the Condominium Plan, membership in the Association, and a nonexclusive easement for ingress and egress over the Common Area of the Project.

1.13 “Condominium” means an estate in real property as described in Civil Code Sections 783 and 4125 consisting of an undivided interest as a tenant in common in all or any portion of the Common Area, together with a separate fee interest in a Living Unit and any other separate interests in the real property as are described in this Declaration, the Condominium Plan, or in the deed conveying the Condominium.

1.14 “Condominium Plan” collectively means those certain Condominium Plans for Playmor Bernardo recorded on (a) June 21, 1979, as Document No. 79-258330, (b) January 10, 1980, as Document No. 80-007365, (c) February 20, 1980, as Document No. 80-057688, (d) February 10, 1982, as Document No. 82-036846 and (e) October 20, 1982, as Document No. 82-321688; all of Official Records of San Diego County, California, and any amendments to said condominium plans.

1.15 “County” refers to the County of San Diego, California.

1.16 “Declarant” means the original developer of the Property, namely River Valley Developers, a partnership. This information is included for historical purposes only. Control of the Association has been transferred to the Members.

1.17 “Declaration” means this 2014 Amended and Restated Declaration of Covenants, Conditions and Restrictions of Playmor Bernardo Homeowners Association, as the same may be amended, supplemented, modified or changed from time to time.

1.18 “Eligible Insurer or Guarantor” means an insurer or governmental guarantor of an Eligible Mortgage Holder who has requested notice of certain matters from the Association in accordance with **Section 13.3**.

1.19 “Eligible Mortgages” means Mortgages held by “Eligible Mortgage Holders.”

1.20 “Eligible Mortgage Holder” shall mean any Institutional Mortgagee who has given written notice to the Association specifying its name, address or the Condominium subject to the Mortgage and requesting written notice of any amendment submitted to the membership for approval.

1.21 “First Lender” means any bank, savings and loan association, insurance company, or other financial institution holding a recorded First Mortgage on any Condominium.

1.22 “First Mortgage” means any recorded Mortgage made in good faith and for value on a Condominium with first priority over other Mortgages encumbering the Condominium.

1.23 “Foreclosure” means the legal process by which a Condominium owned by an Owner who is in default under a Mortgage is sold pursuant to Civil Code Section 2924, *et seq.*, or sale by the court pursuant to California Code of Civil Procedure Section 725a, *et seq.*, and any other applicable laws.

1.24 “Governing Documents” is a collective term that means and refers to this Declaration and the Articles, the Bylaws, and the Association Rules, and amendments, modifications or supplements thereto.

1.25 “Improvement” includes, without limitation, the construction, installation, alteration, or remodeling of any buildings, walls, decks, fences, swimming pools, landscaping, landscape structures, skylights, solar heating equipment, spas, antennas (except as provided in **Section 7.10.5** herein), utility lines, or any structure of any kind. In no event shall the term “Improvement” be interpreted to include projects which are restricted to the Living Unit interior and which do not involve the roof or any load bearing wall of the Living Unit.

1.26 “**Individual Assessments**” means the assessments which are levied pursuant to the provisions of **Article IV** of this Declaration.

1.27 “**Living Unit**” or “**Unit**” means the elements of a Condominium that are not owned in common with the Owners of Condominiums in the Project, such Living Units and their respective boundaries being shown and more particularly described in the Condominium Plan, deeds conveying Condominiums, and this Declaration.

1.28 “**Maintenance Responsibility Checklist**” refers to **Exhibit “B”** attached hereto and incorporated herein which designates the components to be maintained by the Association and the Owners.

1.29 “**Member**” means every person or entity who is an Owner of record.

1.30 “**Mortgage**” means any security device encumbering all or any portion of the Property, including any deed of trust.

1.31 “**Mortgagee**” shall refer to a beneficiary under a deed of trust as well as to a Mortgagee in the conventional sense.

1.32 “**Owner**” means any person, firm, corporation or other entity which owns a fee simple interest in any Condominium, as shown by the official records of the County recorder. The term “Owner” shall include, except where the context otherwise requires, the family, guests, tenants, servants, employees, licensees and invitees of an Owner.

1.33 “**Prior Declaration**” means and refers to the document referenced in **Recital B** of this Declaration, together with all amendments and annexations thereto, recorded prior to recordation of this Declaration.

1.34 “**Project**” means all of the Property together with all improvements situated thereon.

1.35 “**Property**” means all of the real property described in **Recital A** of this Declaration.

1.36 “**Restricted Common Area**” means and refers to those portions of the Common Area set aside for exclusive use of a Unit Owner or Owners, and shown on the Condominium Plan, including, without limitation, parking spaces, garages, balconies and patios.

1.37 “**Special Assessments**” means the assessments that are levied pursuant to the provisions of **Article IV** of this Declaration.

ARTICLE II PROPERTY RIGHTS

2.1 Property Subject to Declaration

The Project shall be subject to this Declaration.

2.2 Elements of Condominium

Ownership of each Condominium within the Project shall include a Living Unit; an undivided interest in the Common Area; Restricted Common Areas as depicted on the Condominium Plan; a membership in the Association; and any exclusive or nonexclusive easement or easements appurtenant to such Condominium over the Common Area as described in this Declaration, the Condominium Plan and the deed to the Condominium. Common Area is owned in equal undivided interests by the Owners of the Living Units located within the phase in which the Common Area is located. A “phase” is that portion of the Property which was the subject of a separate Final Subdivision Public Report issued by the California Bureau of Real Estate when the Project was originally developed. The Project consisted of five (5) phases as depicted on the Condominium Plans. Each Owner’s undivided interest in the Common Area is set forth in the Owner’s deed to his or her Condominium.

2.3 No Separate Conveyance

The interest of each Owner in the use and benefit of the Common Area shall be appurtenant to the Condominium owned by the Owner. No Condominium shall be conveyed by the Owner separately from the interest in the Common Area.

2.4 Right of Entry by Association

For the purpose of performing the maintenance of the Common Area or for any other purpose reasonably related to the performance by the Board of its responsibilities under this Declaration, the Association’s agents or employees shall have the right to enter any Living Unit or upon any portion

of the Common Area to effect emergency repairs. For other than emergency repairs, the Association's agents or employees shall have the right to enter any Living Unit or any portion of the Common Area to effect repairs, improvements, replacements or maintenance which the Association, after approval by a majority vote of the Board, reasonably deems necessary. Such entry shall be made with as little inconvenience to the Owner as possible, and any damage caused thereby shall be repaired by the Association. Further, such entry for other than emergency repairs shall be made only after not less than three (3) days prior notice to the Owner.

2.5 Nonexclusive Easements

Each Owner shall have a nonexclusive easement for use and enjoyment of the Common Area and for ingress, egress, and support over and through the Common Area. These easements shall be appurtenant to, and shall pass with the title to, each Living Unit and shall be subordinate to the exclusive easements granted elsewhere in this Declaration, as well as to the right of the Association to regulate the time and manner of use, to charge reasonable admission fees, and to perform its obligations under this Declaration.

2.6 Encroachment Easements

Each Owner is hereby declared to have an easement over all adjoining Living Units and the Common Area for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, reconstruction, repair, settlement or shifting of the building, or any other similar cause. There shall be easements for the maintenance of said encroachments as long as they 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 an 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.

2.7 Declaration Subject to Easements

Notwithstanding anything herein to the contrary, this Declaration and the Project shall be subject to all easements and rights-of-way shown on the final subdivision map, the Condominium Plan and all other easements of record.

2.8 Partition Prohibited

The Common Areas shall remain undivided as provided in **Section 2.3** of this Declaration. Except as provided by Civil Code Section 4610 or authorized under this Declaration, no Owner shall bring any action for partition of the Common Areas, it being agreed that this restriction is necessary

in order to preserve the rights of the Owners with respect to the operation and management of the Project. Judicial partition by sale of a single Condominium owned by two (2) or more persons and division of the sale proceeds is not prohibited.

2.9 Delegation of Use

Any Owner may delegate his or her rights of use and enjoyment of the Project, including any recreational facilities, to the members of his or her family, his or her guests and tenants, and to such other persons as may be permitted by the Bylaws and the Association Rules. However, if an Owner has sold his or her Living Unit to a contract purchaser or has leased or rented it, the Owner, members of the Owner's family, and guests shall not be entitled to use and enjoy any of such rights while the Owner's Living Unit is occupied by the contract purchaser or tenant. Instead, the contract purchaser, or tenant, while occupying such Living Unit, shall be entitled to use and enjoy such rights, including the recreational facilities, and can delegate the rights of use and enjoyment in the same manner. Any delegated rights of use and enjoyment are subject to suspension to the same extent as are the rights of Owners. No such delegation shall relieve an Owner from liability to the Association or to other Owners for payment of Assessments or performance of the covenants, conditions and restrictions set forth in this Declaration.

2.10 Obligation to Supply Tenant Information

The Owners of such leased or rented Condominium have the duty and obligation to furnish the Board with the name or names of the individuals currently leasing or renting said Condominium, to maintain the current mailing address of said Condominium Owner, and to provide to the Association a copy of the tenants' acknowledgment (on the approved Playmor Bernardo form) that he, she or they will comply with the Governing Documents of the Association.

2.11 Lease Must Require Conformance to Governing Documents

Any lease, rental agreement or contract for sale entered into between an Owner and a tenant or contract purchaser of a Condominium shall be in writing and require each tenant or contract purchaser to comply with all of the Governing Documents, which provision shall be for the express benefit of the Association and each Owner. The Association and each Owner shall have a right of action directly against any tenant or contract purchaser of an Owner, as well as against the Owner, for nonperformance or violation of any of the provisions of the Governing Documents to the same extent that such right of action exists against such Owner. All leases shall provide that any failure to comply with any provisions of the Governing Documents constitutes a default under the terms of

the rental or lease agreement or contract for sale. A copy of the Association Rules shall be provided to the tenant prior to or at the time the Unit is leased.

2.12 Tenant to Acknowledge Association Governing Documents

Prior to renting or leasing his or her Condominium, an Owner shall obtain and deliver to the Association from his or her proposed tenant, a written statement to the effect that such tenant agrees to comply with the Governing Documents. The Board may make forms available to be attached to lease agreements whereby tenants acknowledge that they will be bound by and abide by the Association's Governing Documents. Owners shall have their tenants re-execute the form referred to above where tenants acknowledge they will follow the Association's Governing Documents upon the renewal or extension of any existing lease.

2.13 Discipline of Lessees

In the event that any tenant or lessee fails to comply with the provisions of any Governing Document, the Association shall be entitled to take such corrective action as it deems appropriate under the circumstances in order to preserve the quiet enjoyment of other Owners and residents within the Project. Without limiting the foregoing, the Association's actions may include suspension of the tenant's privileges to use the Common Area or the imposition of fines and penalties against the Owner of such Condominium.

2.14 Minimum Lease Term; One Lease Per Year

Owners shall have the right to lease their Condominium no more than once per calendar year for not less than a period of one (1) year. The Board shall have the authority to allow an Owner to lease his or her Condominium more than once in any calendar year upon a showing of hardship. Requests for exception to the once-per-calendar-year leasing rule shall also be considered when a Condominium is listed for sale. Owners shall be required to rent the entire Condominium and not a portion thereof. Subleasing of a Condominium Unit is strictly prohibited and Owners shall include a provision prohibiting subleasing within their leases.

2.15 Tenants to be Bound by Association Governing Documents

Any Owner leasing or renting his or her Condominium shall be liable to the Association for all obligations contained in this Declaration, including, but not limited to the following:

- (a) The obligation to pay Assessments in respect to his or her Condominium;

(b) Be liable and responsible to the Association for any violation of this Declaration committed by his or her tenant (or any person entering his or her Condominium or Common Area with the permission of or at the request to his or her tenant), including violation of the Governing Documents by an Owner or tenant;

(c) Be deemed to have agreed, in connection with such renting or leasing, that upon being requested to do so by the Association, he or she shall immediately take such action or actions in respect to his or her tenant as may be necessary or required to cause such tenant to fully comply with each and all of the terms and conditions of the Governing Documents; and

(d) Be deemed to have agreed to save, hold harmless, indemnify and defend the Association from any and all claims, demands, actions, causes of action, liabilities, damages and expenses arising out of, or incurred, as a result of the leasing or renting by such Owner of his or her Condominium, together with all costs, expenses and attorney's fees resulting therefrom.

