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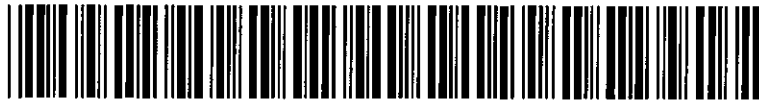
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**FOURTH AMENDED AND RESTATED
DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
OF VILLA MARGARITA OWNERS' ASSOCIATION,
A CALIFORNIA NON-PROFIT CORPORATION**

**FOURTH AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF
VILLA MARGARITA OWNERS' ASSOCIATION,
A CALIFORNIA NON-PROFIT CORPORATION**

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**FOURTH AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF VILLA MARGARITA OWNERS' ASSOCIATION**
A California Non-Profit Corporation

This Fourth Amended and Restated Declaration of Covenants, Conditions and Restrictions of VILLA MARGARITA OWNERS' ASSOCIATION is made this ____ day of _____, 2019, by the undersigned with reference to the following facts:

A. A Declaration of Covenants, Conditions and Restrictions ("Declaration") for the real property was recorded as Instrument No. 80-11592 on January 4, 1980 in the office of the County Recorder of Los Angeles County.

B. A First Amendment to the Declaration was recorded as Instrument No. 80-11546 on January 4, 1980 in the office of the County Recorder of Los Angeles County.

C. A Second Amendment to the Declaration was recorded as Instrument No. 80-97605 on January 28, 1980 in the office of the County Recorder of Los Angeles County.

D. A Third Amendment to the Declaration was recorded as Instrument No. 20180893592 on September 4, 2018 in the office of the County Recorder of Los Angeles County.

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

F. The undersigned desire to amend and restate and by this Restated Declaration do, in fact, amend and restate said Declaration of Covenants, Conditions and Restrictions in its entirety, except for Article III, Section 1, and Article XVI, Section 21, of the Third Amendment to the Declaration, and Article XIV of the original Declaration, which Articles and Sections shall remain in full force and effect with this Fourth Amended and Restated Declaration. This Fourth Amended and Restated Declaration shall supersede all prior and superseding Declarations and amendments, except as specifically provided otherwise herein.

RECITALS

A. Declarant was the original owner of that certain real property ("Property") located at 4365 McLaughlin Avenue, Los Angeles, California, which is more particularly described as: Lot 1 of Tract No. 23713 in the City of Los Angeles, County of Los Angeles, State of California as per map recorded in Book 907, Pages 3 and 4 of Maps, in the Office of the County Recorder of Los Angeles County.

B. Declarant conveyed the Property, subject to certain easements, protective covenants, conditions, restrictions, reservations, liens and charges as set forth in the original Declaration, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of 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.

ARTICLE I **DEFINITIONS**

1.1 "Articles" means the Articles of Incorporation of VILLA MARGARITA OWNERS' ASSOCIATION filed in the Office of the Secretary of State of the State of California.

1.2 "Assessment" means that portion of the costs of maintaining, improving, repairing, operating, and managing the Project that is to be paid by each Owner as determined by the Association, and includes regular and special assessments. Special Individual Assessment means a charge or expense levied against an individual Owner to reimburse the Association for expenses incurred by the Association to repair the Common Area damaged by the Owner, his/her/their family, tenants, or guests or to bring the Owner into compliance with the governing documents of the Association.

1.3 "Association" means VILLA MARGARITA OWNERS' ASSOCIATION, a California Non-Profit Corporation, its successors and assigns. The Association is an "association" as defined in California Civil Code Section 4080. The Association's Members are

the record owners of each of the condominium Condominiums which are located on the Property.

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

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

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

1.7 "Common Area" means the entire Property except all Condominiums, as defined and shown on the Condominium Plan. Balconies, patios and parking spaces are part of the Condominiums. Unless the context clearly indicates a contrary intent, any reference herein to the "Common Areas" shall also include any Common Facilities located thereon. Each Owner owns a 1/36 interest in and to the common area as a tenant-in-common.