2.16 Owner Liability for Common Area Damages

Each Owner shall be liable to the Association and the remaining Owners for the cost of repair of any damage to the Common Area that may be sustained by reason of the negligent act or omission of such Owner, the Owner's family members, contract purchasers, tenants, guests, or invitees. The Board shall be solely responsible for determining whether or not a claim shall be submitted to an insurer for damage to Common Area. In the event a claim is submitted, and repair funds collected, such Owner shall only be responsible for the repair costs exceeding the amount recovered. If the Owner refuses or fails to reimburse the Association for the demanded funds, the amount may be added to the Owner's assessment account in accordance with **Section 4.13** herein.

2.17 Notification of Association of Water Intrusion

The Owners shall cause notice to be given to the Association of any water within, or water intrusion into, their Living Unit immediately upon discovery of such leak or water intrusion. Owner shall be responsible for causing all water to be extracted from the Living Unit within twenty-four (24) hours of discovery, whether or not performed by Association employees or agents. Owner and his or her tenants, guests, invitees, agents, or employees shall be solely responsible for any claim of property damage or personal injury alleged which arises from the presence of mold or fungi resulting from water intrusion into the property when said Owner, tenants, guests, invitees, agents or employees failed to immediately notify the Association upon discovery of said water intrusion or failed to immediately cause all water to be extracted from the Living Unit. The Association shall not

be liable for any property damage or personal injury alleged to arise from the presence of mold or fungi in any property unless the damages or injuries were caused by the gross negligence of the Association, its Board, officers, agents or employees.

2.18 Unassigned Parking Areas

Any garages or parking spaces located within the Common Area which have not been assigned in the Condominium Plan or conveyed by deed as Owner's Restricted Common Area shall remain within the control of the Association for use as guest parking or rental to residents of the Association. Any such guest parking areas and/or rental parking areas shall be subject to the Association Rules.

2.19 Granting Exclusive Use of Common Area

Upon the affirmative vote of a majority of a quorum of Members, the Board may grant exclusive use of any portion of the Common Area to a Member. The Board alone may grant exclusive use of any portion of the Common Area without membership approval if done so for any of the following reasons, as more specifically described in Civil Code Section 4600(b)(3):

- (a) To fulfill the requirement of a public agency;
- (b) To transfer the burden of management and maintenance of any Common Area that is generally inaccessible and not of general use to the membership at large of the Association;
- (c) To accommodate a disability;
- (d) To assign a parking space, storage unit, or other amenity, that is designated in the Declaration for assignment, but is not assigned by the Declaration to a specific separate interest;
- (e) To install and use an electrical vehicle charging station as more specifically described in Civil Code Section 4600(b)(3)(H) and (I); and/or
- (f) To comply with governing law.

ARTICLE III
ASSOCIATION, ADMINISTRATION, MEMBERSHIP AND VOTING RIGHTS

3.1 Association to Manage Common Areas

The Association shall manage the Common Area in accordance with its Governing Documents. The Members covenant and agree that the Project shall be administered in accordance with the provisions of the Governing Documents.

3.2 Membership

Each Owner of a Condominium shall be a Member of the Association, and shall remain a Member of the Association until his or her ownership interest in the Condominium in the Project ceases, at which time the membership in the Association shall automatically cease. Membership shall be held in accordance with the Governing Documents.

3.3 Transfer

The Association membership of each Owner shall not be transferred, pledged or alienated in any way except upon the conveyance of an ownership interest and then only to the transferee. Any attempt to make a prohibited transfer shall be void and shall not be reflected upon the books and records of the Association. In the event an Owner fails or refuses to transfer the membership registered in his or her name to the transferee of such Condominium, the Association shall have the right to record the transfer upon the books of the Association.

3.4 Voting Rights

The Association shall have one (1) class of membership. Voting rights shall be as specified in Article IV of the Bylaws.

3.5 Joint Owner Disputes

The vote for each such Condominium may be cast only as a unit, and fractional votes shall not be permitted. If joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall forfeit the vote on the matter in question. If any Owner or Owners cast a vote representing a certain Condominium, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other Owners of the same Condominium. In the event more than one (1) vote is cast for a particular Condominium, such votes shall not be counted and deemed void.

ARTICLE IV ASSESSMENTS

4.1 Creation of the Lien and Personal Obligation of Assessments

Each Owner of a Condominium by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (a) Annual Assessments or charges, (b) Special Assessments for purposes permitted herein, and (c) Individual Assessments; such Assessments are to be established and collected as hereinafter provided. The Annual Assessments and Special Assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the Condominium and shall be a continuing lien upon the Condominium against which each such Assessment is made, the lien to become effective upon recordation of a notice of delinquent assessment. Each such Assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Condominium at the time when the Assessment became due and shall bind his or her devisees, personal representatives, heirs, successors and assigns. No Member may exempt himself or herself from liability for this contribution towards the common expenses by waiver of the use or enjoyment of any of the Common Areas or by the abandonment of his or her Condominium.

4.2 Purpose of Assessments

The Assessments levied by the Association shall be used exclusively to perform the obligations and duties of the Association, including, without limitation, to promote the economic interest, recreation, health, safety and welfare of all of the residents of the Project and the improvement and maintenance of the Common Area and those other portions of the Project for which the Association is responsible, for any other onsite or offsite maintenance responsibilities of the Association, to reimburse the Association for any costs incurred in bringing an Owner into compliance with the Governing Documents, and for the common good of the Project.

4.3 Annual Assessment

The Board shall determine and fix the amount of the Annual Assessment against each Condominium in accordance with the procedures described in this Article.

4.3.1 Annual Budget Report

The Association shall distribute an Annual Budget Report thirty (30) to ninety (90) days before the end of its fiscal year in accordance with Civil Code Section 5300. As part of the Annual Budget Report, the Board shall prepare a pro forma operating budget for the next fiscal year

upon which the Annual Assessment will be based. The Board shall have the power to increase the Annual Assessment without a vote of the membership as specified in **Section 4.6**, provided that the Annual Budget Report is timely distributed . Otherwise, any increase of the Annual Assessment will require the approval of a majority of a quorum of the Members.

4.3.2 Reserve Contributions and Accounts

As part of the preparation of the pro forma budget as provided in **Section 4.3.1**, the Board shall annually fix the amount to be contributed to reserve funds for the purpose of defraying, in whole or in part, the cost or estimated cost of any reconstruction, repair or replacement of improvements, including fixtures and personal property related thereto. Separate records shall be maintained for all reserve funds deposited in the reserve account.

4.4 Special Assessments

In any fiscal year, the Board may levy a Special Assessment applicable to that year only, for the purpose of defraying in whole or in part the cost of extraordinary expenses incurred or to be incurred by the Association, including without limitation, unanticipated delinquencies and/or repair and replacement of Common Area Improvements subject to the limitation contained in **Section 4.6** of this Declaration.

4.5 Utility Assessments

In the event that any water or other public utility service provided to the Project is sub-metered to the separate Units privately by the Association rather than directly by the public utility company, then the Board shall periodically levy a utility assessment against each Unit to reimburse the Association for the actual cost of such service to that Unit that was billed to the Association by the public utility company which shall be treated as part of the Annual Assessment. In the event an Owner fails to pay any utility assessment, the Board has the authority to pursue enforcement in accordance with the provisions of this **Article IV** and as otherwise provided in this Declaration. In addition to the remedies provided in **Article IV** for collection of Assessments, the Association may also adopt in its rules and regulations provisions supplementing this Section which provide greater detail regarding due dates and penalties for failure to pay the utility assessment, including termination of service.

4.6 Limits for Increases of Annual and Special Assessments

The Board may not impose an Annual Assessment that is more than twenty percent (20%) greater than the Annual Assessment for the Association's preceding fiscal year or impose Special Assessments which in the aggregate exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year without the approval of a majority of a quorum of the Members, pursuant to Civil Code Section 4070, at a Member meeting or without a membership meeting per Section 4.10 of the Bylaws.

This Section does not limit Assessment increases necessary for emergency situations. For purposes of this Section, an emergency situation is any one of the following: (a) an extraordinary expense required by an order of a court; (b) an extraordinary expense necessary to repair or maintain the Common Area for which the Association is responsible where a threat to personal safety is discovered; and (c) an extraordinary expense necessary to repair or maintain the Common Area that could have not been reasonably foreseen by the Board in preparing and distributing the current year's operating budget.

4.7 Notice of Assessment Increases Required

Whenever there is an increase in Annual Assessments or Special Assessments, all Members shall be notified by first class mail or e-mail if authorized by Owner, not less than thirty (30) nor more than sixty (60) days prior to the Assessment due date.

4.8 Division of Assessments; Payment of Assessments

Annual and Special Assessments shall be charged to and equally divided among the Condominiums. Annual Assessments 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 or on such other date or dates as may be established from time to time by the Board. Special Assessments shall be due and payable in advance of such date or dates as established by the Board.

4.9 No Offsets

All Assessments shall be payable in the amount specified in the Assessment levied by the Association, and no offsets against such amount shall be permitted for any reason, including, without limitation, a claim that the Association which levied such Assessment is not properly exercising its duties of maintenance or enforcement.

4.10 Effect of Nonpayment of Assessments

Assessments shall be due on the first day of each month unless some other due date is established by the Board. Assessments become delinquent fifteen (15) days after they become due. A late charge not exceeding ten percent (10%) of the delinquent Assessment or Ten Dollars (\$10.00), whichever is greater, shall be imposed upon any delinquent payment. Interest on delinquent Assessments and late charges shall be imposed at an annual percentage rate of twelve percent (12%) commencing thirty (30) days after the Assessments become due. Late charges and interest on past due amounts may be modified by the Board in accordance with any changes permitted by applicable law.

4.11 Transfer of Condominium by Sale or Foreclosure

Sale or transfer of any Condominium shall not affect the Assessment lien. However, the sale of any Condominium pursuant to foreclosure of a first Mortgage shall extinguish the lien of such Assessments as to payments which became due prior to such sale or transfer (except for Assessment liens recorded prior to the Mortgage). No sale or transfer shall relieve such Condominium from liability for any Assessments thereafter becoming due or from the lien thereof.

4.12 Collection Remedies

4.12.1 Assessment Lien

If any Annual Assessment or Special Assessment is delinquent, the Association may pursue collection action by any method permitted by law, including, without limitation, recordation of an Assessment lien against the Condominium, all pursuant to Civil Code Sections 5650 through 5690.

4.12.2 Requirements Before Recording Liens

Liens shall be recorded in accordance with Civil Code Sections 5650 through 5690. At least thirty (30) days prior to recording a lien against the Condominium of any Owner, the Association shall notify the Owner in writing of the delinquency including an itemized statement of the charges owed by the Owner and that if the charges are not paid within the time specified in the writing that a lien may be recorded against his or her Condominium. The decision to record a lien for delinquent assessments shall be made only by the Board and may not be delegated to an agent for the Association. The Board shall approve the decision by a majority vote of the directors at an open meeting and shall record the vote in the minutes of that meeting.

4.12.3 Delinquencies Less than \$1,800.00 or One Year

If the Association seeks to collect delinquent Annual Assessments or Special Assessments of an amount less than One Thousand Eight Hundred Dollars (\$1,800.00), not including any accelerated assessments, late charges, fees and costs of collection, attorney's fees, or interest, it may not collect that debt through judicial or non-judicial foreclosure, but may attempt to collect or secure that debt through a civil action, recordation of a lien or other manner permitted by law.

4.12.4 Delinquencies Greater than \$1,800.00 or One Year

If the Association seeks to collect delinquent Annual Assessments or Special Assessments of an amount of One Thousand Eight Hundred Dollars (\$1,800.00) or more, not including any accelerated assessments, late charges, fees and costs of collection, attorney's fees, or interest, or any Assessments that are more than twelve (12) months delinquent, it may pursue judicial foreclosure, non-judicial foreclosure, or a personal judgment, all in accordance with Civil Code Sections 5700 through 5740.

4.12.5 Foreclosure of Lien

The lien may be enforced in any manner permitted by law, including sale by the court, sale by the trustee designated in the notice of delinquent Assessment, or sale by a trustee substituted pursuant to Civil Code Section 2934(a). Any sale shall be conducted in accordance with the provisions of Civil Code Sections 2924, 2924(b), 2924(c), 2924(f), 2924(g) and 2924(h), or any successor statutes thereto, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted by law. The Association, acting on behalf of the Owners, shall have the power to bid on the Condominium at the foreclosure sale, and to acquire and hold, lease, mortgage, and convey the Condominium and vote as an Owner of the Condominium. If the Association obtains title at the foreclosure sale, all assessment fees for the Condominium are suspended so long as the Association retains title.

4.13 Individual Assessments

The Board may impose Individual Assessments against an Owner as provided in this Section, provided that no Individual Assessments may be imposed against an Owner until the Owner has been afforded notice and the opportunity for a hearing as provided in Section 8.5 of the Bylaws, and, if appropriate, has been given a reasonable opportunity to comply voluntarily with the Governing Documents. Subject to the foregoing, the acts and circumstances giving rise to liability for Individual Assessments are set forth below.

4.13.1 Damage to Common Area

In the event that any damage to, or destruction of, any portion of the Common Area, including any portion of the Living Unit which the Association is obligated to repair and maintain is caused by the willful misconduct or negligent act or omission of any Owner, the Board shall cause the same to be repaired or replaced, and all costs and expenses incurred in connection therewith, to the extent not compensated by insurance proceeds, shall be assessed and charged solely to and against such Owner as an Individual Assessment.

4.13.2 Expenses Incurred in Gaining Member Compliance

In the event that the Association incurs any costs or expenses to bring the Owner and/or his or her Condominium into compliance with any provision of the Governing Documents, the amount incurred by the Association, including reasonable fines and penalties imposed under this **Section 4.13**, title company fees, accounting fees, and reasonable attorney's fees and costs, shall be assessed and charged solely to and against such Owner as an Individual Assessment. Reasonable attorney's fees and costs shall include such fees and costs incurred in bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services.

4.13.3 Levy of Individual Assessment and Payment

Once an Individual Assessment has been imposed against an Owner and subject to the conditions imposed in this **Section 4.13**, such Individual Assessment shall be (a) added to the Owner's account, (b) notice thereof shall be mailed to the affected Owner and (c) the Individual Assessment shall thereafter be due as a separate debt of the Owner payable in full to the Association within thirty (30) days after the mailing of notice of the Assessment.

4.13.4 Foreclosable Lien for Damage to Common Area

Once an Individual Assessment has been imposed by the Association's Board pursuant to **Section 4.13.1** with regard to damage to Common Area, such charge may be collected as provided in **Section 4.12**.

ARTICLE V
DUTIES AND POWERS OF THE ASSOCIATION

5.1 General Powers and Authority

The Association shall have all the powers of a nonprofit corporation under California law, subject only to the limitations in the Governing Documents. It may perform all acts which may be necessary for or incidental to the performance of the obligations and duties imposed upon it by the other Governing Documents. Its powers shall include those granted in its Bylaws and as set forth below.

5.1.1 Assessments

The Association shall have the power to establish, fix, levy and enforce payment of Assessments against the Members in accordance with the provisions of the Governing Documents.

5.1.2 Adoption of Rules

The Association shall have the power to adopt reasonable operating rules as set forth in **Section 5.5** of this Declaration.

5.1.3 Enforcement of Governing Documents

The Association shall have the authority to enforce the Governing Documents as provided in **Article XII** of this Declaration.

5.1.4 Right of Entry

The Association's agents or employees shall have the right to enter upon any Living Unit when necessary in connection with any maintenance, landscaping, or construction for which the Association is responsible. Such entry shall be made with as little inconvenience to the Member as is practicable, and in accordance with **Section 2.4** of this Declaration.

5.1.5 Easements

The Association shall have the authority, by document signed or approved by two-thirds ($\frac{2}{3}$) of the Board, to grant easements in addition to those shown on the tract map of the Project, where necessary for utilities, cable television, and sewer facilities over the Common Area to serve the common and open space areas and the Living Units. All other easements, such as those to accommodate adjoining property owners, require approval of a majority of a quorum of the Members.

5.1.6 Dedication

The Association shall have the power to dedicate all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication shall be effective unless approved by a majority of a quorum of the Members.

5.1.7 Management and Delegation of Powers

The Association can delegate its powers, duties and responsibilities to committees or employees, including a professional manager, subject to the requirements of this Declaration.

5.1.8 Service Personnel

The Association shall have the power to engage persons necessary for the effective operation and maintenance of the Association, including legal, management and accounting services.

5.1.9 Contracts

The Association shall have the power to contract for goods and services for the benefit of the Project that are necessary for the Association to perform its duties and obligations hereunder, subject to the limitations set forth in **Section 5.3.3**.

5.1.10 Towing

Any vehicle parked within the Project in violation of this Declaration or the Association Rules may be removed as provided for in accordance with the provisions of California Vehicle Code Section 22658.2 and any amendments thereto, or in accordance with City ordinances.

The foregoing notwithstanding, the Association may cause the removal, without notice, of any vehicle parked in a marked fire lane, within fifteen (15) feet of a fire hydrant, or in a manner which interferes with any entrance to or exit from the Project or any Living Unit, parking space, garage or driveway located thereon.

5.1.11 Telecommunication Services

The Board has the authority, if it deems it is in the best interests of the Association, to contract and pay for telecommunication services to be provided to the individual Members on such terms and conditions as the Board deems proper. The cost of said bulk rate telecommunications services may be paid for out of the general operating funds of the Association and included in the Association's operating budget.

5.2 Duties of the Association

In addition to the duties delegated to the Association or its agents and employees elsewhere in these Governing Documents, the Association shall be responsible for the following:

5.2.1 Maintenance and Operation of Common Areas

The Association, acting through the Board, shall operate, maintain, repair or replace the facilities and improvements located in the Common Areas, which duty shall include maintenance of the Common Areas as provided in **Article VI**.

5.2.2 Financial Reports

The Association shall have the duty to prepare annual budgets, reports, balance sheets and operating statements for the Association as required under the Governing Documents.

5.2.3 Insurance

The Association shall obtain and maintain such policy or policies of insurance as are required by this Declaration.

5.2.4 Discharge of Liens

The Association shall discharge by payment, if necessary, any lien against the Common Area, and charge the cost thereof to the Member or Members responsible for the existence of the lien, after notice and a hearing, as provided in the Bylaws.

5.2.5 Assessments

The Association shall fix, levy, collect, and enforce Assessments.

5.2.6 Payment of Expenses

The Association shall pay all expenses and obligations incurred by the Association in the conduct of its business, including, without limitation, all licenses, taxes, or governmental charges levied or imposed against the property of the Association. This shall also include water, sewer, garbage, electrical, telephone, gas and other necessary utilities services for the Project, except to the extent that such services are separately metered or charged to the Living Units, in which event each Owner shall pay the amount charged to him or her as provided in **Section 4.5** of this Declaration.

5.2.7 Conduct Reserve Studies

At least once every three (3) years the Board shall cause a study of the reserve account requirements of the Project to be conducted if the current replacement value of the major components which the Association is obligated to repair, replace, restore, or maintain is equal to or greater than one-half (½) of the gross budget of the Association for any fiscal year, excluding the Association reserve account. The reserve study shall consist, in part, of a reasonably competent diligent inspection of the accessible area of the major components maintained by the Association.

5.3 Limitation on Board Authority

Except with the vote or written assent of Owners casting a majority of the votes at a meeting or through a mail ballot where a quorum is represented, the Board shall not take any of the actions set forth below.

5.3.1 Sale of Association Property

The Board shall not sell during any fiscal year, property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

5.3.2 Compensation to Board Members

The Board shall not pay compensation to members of the Board or to officers of the Association for services performed in the conduct of the Association's business, provided that the Board may reimburse a Board member for expenses incurred in carrying on the business of the Association.

5.3.3 Contracts in Excess of One Year

The Board shall not enter into a contract with a third party to furnish goods or services for the Common Area or the Association for a term longer than one (1) year, subject to the following exceptions: (a) a contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission, provided the term does not exceed the shortest term for which the supplier will contract at the regulated rate; (b) prepaid casualty or liability insurance policies not to exceed three (3) years duration provided the policy permits short rate cancellation by the insured; (c) agreements for sale or lease of burglar alarm and fire alarm equipment, installation and services of not to exceed five (5) years duration; and (d) loan agreements not exceeding eleven (11) years.

5.4 Limitation on Liability of Officers and Directors

No director, officer, committee member, employee, or other agent of the Association, shall be liable to any Owner or any other party, including the Association, for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error, or negligence of any such person if such person has acted in good faith and in a manner such person reasonably believed to be in the best interests of the Association.

5.5 Adoption of Rules

The Board shall have the power to adopt reasonable operating rules governing the Project, use of the Common Area and any facilities located thereon, and of any other Association property, all in accordance with Civil Code Section 4340 through 4365. Such rules may include, but are not limited to, reasonable restrictions on use by the Members and their guests, rules of conduct, and the setting of reasonable fees for the use of recreational facilities. Rules must be in writing and must be consistent with applicable law and the Governing Documents. A copy of the current Association Rules shall be provided to each Member.

5.5.1 Review and Comment Period

Prior to enacting rules, the Association shall provide Owners with a thirty (30) day advance notice of a rule adoption or change, which shall include a copy of the proposed rule and a description of the purpose and effect of the proposed rule, and allow Owners to provide comments to the Board regarding the proposed rule. After the thirty (30) day comment period has expired, the Board shall meet to discuss any comments received, and decide whether to proceed with adoption of the proposed rule. If the rule is adopted, the Board shall provide notice to the Owners of the rule adoption within fifteen (15) days of adopting the rule.

5.5.2 Special Membership Meeting to Reverse Rule Change

Members of the Association representing five percent (5%) or more of the Condominiums may request a special vote of the Members to reverse a rule change in accordance with Civil Code Section 4365.

5.5.3 Emergency Rules

The Board may enact a temporary emergency rule dealing with any class or type of rule if the Board determines that an immediate rule change is necessary to address an imminent threat to public health or safety or imminent risk of substantial economic loss to the Association. The Board shall provide notice to the Owners of adoption of the emergency rule within fifteen (15)

days of its adoption, which shall include the text of the rule change, a description of the purpose and effect of the rule change and the date that the rule change expires. Such an emergency rule may be effective for up to 120 days, and may not be re-adopted as an emergency rule under this Section but may be re-adopted pursuant to **Section 5.5.1** above.

ARTICLE VI MAINTENANCE RESPONSIBILITIES

6.1 Association Maintenance Responsibilities

The Association shall be solely responsible to maintain, repair, and replace the Common Area in accordance with the Maintenance Responsibility Checklist attached hereto as **Exhibit "B."** No person other than the Association or its duly authorized agents shall construct, reconstruct, refinish, alter or maintain any improvement upon, or shall create any excavation or fill or change the natural or existing drainage of any portion of the Common Area. In addition, no person shall remove any tree, shrub or other vegetation from, or plant the same upon the Common Area without prior written approval of the Association.

6.1.1 Wood-Destroying Pests or Organisms

The Association is responsible for the repair and maintenance of the Common Area occasioned by the presence of wood-destroying pest or organisms. The Association shall give notice of the need to temporarily vacate a Living Unit to the occupants and to the Owners not less than fifteen (15) days nor more than thirty (30) days prior to the date of the temporary relocation. The notice shall state the reason for the temporary relocation, the date and time of the beginning of treatment, the anticipated date and time of termination of treatment, and that the occupants will be responsible for their own accommodations during the temporary relocation.

6.1.2 Temporary Relocation Costs

The costs of temporary relocation during the repair and maintenance of the areas within the responsibility of the Association shall be borne by the Owner of the Living Unit affected.