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

1.9 "Common Facilities" means the lobby, parking garage, unassigned parking spaces, elevator, mailboxes, fences, gates, block walls, pool and spa, walkways, stairs, trees, hedges, plants, lawns, shrubs, landscaping, sprinklers, lighting fixtures, pipes in the Common Area, buildings, structures and other facilities constructed or installed, or to be constructed or installed, or located within the Common Area.

1.10 "Condominium" means an estate in real property as described in the California Civil Code Sections 783 and 4125 consisting of an undivided interest as a tenant in common in all of the Common Area, together with a separate fee interest in a Condominium and any other separate interests in the real property as are described in this Declaration, in the Condominium Plan, or in the deed conveying the Condominium. The Condominium includes, the patio, balcony and parking spaces designated in the Condominium Plan.

1.11 "Condominium Plan" means the Condominium Plan recorded on as Instrument No. 80-11591 in the Official Records of Los Angeles County, respecting the Property, and any amendments to the plan.

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

1.13 "Exclusive Use Common Area" means a portion of the Common Area designated for the exclusive use of one or more, but fewer than all, of the Owners of Condominiums. Exclusive Use Common Area includes mailboxes, and storage units, sheds, bins, and lockers.

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

1.15 "He/she/they" and him/her/their shall be deemed to include "it" and "its" referring to entities including, but not limited to, corporations, partnerships, trusts, and other non-person organizations or business forms.

1.16 "Improvement" includes, without limitation, the construction, installation, alteration, replacement, modification or remodeling of any buildings, walls, fences, landscaping, landscape structures, antennas, utility lines, storage shed, or any exterior structure of any kind.

1.17 "Member" means every person or entity who is the record Owner of a Condominium and holds a membership in the Association and whose rights as a Member are not suspended pursuant to this Declaration.

1.18 "Mortgage" means any Deed recorded as security for a loan made to the Owner of a Condominium.

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

1.20 "Project" means the Property and the improvements located thereon which are intended to create a condominium project as described in California Civil Code Section 4125.

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

1.22 "Resident" means any Owner, tenant, lessee, or other permanent occupant of a Condominium.

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

1.24 "Tenant" means tenant, lessee, guest, contract purchaser, or anyone other than the Owner of the Condominium who is residing in the Condominium.

ARTICLE II

PROPERTY RIGHTS AND OBLIGATIONS OF OWNERS

2.1 Elements of Condominium. Ownership of each Condominium within the Project includes a Condominium; an undivided interest in the Common Area which is specified in the deed to each Owner; a membership in the Association; and any exclusive or nonexclusive easement or easements appurtenant to such Condominium over the Common Area as described in the Declaration, the Condominium Plan and the deed to the Condominium. The storage sheds, bins, lockers and units and parking spaces are Exclusive Use Common Area for the exclusive use of the Owner or occupant of the Condominium to which these components are attached.

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

(a) The right of the Association to assign, rent, lease, license, charge reasonable admission and other fees for, and to otherwise designate and control the use of Common Facilities, including, but not limited to, unassigned parking spaces and to limit the number of guests of Members who may use any recreational Common Facilities.

(b) The right of the Association to adopt Association Rules regulating the use and enjoyment of the Property for the benefit and well-being of the Owners in common, and, in the event of the breach of such rules or any provision of any Governing Document by any Owner, Resident or guest, to temporarily suspend the voting rights and/or right to use the common facilities, other than for ingress and egress, by any Owner and/or Resident or guests, after notice and a hearing, as set forth in the Bylaws.

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

2.3 Persons Subject to Governing Documents. All present and future Owners, Residents, and guests within the Property shall be subject to, and shall comply with, each and every provision of the Governing Documents, as the same or any of them shall be amended from time to time. The acceptance of a deed to any Condominium, the entering into a lease, sublease or contract of sale with respect to any Condominium, or the occupancy of any Condominium shall constitute the consent and agreement of such Owner and Resident that each and all of the

provisions of this Declaration, as the same or any of them may be amended from time to time, shall be binding upon said person and that said person will observe and comply with the Governing Documents.