6.2 Owner Maintenance Responsibilities

Each Owner shall have the exclusive right to paint, tile, carpet, paper or otherwise refinish and decorate the inner surfaces of the walls, ceilings, floors, windows and doors bounding his or her Living Unit. Each Owner shall, at his or her sole cost and expense, maintain and repair the Living

Unit in good condition and repair, as determined by the Board in its discretion, and as provided in the Maintenance Responsibility Checklist attached hereto as **Exhibit “B.”**

6.3 Maintenance Responsibility Checklist

A Maintenance Responsibility Checklist attached hereto and marked as **Exhibit “B”** designates the components of the Project to be maintained, repaired and/or replaced by the Owners and the Association, respectively. In the event of a conflict between the division of maintenance responsibility set forth in the Governing Documents and the Maintenance Responsibility Checklist, the Maintenance Responsibility Checklist shall control.

6.4 Recovery of Costs of Certain Repairs and Maintenance

If an Owner fails to maintain, repair or replace the areas and items as provided in **Section 6.2** or the Maintenance Responsibility Checklist or makes repairs in such manner as shall be deemed necessary in the judgment of the Board to preserve the attractive appearance thereof, to protect the value thereof or to prevent damage to other portions of the Common Area or the Living Units, the Association may give written notice to the offending Owner with a request to correct the failure within fifteen (15) days after receipt thereof. If the Owner refuses or fails to perform any necessary maintenance, repair or replacement, the Association may exercise its rights under **Section 2.4**, to enter the Owner’s Living Unit and perform the maintenance, repair or replacement, so long as the Owner has been given notice and the opportunity for a hearing. The cost of the repairs may be assessed against such Owner as an Individual Assessment in accordance with **Section 4.13** of this Declaration.

6.5 Owner Obligation to Cooperate

To the extent necessary or desirable to accomplish the Association’s maintenance obligations hereunder, Owners shall cooperate with the Association and its agents and maintenance personnel in the performance of its work.

6.6 Repairs of Utility Lines

The rights and duties of the Owners with respect to sanitary sewer, water, electricity, gas and telephone lines and facilities are set forth below.

6.6.1 Easement for Utility Repairs and Access

Whenever sanitary sewer, water, electricity, gas, television receiving, telephone lines or connections, are installed within the Property, which connections or any portion thereof lie in or upon Condominiums owned by other than the Owner of a Condominium served by such connections, the Owners of any Condominium served by such connections shall have the right, and are hereby granted an easement to the extent necessary, to enter the Condominiums or to have the utility company enter the Condominiums in or upon which such connections or any portion thereof lie, to repair, replace and generally maintain such connections, as and when necessary.

6.6.2 Utility Connection Serving More Than One Living Unit

Whenever sanitary sewer, water, electricity, gas or telephone lines or connections are installed within the Property that serve more than one Condominium, the Owner of each Condominium served by such connection shall be entitled to the full use and enjoyment of such portions of such connections as service his or her Condominium.

6.6.3 Dispute Between Owners Over Utility Repairs

In the event of a dispute between Owners with respect to the repair or rebuilding of such connections, or with respect to the sharing of the cost thereof, then, upon written request of one or such Owners addressed to the Association, the matter shall be submitted to the Board who shall decide the dispute and the decision of the Board shall be final and conclusive on the parties.

**ARTICLE VII
USE RESTRICTIONS**

7.1 Responsibility to Comply with Governing Documents

Each Owner of a Condominium shall be responsible for ensuring that the Owner's family, guests, tenants and all occupants of the Owner's Condominium comply with all provisions of the Governing Documents. In addition to any rights the Association may have against the Owner's family, guests, tenants or occupants, the Association may take action under this Declaration against the Owner as if the Owner committed the violation in conjunction with the Owner's family, guests, tenants or occupants.

7.2 Single Family Residential Use

Condominiums shall be used for single family residential purposes only. For purposes of this Declaration, "family" means two (2) or more persons related through blood, marriage, or legal

adoption or joined through a judicial or administrative order of placement of guardianship; or unrelated persons who (a) jointly occupy and have equal access to all areas of a dwelling unit, and (b) who function together as an integrated economic unit. In no event shall a Living Unit be occupied by more individuals than permitted by applicable zoning laws or governmental regulations.

7.3 Business Activities

No business or commercial activities of any kind whatsoever shall be conducted on any Living Unit without the prior written approval of the Board, provided that the foregoing restriction shall not apply to the signs or activities of the Association in the discharge of its responsibilities under the Governing Documents. No restrictions contained in this Section shall be construed in such a manner so as to prohibit any Owner from (a) maintaining his or her personal library in his or her residence, (b) keeping his or her personal business records or accounts therein, (c) handling his or her personal or professional telephone calls or correspondence therefrom, (d) leasing or renting his or her residence in accordance with **Sections 2.9** through **2.15** of this Declaration, or (e) conducting any other activities otherwise compatible with residential use and the provisions of this Declaration which are permitted under applicable zoning laws or regulations without the necessity of first obtaining a special use permit or specific governmental authorization. The uses described in this **Section 7.3** are incidental to the principal residential use of the Living Unit and shall not constitute a violation of this Section.

7.4 Prohibition of Noxious Activities

No noxious or offensive activities shall be conducted within or upon any portion of the Project nor shall anything be done or permitted within any Living Unit that is or could become an unreasonable annoyance or nuisance to the residents of the Project or the surrounding neighborhood. Without limiting any of the foregoing, no Owner shall permit noise, including, without limitation, barking dogs, the operation of air conditioners, stereo amplifier systems, television sets, motor vehicles and power tools, to emanate from an Owner's Living Unit or any portion of the Common Area which would unreasonably disturb other Owners' enjoyment of their Living Units or the Common Area. Excessive noise levels may be determined in the sole discretion of the Board which may, but shall not be obligated to, rely on the County Code or other applicable governmental regulation dealing with such matters.

7.5 Household Pets

The following restrictions regarding the care and maintenance of pets within the Project shall apply to each Owner, resident and guest.

7.5.1 Maximum Number of Pets

No more than two (2) common household pets may be kept in each Living Unit so long as the same are not kept, bred or maintained for commercial purposes, except that caged birds or fish in an aquarium may be kept and maintained in reasonable numbers or as otherwise established by the Board. No other animals, or poultry of any kind shall be kept, bred or raised in any Unit.

7.5.2 Leash Requirements for Dogs

Dogs shall only be allowed on the Common Area when they are leashed and otherwise under the supervision and restraint of their owners.

7.5.3 Pets and Common Areas

No household pets shall be left chained or otherwise tethered in the Common Area or in a Restricted Common Area. Pet owners shall be responsible for the prompt removal and disposal of pet wastes deposited by their pets within the Project.

7.5.4 Owner Responsibility for Conduct of Pet

Each person bringing or keeping a pet on the Property shall be solely responsible for the conduct of such pets.

7.5.5 Association Not Responsible for Conduct of Pets

The Association, its Board, officers, employees and agents shall have no liability, whether by virtue of this Declaration or otherwise, to any Owners, their family members, guests, invitees, tenants and contract purchasers for any damage or injury to persons or property caused by any pet.

7.5.6 Pet Rules

The Board shall have the right to establish and enforce additional regulations imposing standards for the reasonable control and keeping of household pets in, upon and around the Project to ensure that the same do not interfere with the quiet and peaceful enjoyment of the Project by the other Owners. The regulations adopted by the Board may, in the Board's sole discretion, limit the right to maintain dogs, cats and other pets that are likely to be within the Common Areas from time to time; provided, however, that any such rule shall not affect the rights of any lessee under a lease agreement in effect at the time the rule is adopted.

7.5.7 Pets Constituting a Nuisance

The Board shall have the power to prohibit the keeping or maintenance of any animal, which, in the sole and exclusive opinion of the Board, after notice and hearing, is deemed by the Board to constitute a nuisance to any other Owner or resident, whether due to its size, viciousness, unreasonable noise or otherwise.

7.6 Insurance, Compliance with Law and Owner Personal Property

Nothing shall be done or kept in any Living Unit or in the Project that might increase the rate of, or cause the cancellation of, insurance on the Project, or any portion of the Project, without the prior written consent of the Board. No Owner shall permit anything to be done or kept in his or her Living Unit that violates any permit, law, ordinance, statute, rule or regulation of any local, county, state or federal body. No Owner shall allow furniture, furnishings, or other personal property belonging to such Owner to remain within any portion of the Project except in such Owner's Living Unit or Restricted Common Area and except as may otherwise be permitted by the Board.

7.7 Storage on Patios or Balconies

No Owner shall use any patio or balcony for storage purposes, except as provided in the Association Rules.

7.8 Outside Drying, Laundering, and Patio Gates

No exterior clothesline shall be erected or maintained or hung within the Project, and there shall be no exterior drying or laundering of clothes or any other items on the patios, balconies or in the Common Area. Patio gates must be kept closed except for entry and exit purposes.

7.9 Abandoned Personal Property

Personal property, other than vehicles which are not subject to this Section, is prohibited from being stored, kept, or allowed to remain for a period of more than twenty four (24) hours upon any portion of the Common Areas. If the Board or its designate, in its sole discretion, determines that the personal property has been abandoned or is being kept, stored, or allowed to remain on the Common Areas in violation of this Section, the Board may place a notice on the personal property and/or on the front door of the Owner's Living Unit specifying the nature of the violation and stating that after two (2) days the property may be removed and either discarded or stored by the Board in a location which the Board may determine, at the Owner's or user's sole cost and expense. The notice shall include the name and telephone number of the person or entity which will remove the

personal property and the name and telephone number of a person to contact regarding the alleged violation.

If two (2) days after such notice is placed on the personal property and/or the front door of the Living Unit, the violation continues or thereafter occurs within six (6) months of such notice, the personal property may be removed in accordance with the notice, without further notice to the Owner or user of that personal property.

If the Board, in its discretion, determines that an emergency situation exists, the personal property abandoned or stored in violation of this Section may, without prior notice to the Owner or user of the personal property, be removed and either discarded or stored by the Board in a location which the Board may determine at the Owner's or user's sole cost and expense; provided, however, the Board shall give to the Owner notice of the removal of the personal property and the location of the personal property within three (3) days after the personal property is removed.

If personal property is removed in accordance with this Section, neither the Association nor any officer or agent of the Association shall be liable to any person for any claim of damage resulting from its removal. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to remove abandoned or improperly stored personal property, as set forth herein.

7.10 Protected Uses

California law grants Owners certain protected uses of the Property. This Section lists those protected uses and provides a brief description of them. The summaries provided are for informational purposes only and do not extend Owners' rights beyond those provided for in California law.

7.10.1 Display of Real Estate Signs

Owners may display signs which are reasonably located, of reasonable dimension and design, and which indicate that the property is for sale or lease. (Civil Code Sections 712 and 713)

7.10.2 Solar Energy Systems

Owners may install or use a solar energy system subject to the imposition of reasonable restrictions by the Association requiring prior approval for installation of the solar energy system; maintenance, repair or replacement of roofs or other building components damaged as a

result of use or installation of a solar energy system and a requirement that installers of the system indemnify or reimburse the Association for loss or damage caused by installation or maintenance. (Civil Code Sections 714 and 714.1)

7.10.3 Modification to Accommodate a Disability

Disabled Owners are permitted to make reasonable modifications of the existing premises and adjacent Common Area to afford them full enjoyment of the premises. Owners are required to obtain Association approval prior to making any modifications and are required to do so at their own expense and restore any Common Areas modified at such time as they are no longer residing in the Unit. (Government Code Section 12927 and Civil Code Section 4760(a)(2)).

7.10.4 Restrictions on Signs, Posters, Flags, Banners

No commercial advertising signs or billboard shall be displayed on any Living Unit or posted within or on any portion of the Common Area, except that Owners may post on their Living Units any signs required by legal proceedings and a single "For Rent," "For Lease," or "For Sale" sign of reasonable dimensions as allowed by Civil Code Section 713. Owners may place non-commercial signs or posters, which do not exceed nine (9) square feet, or flags or banners, which do not exceed fifteen (15) square feet, in their patios or on their balconies, on their windows, on their door or outside wall. These items may be made of paper, cardboard, cloth, plastic or fabric and may not be made from lights, building or paving materials, plants or balloons. Owners may not paint the messages on architectural surfaces. Notwithstanding the foregoing, the Board may prohibit and order the immediate removal of any sign which poses a threat to health or safety, or which is in violation of applicable law. (Civil Code Section 4710)

7.10.5 Installation or Use of Video or Television Antenna

An Owner may install satellite dishes not in excess of one (1) meter in diameter on Restricted Common Area balconies or patios. Owners may not install satellite dishes or antennas on any Common Areas such as roofs, hallways, walkways or exterior walls of the building. The Association may adopt rules permitting installation of satellite dishes or antennas in Common Areas, but adoption of said rules are solely within the discretion of the Board. The Board may adopt rules regulating the installation of antennas or satellite dishes on the Restricted Common Area patios and balconies so long as the rules do not unreasonably delay or prevent installation, maintenance or use, unusually increase the cost of installation, or preclude reception of an acceptable quality signal. Any rules implemented for legitimate safety restrictions are permitted, even if they impair installation, maintenance or use of the satellite dish or antenna. Other than as set forth above, no Owner shall

place or maintain any outside television, radio or other antenna within the Project except upon written authorization by the Board or the Architectural Review Committee. (Civil Code Section 4725)

7.10.6 Low Water-Using Plants

Owners shall not be restricted or have applications denied for installation in their exclusive use areas of water efficient landscape. (Civil Code Section 4735)

7.10.7 Prohibition of Rental or Leasing

No Owners shall be subject to a prohibition of rental or lease of their Unit unless the provision in the Governing Document restricting such usage was effective prior to the date the Owner acquired title. (Civil Code Section 4740)

7.10.8 Electric Vehicle Charging Stations

Owners have rights subject to certain restrictions to install and use an electric vehicle charging station in an Owner's designated parking space or, in limited circumstances, in the Common Area. (Civil Code Section 4745)

7.11 Parking Restrictions; Use of Garages and Carports

Each Condominium includes a Restricted Common Area garage and a Restricted Common Area parking space. Unless otherwise permitted by the Board, no vehicle shall be parked or left on any street or on any property subject to this Declaration other than on or within the Owner's Restricted Common Area garage or parking space. No vehicle shall be parked in a parking space if such vehicle does not completely fit between the parking lines designated for a Restricted Common Area parking space or otherwise physically fit wholly within the designated space or garage. There shall be no parking within the Project that obstructs free traffic flow, constitutes a nuisance, violates the Association Rules or otherwise creates a safety hazard.

7.12 Garage Use

Each Unit garage shall be so organized as to permit the parking of one (1) automobile in the garage. Garages shall not be used primarily as storage facilities, nor shall garages be converted or otherwise remodeled for use for living, recreational or business purposes. Garage doors must be closed except when garage is in use.

7.13 Vehicle Restrictions

No trailer, camper, mobile home, commercial vehicle, truck (other than standard size pickup truck, inoperable automobile, boat, or similar equipment shall be permitted to remain upon any area within the Project, other than temporarily (48 hours). Commercial vehicles shall not include sedans or standard size pickup trucks which are used for both business and personal use, provided that any signs or markings of a commercial nature on such vehicles shall be unobtrusive and inoffensive as determined by the Board. An inoperable automobile is one that is not capable of running and/or exhibits one (1) or more of the following characteristics which is not repaired within a reasonable time: flat tires, dead battery, broken windows or major body damage. Storage of any extra vehicles is not allowed. No noisy or smoky vehicle shall be operated on the Project. No off-road unlicensed motor vehicles shall be operated in the Project.

7.14 Garbage and Refuse Disposal

All rubbish, trash and garbage shall be regularly removed from the Project, and shall not be allowed to accumulate thereon. Trash, garbage, and other waste shall not be kept except in sanitary containers. All equipment, woodpiles, or storage piles shall be kept screened and concealed from view of other Living Units, streets, and the Common Area. Trash cans shall not be stored in the Common Area.

7.15 Drapes

All window openings visible from the street or Common Area shall have facing the exterior either draperies, drape linings, or casements, and all such draperies, drape linings, and casements shall be of a neutral color approved by the Board or Committee.

7.16 Power Equipment and Car Maintenance

No power equipment, hobby shops, or car maintenance (other than emergency work) shall be permitted on the Project except with prior written approval of the Board. Approval shall not be unreasonably withheld, and in deciding whether to grant approval, the Board shall consider the effects of noise, air pollution, dirt or grease, fire hazard, interference with radio or television reception, and similar objections.

7.17 Barbecues

No barbecues of any kind are permitted on balconies. No wood burning stoves, fire pits, charcoal grills or charcoal barbecues are permitted on the patios or balconies. Propane barbecues are

permitted on patios provided that they comply with applicable fire codes, ordinances, or applicable law.

ARTICLE VIII ARCHITECTURAL CONTROL

8.1 Improvements and Changes Require Prior Approval

No Improvement of any kind shall be commenced, erected or maintained within the Property by an Owner, nor shall any exterior addition to or change or alteration be made in or to any Living Unit or Common Area or to any Restricted Common Area by an Owner 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 Architectural Review Committee 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. Nothing shall be done in any Living Unit or in, on or to the Common Area, which will impair the structural integrity of any building, or which would structurally change any building located thereon, unless approved in writing by the Board.

8.2 Appointment of Architectural Review Committee

The Board may appoint an Architectural Review Committee composed of not less than three (3) nor more than five (5) members. Committee members appointed shall be from the membership of the Association. A majority of the Committee may designate a representative to act on its behalf. Members of the Committee shall serve for a term of one (1) year. In the event of the death or resignation of any member of the Committee, a successor shall be appointed by the Board. Neither the members of the Committee nor its designated representatives shall be entitled to any compensation for services performed pursuant hereto. In the event the Board has not appointed a Committee, it shall fulfill the duties of that Committee until such time as members are appointed to it in accordance with this Section.

8.3 Submission of Plans; Action by Committee

Plans and specifications for the proposed Improvement shall be submitted to the Committee, secretary of the Association or professional management company, if any, by personal delivery or certified mail, return receipt requested. In the event the Committee fails to approve or disapprove the plans within forty-five (45) days after said plans and specifications have been submitted to it, the Owner requesting said approval may submit a written notice to the Board advising them of the

Committee's failure to so approve or disapprove. If the Committee still fails to approve or disapprove said plans, within thirty (30) days after the receipt of said notice from the Owner, said plans and specifications shall be deemed approved.

8.4 Approval of Solar Energy System

Any Owner proposing to install or use a solar energy system shall be subject to the same review and approval process as required in **Section 8.1** for any Improvements. However, only reasonable restrictions on the installation and use of a solar energy system shall be permitted. Reasonable restrictions on a solar energy system are those restrictions which do not significantly increase the cost of the system or significantly decrease its efficiency or specific performance, as more specifically described in Civil Code Section 714. If an application for a solar energy system is not denied in writing within sixty (60) days from the date of receipt of the application, the application shall be deemed approved, unless that delay is the result of a reasonable request for additional information.

8.5 Fee for Review

The Committee shall have the right to establish a fee for the review and approval of plans and specifications that must be submitted to the Committee pursuant to the provisions of this Article. The Committee shall have the right to hire any engineer or other consultant, the opinion of which the Committee deems necessary in connection with its review of any plans submitted by an Owner, and such Owner shall be liable for payment of such engineer's and/or consultant's fee.

8.6 Approval/Disapproval of Plans

Any approval or disapproval of plans and specifications submitted to the Committee shall be in writing. An approval of plans by the Committee may be qualified. All conditions imposed by the Committee must be in writing. If the plans and specifications are disapproved, in whole or in part, the written decision from the Committee shall include both an explanation of why the proposed change was disapproved and a description of the procedure for reconsideration of the decision by the Board.

8.7 Reconsideration

If plans are disapproved, in whole or in part, the Owner is entitled to reconsideration by the Board if a written request is made within thirty (30) days of the Owner's receipt of the disapproval. The Board shall schedule a meeting for reconsideration of said Owner's plans and specifications to take place within thirty (30) days after receipt of such request. The Owner is entitled to be present

at the meeting for reconsideration and to address the Board. The Owner shall also be entitled to bring one or more representatives to assist in explaining technical or design issues with regard to the plans and specifications. Said meeting for reconsideration does not need to be noticed to the membership of the Association. The Board shall have fifteen (15) days from the date of the meeting for reconsideration in which to render its decision in writing to the Owner. This **Section 8.7** does not require reconsideration of a decision that is made by the Board where the Board is acting as the Committee pursuant to **Section 8.2** herein.

8.8 Architectural Guidelines

The Committee may, subject to review by the Board, from time to time adopt, amend and repeal architectural rules and regulations to be known as “Architectural Guidelines.” The Architectural Guidelines shall interpret and implement the provisions of this Declaration and Civil Code Section 4765 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 the Architectural Guidelines shall not be in derogation of the minimum standards required by this Declaration. In the event of any conflict between the Architectural Guidelines and this Declaration, the Declaration shall control. The Architectural Guidelines shall be consistent with the procedures set forth in **Section 5.5** of this Declaration.

8.9 Owner Responsibility for Modification

As a condition of approval for a requested architectural change, modification, addition or alteration, an Owner, on behalf of himself or herself and his or her successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance for such change, modification, addition, or alteration. At the discretion of the Board or the Committee, an Owner may be required to verify such assumption of responsibility by written instrument acknowledged by such Owner on behalf of himself or herself and all successors-in-interest.

8.10 Waiver

The architectural standards and the enforcement thereof may vary from one term of the Committee or Board to another term of the Committee or Board. These variances shall not constitute a waiver by the Committee or the Board of the right to adopt and enforce architectural standards under this Section. No decision by the Committee or Board shall bind subsequent decisions of the Committee or Board when reviewing subsequent plans and specifications for Owners. Nothing in

this **Section 8.10** shall permit the Committee or the Board to retroactively enforce the Architectural Guidelines against any Owner whose architectural change was previously approved by a former Committee or Board pursuant to the then-existing Architectural Guidelines.

8.11 Inspection of Work

With consent of the Owner, which consent shall not be unreasonably withheld, any member or authorized representative of the Committee may, at any reasonable hour and upon reasonable notice, enter and inspect any Condominium which has been the subject matter of an approval of a submission for an Improvement. A request for inspection shall be made within six (6) months after substantial completion of the Improvements. Such entry shall be made with as little inconvenience to the Owner as reasonably possible, and any damage caused thereby shall be repaired by the Association. If the Committee finds that such work was not performed in substantial compliance with the approved plans and specifications, it shall notify the Owner in writing of such noncompliance, specifying the particulars of noncompliance and shall require the Owner to remedy the same within thirty (30) days from the date of notification of such noncompliance. If the noncompliance is not corrected within thirty (30) days, the Board may use the procedures set forth in **Article XII** of this Declaration.

8.12 Nonliability of Association or Committee Members

Neither the Association, the Board nor the Committee or designated representatives thereof, shall be liable for damages to any Owner submitting plans or specifications to them for approval, or to any Owner in the Project affected by this Declaration by reason of mistake in judgment, negligence or nonfeasance, unless due to willful misconduct or bad faith of that person. The Committee's approval or disapproval of a submission shall be based solely on the considerations set forth in this Article and the Architectural Guidelines, and the Committee shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plans or design for purposes of structural safety and conformance with building or other codes.

8.13 Variances

The Board shall be entitled to allow reasonable variances with respect to any restrictions in the Governing Documents in order to overcome practical difficulties, avoid unnecessary expense or prevent unnecessary hardships, provided that the following conditions are met: (a) If the requested variance will necessitate deviation from, or modification of, a property use restriction that would otherwise apply under these Governing Documents, the Board shall conduct a hearing on the proposed variance after giving at least ten (10) days prior written notice to the Committee and to all

Living Units within one hundred (100) feet of the Living Unit to which the variance applies. The Committee shall provide the Board with a recommendation regarding the variance request prior to the hearing. The Owners receiving notice of the proposed variance shall have thirty (30) days in which to submit written comments or objections to the Board with respect to the variance. No decision shall be made with respect to the proposed variance until the thirty (30) day comment period has expired. (b) The Board shall make a good faith determination that (i) the requested variance does not constitute a material deviation from the overall plan and scheme of development within the Property or from any restriction contained herein or that the proposal allows the objectives of the violated requirement(s) to be substantially achieved despite noncompliance; or (ii) the variance relates to a requirement hereunder that it is unnecessary or burdensome under the circumstances; or (iii) the variance, if granted, will not result in a material detriment, or create an unreasonable nuisance, with respect to any other Living Unit, Common Area or Owner within the Property.