ARTICLE III **HOMEOWNERS ASSOCIATION**

3.1 Association Membership. Every Owner of a Condominium shall be a Member of the Association. Each Owner shall hold one membership in the Association for each Condominium owned. Membership in the Association shall cease at such time as the Member's ownership in a Condominium within the complex ceases. Persons or entities who hold an interest in a Condominium merely as security for performance of an obligation are not Members until such time as the security holder comes into title to the Condominium through foreclosure or deed in lieu thereof. Occupancy of a Condominium does not confer membership unless title is recorded in the occupant's name.

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

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

3.4 Assessments. The Association shall have the power to establish, fix and levy Assessments against the Owners of Condominiums within the Property and to enforce payment of such Assessments in accordance with the provisions of this Declaration and the law. Every Owner, by acceptance of a Deed to a Condominium, agrees to pay to the Association all assessments established and levied by the Board of Directors against the Members or individually against one Member.

3.5 Powers and Authority of the Association.

(a) Powers Generally. The Association, acting through its duly elected Board of Directors, shall have the responsibility of managing and maintaining the Common Areas and Common Facilities and discharging the other duties and responsibilities imposed on the Association by the Governing Documents. In the discharge of such responsibilities and duties, the Association shall have all of the powers of a non-profit corporation organized under the laws of the State of California in the ownership and management of its properties and the discharge of its responsibilities hereunder for the benefit of its Members, subject only to such limitations

upon the exercise of such powers as are expressly set forth in the Governing Documents. The Association shall have the power to do any and all lawful things which may be authorized, required or permitted to be done under and by virtue of the Governing Documents, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Association for the peace, health, comfort, safety or general welfare of the Owners. The specific powers of the Association and the limitations thereon shall be as set forth herein and in the Bylaws.

(b) Association's Right of Entry. The Association, its contractors and/or its agents shall have the right, when necessary, to enter any Condominium or Exclusive Use Common Area to perform the Association's obligations under this Declaration. The purposes for which the Association or its contractors or agents may enter a Condominium include: (1) to perform maintenance or repair obligations; (2) to perform obligations to enforce the Governing Documents; (3) to perform any obligations with respect to construction, maintenance and repair of adjacent Common Facilities; or (4) after 15 days' written notice to make necessary repairs that an Owner has failed to perform which, if left undone, will pose a threat to, or cause an unreasonable interference with, Association property or the Owners in common.

The Association's rights of entry under this subparagraph (b) shall be immediate in case of an emergency originating in or threatening the Condominium where entry is required, or any adjoining Condominium or Common Area, and the Association's work may be performed under such circumstances whether or not the Owner or Resident is present. In all non-emergency situations, the Association or its agents shall furnish the Owner or Resident with at least 72 hours' written notice of its intent to enter the Condominium, specifying the purpose and scheduled time of such entry and shall make every reasonable effort to perform its work and schedule its entry in a manner that respects the privacy of the persons residing within the Condominium. If the Owner or Resident fails or refuses to provide entry to the Association, its contractors and or/its agents after 72 hours' notice or in an emergency situation which could cause damage to the Common Area and Condominiums, the Association shall have the power to assess, as a Special Assessment, any increased costs of construction and re-scheduling the work incurred by the Association as a result of the delay in entry and attorneys' fees and costs, as well as the power to obtain a court order.