8.14 Annual Architectural Procedures Disclosure

The Association shall annually provide its Members with notice of any requirements set forth in the Architectural Guidelines. The notice shall describe the types of changes that require Association approval and shall include a copy of the procedure used to review and approve or disapprove a proposed change.

8.15 Cease and Desist

In the event unapproved architectural Improvements are commenced by or on behalf of an Owner or his or her tenant, the Association shall have the right to take immediate action to halt such activity, including issuing a cease and desist order and obtaining immediate judicial relief necessary to preserve the status quo.

ARTICLE IX INSURANCE

9.1 Association Insurance Coverage

The Association shall purchase, obtain and maintain the following types of insurance, if and to the extent they are available:

9.1.1 Fire and Casualty

The Association shall obtain and maintain a master or blanket policy of fire and casualty insurance, replacement cost basis, on all Common Areas within the Property, including the

buildings containing Living Units except as provided in **Sections 9.2** and **9.9** below. The insurance shall be kept in full force and effect at all times.

9.1.2 Liability

A comprehensive public liability insurance policy insuring the Association, its agents, and the Owners and occupants of the Condominiums and their respective family members, guests, invitees, and agents against any liability incident to the ownership or use of the Common Area or any other Association owned or maintained real or personal property;

9.1.3 Workers Compensation

Worker's compensation insurance to the extent required by law;

9.1.4 Directors and Officers Liability

Directors and officers liability insurance;

9.1.5 Fidelity Bond

Appropriate fidelity bond coverage to protect against dishonest acts by the Association's officers, directors, employees, trustees, and all others who are responsible for handling funds of the Association if deemed necessary by a majority of the Board; and,

9.1.6 Other Insurance

Such other insurance as the Board in its discretion considers necessary or advisable.

9.2 Scope of Coverage

The Board shall have the sole authority to determine the amount, terms, and coverage of any policy required hereunder. The amount, terms, and coverage of policies other than casualty required hereunder (including the type of endorsements, the amount of the deductible, the named insureds, the loss payees, standard Mortgagee clauses, and notices of changes or cancellations) shall be no less than that which is customary for similar policies on similar projects in the area, except that the Board will make every effort to obtain the minimum coverages set forth in Civil Code Section 5805(b) to protect Owners from being named as parties to a lawsuit in regard to actions arising out of personal injuries occurring on the Common Areas. Casualty coverage shall be a "bare-walls" policy, unless the Board, in its sole discretion, determines that it is in the best interests of the Association for the policy to include some or all of the interior building fixtures such as carpet, wall coverings, cabinetry, or other improvements. Unless included under the Association's policy, each Owner shall

be responsible for insuring such items as interior building fixtures and personal property within their own policy (commonly referred to as an ISO Form HO-6 Policy).

9.3 Insurance Trustee

Each Owner appoints the Association or any insurance trustee designated by the Association to act on behalf of the Owners in connection with all insurance matters arising from any insurance policy maintained by the Association, including, without limitation, representing the Owners in any proceeding, negotiation, settlement, or agreements.

9.4 Waiver of Subrogation

Any insurance maintained by the Association shall contain a waiver of subrogation as to the Association's officers, directors, and Members, the Owners of the Condominiums and Mortgagees, and, if obtainable, a cross-liability or severability of interest endorsement insuring each insured against liability to each other insured.

9.5 No Duplicate Insurance Coverage

No Condominium Owner shall purchase duplicate insurance coverage on their Condominium when said coverage has already been purchased by the Association. If any Owner violates this provision, any loss in insurance proceeds to the Association will be chargeable to the Owner who acquired the duplicate insurance.

9.6 Owner's Insurance Obligations

Owners shall obtain and maintain (i) property insurance insuring their personal property and fixtures (if such fixtures are not insured under **Section 9.2**) located in their Living Units against loss and (ii) personal liability insurance insuring the Owner against liability arising from the ownership, operation, maintenance and use of the Owner's Living Unit. Losses resulting from a malfunction, defect or other failure of an Owner's plumbing system exclusively serving the Owner's Unit shall be insured by the Owner and are the sole responsibility of the Owner. Any improvements made by or acquired by an Owner within his or her Living Unit or that were part of the Unit shall be separately insured by an Owner. Any Owner failing to purchase said insurance waives any claim he or she may have against the Association for damage to the interior of his or her Living Unit, arising out of negligence, nuisance, or breach of contract on the part of the Association, so long as the damage or loss would have been covered under a standard Condominium Homeowner Policy (HO-6) had it been in force at the time of the loss. Said policy shall include a waiver of subrogation rights as against the Association, if applicable.

9.7 Insurance Deductible

The amount of the deductible portion of any insurance coverage maintained by the Association shall be established in the reasonable discretion of the Board. In the event a claim is made against the insurance policy maintained by the Association, and proceeds from that policy are used to repair damage, the responsibility for the deductible shall be as follows:

9.7.1 Damage due to Act or Omission

If the damage results from the act or omission of the Owner, whether such act or omission is negligent or willful, then the Owner shall be responsible for the deductible. If the damage results from the act or omission of the Association, whether such act or omission is negligent or willful, then the Association shall be responsible for the deductible.

9.7.2 Damage from Owner-Maintained Item

If the damage results from the failure of a component that the Owner is obligated to maintain or the point of origin of the cause of the damage was located in the Owner's Living Unit or Restricted Common Area, and regardless of whether the damages result from the Owner's negligence, such Owner shall be responsible to pay the deductible.

9.7.3 Damage from Association-Maintained Item

If the damage results from an item, the maintenance of which is the responsibility of the Association, the Association shall be responsible for the deductible.

9.7.4 Damage from Multiple Sources

If the damage results from more than one source, the responsibility for the deductible shall be allocated based on the percentage of fault.

9.8 Annual Insurance Review

The Board shall review the insurance carried by or on behalf of the Association at least annually, for the purpose of determining if such insurance is adequate. Such responsibility may be performed and shall be deemed reasonably performed by the Board requesting the Association's insurance agent to verify that the insurance policies in existence meet the needs of the Association.

9.9 Failure to Acquire Insurance

The Association, and its directors and officers, shall have no liability to any Owner or Mortgagee if, after a good faith effort, it is unable to obtain any insurance required hereunder,

because the insurance is no longer available or, if available, can be obtained only at a cost that the Board, in its sole discretion, determines is unreasonable under the circumstances, or the Owners fail to approve any Assessment increase needed to fund the insurance premiums. In such event, the Board promptly shall notify each Owner and any Mortgagee entitled to notice that the specific insurance will not be obtained or renewed. In making a determination as to whether to acquire any such insurance, the Board may base its decision upon, among other things, a vote of the Owners.

9.10 Coverage for Common Areas

Notwithstanding any provisions contained in this Declaration to the contrary with regard to allocation of maintenance responsibilities between Owners and the Association, the Association shall obtain and provide casualty coverage for all portions of the Project defined in the Governing Documents as Common Area and Restricted Common Area.

**ARTICLE X
DAMAGE OR DESTRUCTION**

10.1 Applicability of this Article

This Article shall apply solely to catastrophic losses causing material damage to Improvements. A determination as to whether or not a particular loss qualifies as catastrophic will be made by the Board. Once that determination has been made, the provisions of **Article X** shall apply.

10.2 Destruction; Proceeds Exceed 85 Percent of Reconstruction Costs

If there is a total or partial destruction of the improvements in the Project, and if the available proceeds of the insurance carried plus reserve account funds designated for the repair or replacement of capital improvements that have been damaged 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 ninety (90) days from the date of destruction, Owners then holding at least seventy-five percent (75%) of the total voting power of Owners present and entitled to vote, at a duly constituted meeting or voting by written ballot, determine that repair and reconstruction shall not take place. If such a meeting is called, the Association shall solicit and obtain bids from at least two (2) 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 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 one hundred twenty (120) days from the date of destruction, a certificate declaring the intention of the Owners to rebuild.

10.3 Destruction; Proceeds Less Than 85 Percent of Reconstruction Costs

If the proceeds of insurance carried plus reserve account funds designated for the repair or replacement of capital improvements which have been damaged are less than eighty-five percent (85%) of the costs of repair and reconstruction, the improvements shall be promptly rebuilt, unless within ninety (90) days from the date of destruction, Owners then holding at least sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the total voting power of Owners present and entitled to vote, at a duly constituted meeting or by written ballot, determine that repair and reconstruction shall not take place. If such a meeting is called, the Association shall solicit and obtain bids from at least two (2) 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 one hundred twenty (120) days from the date of destruction a certificate declaring the intention of the Owners to rebuild.

10.4 Apportionment of Assessments

If the Owners determine to rebuild pursuant to **Sections 10.2 and 10.3**, each Owner shall be obligated to contribute his or her equal share of the cost of reconstruction or restoration over and above the available insurance proceeds. The Association may levy a Special Assessment equal to the cost of restoration or reconstruction over and above the insurance proceeds, which may be enforced under the lien provisions set forth in **Article IV** or in any other manner provided in this Declaration.

10.5 Rebuilding Contract

If the Owners determine to rebuild, the Board or its authorized representative shall, after obtaining bids from at least two (2) reputable contractors as required in this **Article X**, award the repair and reconstruction work to the lowest bidder that otherwise meets the requirements set forth by the Board in soliciting bids. The Board shall have the authority to enter into a written contract with the contractor for the repair and reconstruction, and the insurance proceeds held by the trustee 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.

10.6 Rebuilding Not Authorized

If the Owners determine not to rebuild, then, subject to the rights of Mortgagees, any insurance proceeds then available for such rebuilding shall be distributed to each Owner (of an uninhabitable damaged Living Unit which is not to be rebuilt) according to the relative fair market values of his or her Condominium. The Board shall select an independent appraiser who shall be a member of the Society of Real Estate Appraisers (“SREA”) or other nationally recognized appraisers' organization and who shall determine such relative values in accordance with the standards of such organizations as of a date immediately prior to such destruction. The Association shall have the duty, within one hundred twenty (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.

10.7 Minor Repair and Reconstruction

The Association shall have the duty to repair and reconstruct improvements, without the consent of Owners and irrespective of the amount of available insurance proceeds, in all instances of partial destruction where the estimated cost of repair and reconstruction does not exceed Twenty Thousand Dollars (\$20,000.00) in the case of Common Area improvements. The Association may levy a Special Assessment for the cost of repairing and reconstructing improvements to the extent insurance proceeds are unavailable. Such Special Assessment is to be levied as described in **Section 10.4**, but without the consent or approval of Owners, despite any contrary provisions in this Declaration.

10.8 Revival of Right to Partition

On recordation of a certificate described in **Section 10.6**, the right of any Owner to partition through legal action as described in **Section 2.8** shall revive immediately. In addition, each Owner, by accepting a deed to a Condominium, grants to the Association an irrevocable power of attorney to sell the entire Project for the benefit of the Owners, to terminate the Declaration, and to dissolve the Association. The net proceeds following sale of the Project and dissolution of the Association shall be distributed to the Owners in the same manner that insurance proceeds are distributed under **Section 10.6** with all Owners sharing in said proceeds as set forth therein.

ARTICLE XI CONDEMNATION

11.1 Sale by Unanimous Consent

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 the Owners and after notice to all Mortgagees, the Property, or a portion of it may be sold by the Board acting as irrevocable attorney-in-fact of all of the Owners for a price deemed fair and equitable in the sole discretion of the Board, but in no event less than the aggregate unpaid balance of all first Mortgages encumbering Condominiums within the Property.