(c) Repair of Common Area. For any work for which the cost will exceed **\$10,000.00**, the Board shall interview and obtain bids from a minimum of three (3) licensed and insured contractors who are familiar with the work to be done and who regularly perform work for community associations. The Board shall verify the contractors' licenses with the Contractors State License Board to ensure they are in good standing. The Board shall contact references to ensure that the contractors are qualified and reliable and have worked on similar projects. The Board shall ensure that the contractor selected maintains liability insurance of at least \$2,000,000.00 and Workers' Compensation in a statutory amount. The contractor shall be required to name the Association as an additional insured on its insurance during the time the work is being done. The Board may, in its discretion, require the contractor to furnish a

completion bond, assuring completion of the work and payment of all labor and materials bills for which a lien on the Common Area or any residential Condominium could be claimed. The Board shall enter into a written contract defining the scope of the work, the start and completion dates, the payment schedule, and the requirement of providing Mechanic's lien releases, the procedure for submitting applications for payment, the term of warranty for labor and materials, and a ten percent retention on all payments until completion of the project.

3.6 Association Rules.

(a) Rule-Making Power. The Board may, from time to time and subject to the provisions of this Declaration and Civil Code Section 4370, by a majority vote of the Board, propose, enact and amend rules and regulations of general application to the Owners, Residents, and guests of Owners and Residents of Condominiums within the Property. Except for rules which are adopted to address an imminent threat to public health or safety or risk of substantial economic loss, the Board must provide 30 days' written notice of changes in or the adoption of rules concerning the use of the Common Area and Exclusive Use Common Area, the use of a Condominium, member discipline, payment plans standards for delinquent assessments, architectural standards and guidelines for modifications to Condominiums and the Exclusive Use Common Area, and procedures for the resolution of assessment disputes. The Notice must be accompanied by the text of the proposed rule, the purpose of the rule, and the effect of the rule.

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

(b) Distribution of Rules. A copy of the Association Rules, as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner within 15 days of adoption.

(c) Adoption and Amendment of Rules. Any duly adopted rule or amendment to the Rules shall become effective upon distribution to the Owners.

3.7 Breach of Rules or Restrictions.

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

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

(a) Claims Regarding Breach of Duty. No director, officer or agent of the Association shall be personally liable to any of the Association's Members, or to any other

person, for any error or omission in the discharge of their duties and responsibilities or for their failure to provide any service required hereunder or under the Bylaws, provided that such director or officer has, upon the basis of such information as may be possessed by the director or officer, acted in good faith, in a manner that such person believes to be in the best interests of the Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

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

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

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

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

(4) The Association maintained and had in effect at the time the act or omission occurred and at the time a claim was made one or more policies of insurance that include coverage for general liability of the Association in a sum not less than \$2,000,000 or such larger amount set by statute and individual liability of the officers and directors of the Association for negligent acts or omissions in their official capacities, with minimum coverage of insurance being not less than \$500,000 or such larger amount as set by statute.

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

The provisions of this subparagraph (b) are intended to reflect the protections provided to volunteer directors and officers of community associations under Civil Code §5800. In the event that Civil Code section is amended or superseded by another, similar provision of the California statutes, this subparagraph (b) shall be deemed amended, without the necessity of further Member approval, to correspond to the amended or successor Civil Code provision.

(c) Claims Involving Property Damage. No director, officer, nor agent shall be liable to any Owner or Resident, or their family members or guests for damages due to theft of personal property from within a Condominium, patio or balcony, or from the Common Area, including, but not limited to, the parking garage.

ARTICLE IV **ASSESSMENTS**

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

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

4.3 Failure to Make Estimate. If, for any reason, the Board of Directors fails to make an estimate of the Common Expenses for any fiscal year, then the Regular Assessment made for the preceding fiscal year shall be assessed against each Owner and his or her Condominium for the fiscal year for which no estimate of common expenses has been made, and installment payments based upon such automatic Assessment shall be payable on the regular payment dates established by the Association.

4.4 Installment Payment of Assessments. The Regular Assessment levied against each Owner and his or her Condominium shall be due and payable in advance to the Association in equal monthly installments on the first day of each month. Installments of Regular Assessments shall be delinquent if not paid by the 15th day of the month in which the Assessment is due. If Regular Assessments, Special or Emergency Assessments are delinquent, the Board may assess the delinquent Owner with late charges, interest, collection costs, and legal fees and costs.

4.5 Method of Determining Assessments. The Regular Assessment and any Special Assessments levied upon all Owners shall be allocated among, assessed against, and charged to each Owner on an equal basis so that each Owner is responsible for 1/36th of the assessments.

4.6 Assessments to Address Emergency Situations. The requirement of a membership vote to approve Regular Assessment increases in excess of 20 percent of the previous year's Regular Assessment shall not apply to assessment increases necessary to address emergency situations, as defined in Civil Code Section 5610.

4.7 Special Assessments.

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

(1) Regular Assessment Insufficient in Amount. If, at any time, the Regular Assessment for any fiscal year is insufficient in amount due to extraordinary expenses not contemplated in the budget prepared for said fiscal year, then the Board of Directors shall levy and collect a Special Assessment. The Special Assessment may be payable over such period of time as the Board shall determine is in the best interests of the Association's members, for the purpose of defraying, in whole or in part, any deficit which the Association may incur in the performance of its duties and the discharge of its obligations hereunder.

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

(3) Loan Repayments. The Board may levy Special Assessments to repay disaster loans or loans obtained for the purpose of repairing Common Area facilities or financing litigation, subject to the vote or written assent of a majority of a quorum of the Owners. Any Special Assessment levied to repay the Small Business Administration (SBA) or any other long-term loan shall be payable monthly or as otherwise determined by the Board. Upon voluntary sale of a Condominium, either the total balance of the Special Assessment shall be paid at the close of escrow or the buyer shall assume or be deemed to assume the monthly payments. In the case of a foreclosure, the foreclosing lender shall be responsible for monthly payments from the date of foreclosure until re-sale of the Condominium and shall require as a condition of escrow that the purchaser assume the monthly payments.

(4) Damage to Common Area or Common Facilities. The Board may levy a Special Assessment to pay for repairs to the Common Area or Common Facilities resulting from construction defects or other damage for which there is no or insufficient insurance coverage.

(5) Special Individual Assessment. The Board of Directors may levy a Special Individual Assessment to reimburse the Association for expenses, including attorneys' fees and costs, incurred by the Association due to the failure of an Owner to comply with the Governing Documents, as set forth below. If the Special Individual Assessment is to reimburse the Association for damage to the Common Area, the Board shall not levy the Special Individual Assessment until after notice and a hearing.

(b) Special Assessments Requiring Owner Approval. No Special Assessments which in the aggregate exceed five percent (5%) of the budgeted gross expenses of the

Association for the fiscal year in which the Special Assessment(s) is levied shall be made without the vote or written assent of Owners, constituting a quorum, casting a majority of the votes at a meeting or election of the Association.

(c) Allocation and Payment of Special Assessments. When levied by the Board or approved by the Owners as provided above, the Special Assessment shall be divided among, assessed against and charged to each Owner and his or her Condominium on an equal basis, except for a Special Individual Assessment.

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

4.8 Special Individual Assessments.

(a) Circumstances Giving Rise to Special Individual Assessments. In addition to the Special Assessments levied against all Owners in accordance with Section 4.7, above, the Board of Directors may impose Special Individual Assessments against an Owner in any of the following circumstances:

(1) Damage to Common Area or Common Facilities. In the event that any damage to, or destruction of, any portion of the Common Area or the Common Facilities, including any portion of a Condominium which the Association is obligated to repair and maintain is caused by the willful misconduct or negligent act or omission of any Owner, any Resident, any member of his or her family, or any of his or her tenants, guests, servants, employees, licensees or invitees, the Board shall cause the same to be repaired or replaced, and all costs and expenses incurred in connection therewith shall be assessed and charged solely to and against such Owner as a Special Individual Assessment following notice and the opportunity for a hearing.