11.2 Distribution of Proceeds of Sale

If a sale occurs under **Section 11.1**, and the agreement of sale does not by its terms apportion the sale proceeds among the Owners and their respective Mortgagees, the Board shall select an independent SREA appraiser who shall determine the relative fair market values of the Condominiums affected by the sale, in accordance with SREA standards. The sale proceeds shall then be apportioned among the Owners, and their respective Mortgagees according to such relative values.

11.3 Distribution of Condemnation Award

If the Property, or a portion of it, are not sold, but is instead taken, the judgment of condemnation shall by its terms apportion the award among the Owners and their respective Mortgagees.

11.4 Appraisal if Condemnation Award Not Apportioned

If the judgment of condemnation does not by its terms apportion the award among the Owners and their respective Mortgagees, the Board shall select an independent SREA appraiser who shall determine the relative fair market values of the Condominiums affected by the condemnation, in accordance with SREA standards. The award shall then be apportioned among the Owners, and their respective Mortgagees, according to such relative values.

ARTICLE XII
DISPUTE RESOLUTION AND ENFORCEMENT

12.1 Introduction

This Article sets forth the methods available to the Board and membership for resolving disputes within the Association along with the Association's powers of enforcement of the Governing Documents. **Sections 12.2 and 12.3** are not mandatory and may be utilized in accordance with the Association Rules. **Section 12.4** providing for Internal Dispute Resolution is mandatory when initiated by a Member. **Section 12.5** is mandatory in the event that an Owner or the Association anticipates proceeding to litigation.

12.2 Informal Notice of Violation

The Board may authorize the issuance of an informal written notice of violation to be sent to any Owner or any resident therein who is violating a provision of the Governing Documents. The notice shall advise the Owner of the violation and request the Owner's voluntary cooperation in correcting the violation.

12.3 Disciplinary Proceedings

The Board may take the following actions against any person or entity whose act or failure to act violates or threatens to violate any provision of the Governing Documents: (1) impose monetary penalties, including late charges and interest; (2) suspend voting rights in the Association until the violation has been cured; and (3) suspend use privileges for Common Area recreational facilities until the violation has been cured.

The determination of whether to impose any of the foregoing sanctions shall be within the sole discretion of the Board. The Board shall substantially comply with the due process requirements provided in Section 8.5 of the Bylaws before imposing any of the foregoing penalties.

12.4 Internal Dispute Resolution Procedure

The procedures set forth herein are for the purpose of resolving a dispute between the Association and Member involving their rights, duties or liabilities under the Governing Documents or the California Non-Profit Mutual Benefit Corporation Law. Either party to a dispute within the scope of this **Section 12.4** may invoke the following procedure.

12.4.1 Meet and Confer

The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing.

12.4.2 Rights to Meet and Confer

A member of an Association may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.

12.4.3 Designation of Representative

The Board shall designate at least one (1) member of the Board to meet and confer.

12.4.4 Timeliness of Meeting

The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other and confer in good faith and in an effort to resolve the dispute.

12.4.5 Agreement in Writing

A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the Board designee on behalf of the Association.

12.4.6 Agreement Judicially Enforceable

An agreement reached under **Section 12.4** herein binds the parties and is judicially enforceable when it meets the requirements set forth in Civil Code Section 5915(c).

12.5 Alternative Dispute Resolution Procedure

Prior to the commencement of an enforcement action, the party initiating the case shall comply with Civil Code Sections 5925 through 5945 by serving a Request for Resolution on the other party in accordance with the statute.

12.6 Litigation

The Association or any Member shall have the right to enforce the Governing Documents by proceedings at law or in equity, including the right to prevent the violation of the Governing Documents, and/or the right to recover damages or other dues for such violation; provided, however, that the Association shall have the exclusive right to enforce Assessment liens. Court actions to enforce the Governing Documents may only be initiated on behalf of the Association upon approval

of the Board. In any action to enforce the Governing Documents, the prevailing party shall be entitled to an award of reasonable attorney fees and court costs.

12.7 Immediate, Temporary Relief

Nothing in this Article shall be construed to prevent the Association or any Member from obtaining immediate, temporary judicial relief such as a temporary restraining order or other means necessary to preserve the status quo, pending compliance with the provisions of this Article or applicable law.

ARTICLE XIII RIGHTS OF LENDERS

No breach of any of the covenants, conditions and restrictions contained in this Declaration, nor the enforcement of any of its lien provisions, shall render invalid the lien of any First Lender as defined in **Section 1.21** on any Condominium made in good faith and for value, but all of those covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise. Notwithstanding any provision in the Governing Documents to the contrary, First Lenders shall have the following rights:

13.1 Copies of Governing Documents

The Association shall make available to Owners and First Lenders, and to holders, insurers or guarantors of any First Mortgage, current copies of the Governing Documents and the books, records and financial statements of the Association. "Available" means available for inspection and copying, upon request, during normal business hours or under other reasonable circumstances. The Board may impose a fee for providing the requested documents that may not exceed the reasonable cost to prepare and reproduce them.

13.2 Financial Statements

Any holder of a First Mortgage shall be entitled, upon written request, to have an audited financial statement for the immediately preceding fiscal year prepared at its expense if one is not otherwise available.

13.3 Notice of Action

Upon receipt of a written request by the Association, identifying the name and address of the Eligible Mortgage Holder or Eligible Insurer or Guarantor, and the Condominium number or address,

such Eligible Mortgage Holder or Eligible Insurer or Guarantor will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Project or any Condominium on which there is a First Mortgage held, insured, or guaranteed by such Eligible Mortgage Holder or Eligible Insurer or Guarantor, as applicable;

(b) any default in performance of obligations under the Governing Documents or sixty (60) day or more delinquency in the payment of Assessments or charges owed by an Owner subject to a First Mortgage held, insured or guaranteed by such Eligible Mortgage Holder as defined in **Section 1.20** or Eligible Insurer or Guarantor as defined in **Section 1.18**, which remains uncured for a period of sixty (60) days;

(c) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(d) any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders as specified in **Section 1.20**.

The Association shall discharge its obligation to notify Eligible Mortgage Holders or Eligible Insurers or Guarantors by sending written notices required by this Declaration to such parties, at the address given on the current request for notice provided by them.

13.4 Consent to Action

Except as provided by statute or by other provision of the Governing Documents in case of substantial destruction or condemnation of the Project:

13.4.1 Consent for Termination of Project

The consent of Owners of the Project to which at least sixty-seven percent (67%) of the votes in the Association are allocated and the approval of Eligible Mortgage Holders holding Mortgages on Condominiums which have at least fifty-one percent (51%) of the votes of Condominiums subject to Eligible Mortgages, shall be required to terminate the legal status of the Project as a condominium project; provided, however, that if termination is for reasons other than substantial destruction or condemnation, the agreement of Eligible Mortgage Holders representing at least sixty-seven percent (67%) of the votes of the mortgaged Living Units is required;

13.4.2 Amendments to Governing Documents

Amendments to the Governing Documents of a material nature to first lien holders are required to be agreed to by Eligible Mortgage Holders representing at least fifty-one percent (51%) of the Living Unit votes (based on one vote for each mortgage owned), subject to the first lien Mortgages. Examples of actions that require Eligible Mortgage Holder consent include, without limitation, any of the following:

- (a) Any partition or subdivision of any Condominium;
- (b) Abandonment, partition, subdivision, encumbrance, sale or transfer of any Common Area, other than the granting of easements for public utilities or other public purposes consistent with the intended use of the Common Area;
- (c) Any change in voting rights;
- (d) Any change in the Owner's interest in or obligations to the Project in order to levy assessments or charges, to allocate distribution of homeowners insurance proceeds or condemnation awards, or to determine the Owner's interest in the Common Area;
- (e) Changes in the priority of liens for Assessments;
- (f) Reductions in reserves for maintenance, repair and replacement of the Common Area;
- (g) Responsibility for maintenance and repair of the Common Area;
- (h) Reallocation of interests in Common Area or rights to their use;
- (i) Redefinition of any Living Unit boundaries;
- (j) Conversion of Living Units into Common Area or Common Area into Living Units;
- (k) Expansion or contraction of the Project, or the addition, annexation or withdrawal of property to or from the Project, except as allowed for additional phases or annexations in accordance with the initial Governing Documents;
- (l) Change in required insurance coverage;
- (m) Imposition of any restrictions on the leasing or rental of Living Units; and/or
- (n) Imposition of any restrictions on an Owner's right to sell or transfer a Living Unit.

13.4.3 Deemed Approval

An Eligible Mortgage Holder who receives a written request to approve additions or amendments without delivering or posting to the requesting party a negative response within sixty (60) days after the notice of the proposed addition or amendment, shall be deemed to have approved

such request, provided the notice has been delivered to the Eligible Mortgage Holder by certified or first class mail, postage prepaid.

13.5 Actions Requiring Eligible Mortgage Holder Approval

Except as provided by statute in case of condemnation or substantial loss to the Condominiums and/or common elements of the Project, unless at least two-thirds ($\frac{2}{3}$) of the Eligible Mortgage Holders (based upon one (1) vote for each First Mortgage owned), or Owners of the Condominiums have given their prior written approval, the Association and/or the Owners shall not be entitled to:

(a) by act or omission, seek to abandon or terminate the Project as a condominium project, except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

(b) change the pro rata interest or obligations of any individual Condominium for the purpose of: (1) levying Assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (2) determining the pro rata share of ownership of each Condominium in the Common Area; provided that no Owner's undivided interest in the Common Area may be changed without the consent of that Owner;

(c) partition or subdivide any Condominium;

(d) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area by the Project shall not be deemed a transfer within the meaning of this provision);

(e) use hazard insurance proceeds for losses to any of the property or improvements owned by the Association for other than the repair, replacement or reconstruction of such property and improvements.

13.6 Right of First Refusal

The right of an Owner to sell, transfer, or otherwise convey his or her Condominium shall not be subject to any right of first refusal or similar restriction.

13.7 Reserves

The Association shall establish and maintain a reserve fund for replacements in a reserve account separate from the operating account.

13.8 Priority of Liens

Any Assessment lien created under the provisions of this Declaration is expressly made subject and subordinate to the lien and encumbrance of any First Mortgage that encumbers all or any portion of the Project, or any Living Unit. Each First Lender who comes into possession of the Condominium by virtue of Foreclosure (as defined in **Section 1.23**) of the Mortgage, or any purchaser at a Foreclosure, will take the Condominium free of any lien for unpaid Assessments and fees, late charges, fines or interest levied in connection with such claims, against the Condominium which accrued up to the time of the Foreclosure sale, except for claims for a pro rata share of such Assessments or charges to all Condominiums including the mortgaged Condominium, and except for Assessment liens as to which a notice of delinquent assessment has been recorded prior to the Mortgage.

13.9 Distribution of Insurance or Condemnation Proceeds

No provision of the Governing Documents gives an Owner, or any other party, priority over any rights of First Lenders in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or taking of Condominiums and/or Common Area.

13.10 Right to Appear at Meetings

Any Eligible Mortgage Holder may appear (but cannot vote) at meetings of Owners and the Board to draw attention to violations of this Declaration that have not been corrected or that have been made the subject of remedial proceedings or Assessments.

ARTICLE XIV GENERAL PROVISIONS

14.1 Severability

Invalidation of any one of these covenants, conditions and restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

14.2 Term

The covenants, conditions and restrictions of this Declaration shall run with and bind the Project, and inure to the benefit of and shall be enforceable by the Association or any Owner, their respective legal representatives, heirs and successors and assigns for a period of thirty (30) years from the date this Declaration is recorded after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by two-thirds ($\frac{2}{3}$) of the then Owners, has been recorded agreeing to terminate this Declaration.

14.3 Construction

The provisions of this Declaration shall be liberally construed to effectuate its purposes of creating a uniform plan for the maintenance of a residential community of common recreational facilities and Common Areas. Paragraph headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

14.4 Amendments

This Declaration may be amended only by the affirmative vote of Members representing a majority of the Owners of the Association, and the amendment shall become effective upon the recording with the Office of the County Recorder of San Diego County, California; provided, however, that any change referenced in **Section 13.4.2** is subject to written approval of at least fifty-one percent (51%) of Eligible Mortgage Holders as defined in **Section 1.20** of this Declaration (based on one vote for each first Mortgage owned). The failure of any Eligible Mortgage Holder to respond negatively within sixty (60) days after mailing by first class mail, postage prepaid, a request to amend this Declaration shall be deemed approved.