(2) Expenses Incurred in Gaining Member Compliance. In the event that the Association incurs any costs or expenses, to accomplish (A) any repair, maintenance or replacement to any portion of the Property that the Owner is responsible to maintain under the Governing Documents but has failed to undertake or complete after 15 days' written notice or (B) to otherwise bring the Owner and/or his or her Condominium into compliance with any provision of the Governing Documents, the amount incurred by the Association (including reasonable attorneys' fees, but excluding fines) shall be assessed and charged solely to and against such Owner as a Reimbursement Assessment following notice and the opportunity for a hearing.

(b) Levy of Special Individual Assessment and Payment. Once a Special Individual Assessment has been levied against an Owner for any reason described, notice of such Special Individual Assessment shall be mailed to the affected Owner and the Special Individual Assessment shall thereafter be due as a separate debt of the Owner payable in full to the

Association within 30 days after the mailing of notice of the Assessment, or within such other time period as the Board may determine. The Board may record a lien should the Owner not pay the Special Individual Assessment within the time period determined by the Board. The Board may pursue all remedies available to collect a Special Individual Assessment as if it were any other assessment.

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

4.10 Collection of Assessments; Enforcement of Liens.

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

(b) Effect of Nonpayment of Assessments.

(1) Creation and Imposition of a Lien for Delinquent Assessments. As more particularly provided in California Civil Code Section 5675 or comparable superseding statute, the amount of any delinquent Regular, Special, Special Individual, or Emergency Assessment, together with any late charges, interest and collection costs (including reasonable attorneys' fees) shall become a lien upon the Condominium of the Owner so assessed only when the Association causes to be recorded in the Office of the County Recorder of the County, a Notice of Delinquent Assessment executed by an authorized agent or representative of the Association. At least thirty (30) days prior to recording an assessment lien, the Association shall follow all pre-lien procedures set forth in California Civil Code Section 5660, as may be amended from time to time, including sending a pre-lien letter by certified mail to the delinquent Owner and providing the Owner with all legally-required notifications of an Owner's rights. The decision to record a lien shall be made by the Board at an open meeting. Upon payment in full of the sums specified in the assessment lien, and such sums as may become due and be charged up to the date of payment, the Association shall cause to be recorded a release of the assessment lien.

(2) Remedies Available to the Association to Collect Assessments. After the expiration of thirty (30) days following the recording of an assessment lien and, if all legal requirements are met, the Association may initiate a legal action against the Owner personally obligated to pay the delinquent Assessment for a money judgment and/or foreclose its lien against the Owner's Condominium. In order for the Association to initiate foreclosure of its assessment lien, the Owner must be delinquent in the payment of assessments for twelve (12) months or in the sum of at least \$1,800 in assessments. The Association may, alternatively, file an action in Small Claims Court for a money judgment without waiting for assessments to reach \$1,800 or for twelve months to pass without payment. The Association may accept a deed in lieu of foreclosure. Foreclosure by the Association of its lien may be by judicial foreclosure or by non-judicial foreclosure.

4.11 Assignment of Rents. Each Owner does hereby presently assign to the Association, absolutely and regardless of possession of the property, all rents and other monies now due or hereafter to become due under any lease of a Condominium within the project for the purpose of collecting all Assessments due the Association which are in default. The Association hereby confers on each Owner the authority to collect and retain the rents and other monies derived from any such lease as they become due and payable, provided that the Association in its sole discretion, may revoke such authority at any time, upon written notice to the Owner of a default in the payment of any Assessment. Upon revocation of such authority the Association may collect and retain such monies, whether past due and unpaid or current.

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

4.13 Prohibition on Avoidance of Obligations. No Owner may, by non-use of the Common Area or Common Facilities, abandonment of the Owner's Condominium or otherwise, avoid the burdens and obligations imposed on such Owner by the Governing Documents, including, without limitation, the payment of Assessments levied against the Owner and his or her Condominium pursuant to this Declaration. There shall be no offsets asserted against assessments for any reason.