14.5 Singular Includes Plural

Whenever the context of this Declaration requires same, the singular shall include the plural and the masculine shall include the feminine.

14.6 Nuisance

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.

14.7 Waiver

The failure of any Owner, the Board, 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 set forth 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.

14.8 Cumulative Remedies

Each remedy provided for in this Declaration shall be cumulative and not exclusive.

14.9 Conflict of Governing Documents

If there is an inconsistency between the Articles and the Declaration, the Declaration controls. If there is any inconsistency between the Bylaws and the Articles, the Articles will control. The Association Rules shall not include a provision that is inconsistent with the Declaration, Articles or Bylaws.

14.10 Joint and Several Liability

In the case of joint ownership of a Condominium, the liability of each of the Owners thereof in connection with the liabilities and obligations of Owners set forth in or imposed by this Declaration shall be joint and several.

14.11 Annexation Pursuant to Approval

Upon the vote or written consent of not less than sixty-seven percent (67%) of the Association voting power, any person who desires to add real property to the plan of this Declaration and to subject such property to the jurisdiction of the Association may file of record a supplementary declaration. A certificate of the president and secretary of the Association attached to any supplemental declaration recorded pursuant to this Section verifying that the required sixty-seven percent (67%) of the Association voting power has approved the recordation of such supplementary declaration shall be deemed conclusive proof thereof.

14.12 Statutory Changes; Conflicts; No Liability for Following Law

Many provisions of this Declaration are drafted to comply with current California law applicable to the operation of a common interest subdivision. Provisions of these laws can and likely will change. In the event a law changes, the following shall apply:

14.12.1 Successor Law Supersedes this Declaration

In the event a law change supersedes provisions of this Declaration, such changed law shall control over provisions of this Declaration that conflict with the successor law.

14.12.2 Changed Law Allows Declaration to Prevail

If the changed law does not conflict with the provisions of this Declaration, this Declaration shall control.

14.12.3 Changed Law Deletes Provisions Repeated in this Declaration

If the changed law deletes any statutory requirement repeated in this Declaration, the Board may, after not less than thirty (30) days notice to the Owners, record an amendment revising the provision of this Declaration affected by the new law to conform with the language of the new law. Such amendment to restate, verbatim, changed laws does not need to comply with the Owner approval requirements set forth in **Section 14.4**.

14.12.4 No Liability for Following Changed Law

Provided any federal, state or local statute, law or ordinance is inconsistent with any provision(s) of this Declaration, and compliance with that statute, law or ordinance is mandatory, neither the Association, the Board, nor any director thereof, shall have any liability for complying with the federal, state or local statute, law or ordinance rather than with the inconsistent provision(s) of this Declaration.

IN WITNESS WHEREOF, Matt Baylot and Marcie Yellin hereby declare under penalty of perjury under the laws of the State of California as required under Civil Code Section 4270(a) that:

(a) We are the President and Secretary, respectively, of the Playmor Bernardo Homeowners Association, a California nonprofit mutual benefit corporation; and

[THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK.]

(b) The foregoing 2014 Amended and Restated Declaration of Covenants, Conditions and Restrictions of the Playmor Bernardo Homeowners Association was approved by the requisite percentage of the Members of the Association and if applicable, of the Eligible Mortgage Holders.

Dated: Oct. 9, 2014

Matthew Baylot

Matthew Baylot, President, Playmor Bernardo Homeowners Association

Matthew Baylot

Name Printed

Dated: Oct. 9, 2014

Marcie Yellin

Marcie Yellin, Secretary, Playmor Bernardo Homeowners Association

Marcie Yellin

Name Printed

ACKNOWLEDGMENT

State of California)
 : s.s.
County of San Diego)

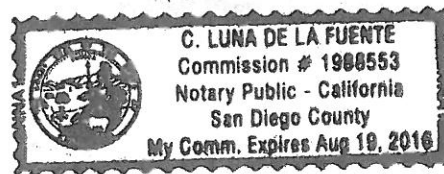
On Oct. 9, 2014 before me, C. Luna de la Fuente Notary Public, personally appeared Marcie Yellin, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

C. Luna de la Fuente

[Seal]



ACKNOWLEDGMENT

State of California)
 : s.s.
County of San Diego)

On Oct. 9, 2014 before me, C. Luna de la Fuente, Notary Public, personally appeared Matthew Baylot, who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

C. Luna de la Fuente

[Seal]



EXHIBIT "A"
COMMON AREA INTEREST PER UNIT

Exhibit "A" is incorporated by reference from the First Restated Declaration of Covenants, Conditions & Restrictions of Playmor Bernardo Homeowners Association, which was recorded in the Official Records of the San Diego County Recorder's Office on July 14, 1994 as Document No. 1994-0438840.

Exhibit "A" is not attached to this Declaration because its legibility did not meet the standards required for recordation at the time the 2014 Amended and Restated Declaration was recorded.

PLAYMOR BERNARDO HOMEOWNERS ASSOCIATION MAINTENANCE RESPONSIBILITY CHECKLIST

IMPROVEMENT

MAINTENANCE OBLIGATION AND RESPONSIBLE PARTY

INTERIOR	Full Maintenance Responsibility ¹	Maintain in a Clean and Attractive Condition	Repair	Replace	Paint
Appliances	○				
Carpeting	○				
Caulking - bathrooms, kitchens	○				
Chimney flues - sweeping	○				
Doorbell - components	○				
Doors - glass	○				
Fireplaces - firebox	○				
Fireplaces - mantle	○				
Floor coverings	○				
Garbage disposal	○				
Lighting fixtures	○				
Painted surfaces	○				
Wallpaper and paneling	○				
Window glass	○				
Window flashing and waterproofing		○	○	○	
Window frames		○	○	○	○ interior A exterior
Window hardware		○	○	○	

¹Full Maintenance Responsibility includes maintaining, cleaning, repairing, replacing and painting, where applicable.

O=Owner

A=Association

N/A=Not Applicable

ESU= "Exclusively Serving One Unit" regardless of the location of the building element

6/3/2014

PLAYMOR BERNARDO HOMEOWNERS ASSOCIATION MAINTENANCE RESPONSIBILITY CHECKLIST

IMPROVEMENT

MAINTENANCE OBLIGATION AND RESPONSIBLE PARTY

EXTERIOR	Full Maintenance Responsibility	Maintain in a Clean and Attractive Condition	Repair	Replace	Paint
Air conditioning system - ESU	O				
Antennas or satellite dishes - ESU	O				
Building surfaces	A				
Caulking	A				
Chimneys	A				
Doors - entry - flashing/waterproofing	O				
Doors - entry - frame	A				
Doors - entry - locks and hardware	O				
Doors - entry		O	A	A	A
Doors - screen	O				
Doors - sliding	O				
Doors - security	O				
Faucets, handles, washers - exclusively serving a Unit	O				
Fences - common area	A				
Fences - separating common area from exclusive use area		A outside O inside	A	A	A outside O inside
Fences - separating Unit Restricted Common Areas	A				

O=Owner

A=Association

N/A=Not Applicable

ESU= "Exclusively Serving One Unit" regardless of the location of the building element

6/3/2014

PLAYMOR BERNARDO HOMEOWNERS ASSOCIATION MAINTENANCE RESPONSIBILITY CHECKLIST

IMPROVEMENT MAINTENANCE OBLIGATION AND RESPONSIBLE PARTY

EXTERIOR (CONT'D)	Full Maintenance Responsibility	Maintain in a Clean and Attractive Condition	Repair	Replace	Paint
Fireplace - exterior stone/bricks	A	/	/	/	/
Gutters and downspouts	A	/	/	/	/
Heating system - ESU	O	/	/	/	/
Lighting fixtures - switches located within a Unit	O	/	/	/	/
Screens - windows and doors	O	/	/	/	/
Skylights - flashing and waterproofing	O	/	/	/	/
Skylights - frame and glass	O	/	/	/	/
Stucco	A	/	/	/	/
Trim - wood	A	/	/	/	/
RESTRICTED COMMON AREAS/ PATIOS/ BALCONIES					
Drains	O	/	/	/	/
Deck membranes/waterproofing	/	O	A	A	A
Deck railings	/	O	A	A	A
Drainage systems, ditches, catch basins	A	/	/	/	/
Patios	/	O	A if not altered by Owner; O if altered by Owner	A	/

O=Owner
A=Association
N/A=Not Applicable
ESU= "Exclusively Serving One Unit" regardless of the location of the building element
6/3/2014

PLAYMOR BERNARDO HOMEOWNERS ASSOCIATION MAINTENANCE RESPONSIBILITY CHECKLIST

IMPROVEMENT

MAINTENANCE OBLIGATION AND RESPONSIBLE PARTY

RESTRICTED COMMON AREAS/ PATIOS/ BALCONIES (CONT'D)	Full Maintenance Responsibility	Maintain in a Clean and Attractive Condition	Repair	Replace	Paint
Patio covers - original construction	O	/	/	/	/
Patio covers - owner installed	O	/	/	/	/
Patio sliding doors - glass	O	/	/	/	/
Patio sliding doors - flashing/waterproofing	O	/	/	/	/
Patio sliding doors - frames and tracks	O	/	/	/	/
Patio sliding doors - hardware	O	/	/	/	/
GARAGE					
Doors - garage - electric openers and remote controls	O	/	/	/	/
Doors - garage - locks and hardware	O	/	/	/	/
Doors - garage	A	/	/	/	/
UTILITIES/WIRING/ PLUMBING					
Cable TV wiring	O	/	/	/	/
Drains - bathtubs/showers/ sinks	O	/	/	/	/
Electrical panel/circuit breakers - ESU	O	/	/	/	/
Electrical switches, sockets, wallplates - exterior	/	O	O if ESU A if in common area	O if ESU A if in common area	O if ESU A if in common area

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IMPROVEMENT

MAINTENANCE OBLIGATION AND RESPONSIBLE PARTY

UTILITIES/WIRING/ PLUMBING (CONT'D)	Full Maintenance Responsibility	Maintain in a Clean and Attractive Condition	Repair	Replace	Paint
Electrical switches, sockets, wallplates - interior	O				
Electrical wiring - interior - ESU	O				
Fire extinguisher	O				
Gas lines - interior	O				
Plumbing fixtures - toilets/ tubs/sinks/faucets/etc	O				
Plumbing lines - interior (behind walls, in floors, above ceilings) - ESU	O				
Plumbing lines serving more than one Unit	A				
Sewer lines - ESU	O				
Telephone wiring	O				
Toilet and sewer backups	O				
Toilets - wax rings	O				
Toilets - fixtures and components	O				
Water heater(s) - ESU	O				
Water lines - shutoff to Unit interior	O				
Water lines - shutoff to street	A				
Water softeners	O				

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IMPROVEMENT

MAINTENANCE OBLIGATION AND RESPONSIBLE PARTY

COMMON AREAS	Full Maintenance Responsibility	Maintain in a Clean and Attractive Condition	Repair	Replace	Paint
Carpeting - common areas, recreation areas	A				
Common area improvements	A				
Landscaping - common area	A				
Lighting fixtures	A				
Parking space - concrete/asphalt surfaces	A				
Pool	A				
Private streets and/or common driveways	A				
Pump and filter room	A				
Sewer lines - common area	A				
Sidewalks	A				
Spa	A				
Tennis courts	A				

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IMPROVEMENT	MAINTENANCE OBLIGATION AND RESPONSIBLE PARTY				
PEST CONTROL	Full Maintenance Responsibility	Maintain in a Clean and Attractive Condition	Repair	Replace	Paint
Spraying for household pests (ants, fleas, etc.) - interior	O	/	/	/	/
Spraying for landscaping pests (ants, fleas, etc.) - exterior common area	A	/	/	/	/
Spraying for landscaping pests (Restricted Common Area patios)	O	/	/	/	/
Termite eradication and repair of damage occasioned by wood destroying pests or organisms	A	/	/	/	/

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