4.14 Termination of Obligations. Upon the conveyance, sale, assignment or other bona fide transfer of a Condominium to a new Owner, the transferor-Owner shall not be liable for any Assessments levied with respect to such Condominium which become due after the date of recording of the deed evidencing said transfer and, upon such recording, all Association membership rights possessed by the transferor by virtue of the ownership of said Condominium shall cease. In a voluntary conveyance of a Condominium or transfer of the Owner's interest by Quitclaim Deed, the grantee of same shall be jointly and severally liable with the grantor for all unpaid assessments up to the time of transfer of title.

4.15 Priority of Mortgage. No breach of any provision herein contained nor the enforcement of any assessment lien as provided herein shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value, but all of the provisions shall be binding upon and shall be effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise.

The lien or charge of any first mortgage of record (meaning any recorded mortgage or trust deed) made in good faith and for value shall have priority over the lien for the maintenance assessment provided herein.

4.16 Personal Obligation. All assessments, late charges, interest, collection costs and attorney's fees and costs shall be a debt and personal obligation of the person or entity who was the Owner of the Condominium at the time the assessment was levied. No person shall be liable for delinquent assessments of prior Owners of the Condominium unless the Owner expressly assumes personal liability for the assessments. Otherwise, any delinquent assessments owed by a previous Owner shall remain the debt of the previous Owner against whom the assessment was levied. Every Owner shall, pursuant to this Declaration, assume the monthly payments of any unpaid long-term special assessment the purpose of which is to repay a loan, whether SBA, private, or other government loan, obtained by the Association.

ARTICLE V

DAMAGE OR DESTRUCTION OF IMPROVEMENTS

5.1 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 are sufficient to cover at least 85 percent of the costs of repair and reconstruction, the improvements shall be promptly rebuilt. The Association shall solicit and obtain bids from at least three (3) reputable and qualified contractors to repair and reconstruct the improvements in accordance with the original plans and shall present this information to the Owners at a meeting.

5.2 Destruction; Proceeds Less Than 85 Percent of Reconstruction Costs. If the proceeds of insurance are less than 85 percent of the costs of repair and reconstruction, the improvements shall not be rebuilt unless, at a duly constituted meeting or by written ballot, 67% of the owners shall determine that repair and reconstruction shall take place. The Association shall solicit and obtain bids from at least three (3) reputable and qualified contractors to repair and reconstruct the improvements in accordance with the original plans and shall present this information to the Owners at the meeting.

5.3 Apportionment of Assessments. If the Owners determine to rebuild, each Owner shall be obligated to contribute a share of the cost of reconstruction or restoration over and above the available insurance proceeds according to the square footage of his or her Condominium. If any Owner fails or refuses to pay his or her proportionate share, the Association may levy a

Special Assessment against the Condominium of such Owner, which may be enforced under the lien provisions provided in this Declaration.

5.4 Rebuilding Contract. If the Owners determine to rebuild, the Board or its authorized representative shall, after obtaining bids from at least three (3) reputable and qualified contractors, award the repair and reconstruction work to the contractor the Board or Committee considers the most qualified. 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. The property shall be reconstructed in accordance with the original plans of construction unless changes recommended by the Board of Directors shall have been approved by 67% of the voting owners and by all holders of record of encumbrances upon the condominiums. The Board shall have the authority to require owners and residents to vacate their condominiums in order to accomplish repairs and reconstruction upon at least thirty (30) days' notice.

5.5 Rebuilding Not Authorized. If the Owners determine not to rebuild, then, any insurance proceeds then available for such rebuilding and all net proceeds of sale shall be distributed to each Owner in equal shares, after payment to the Mortgagees of any balance due upon any valid encumbrance of record. The Association shall have the duty, within 120 days from the date of destruction, to execute, acknowledge, and record in the office of the County Recorder of the County, a certificate declaring the intention of the Owners not to rebuild.

5.6 Owners May Not Repair Common Area. No Owners shall repair, modify or change in any way Common Area without the written permission of the Board. Any violation of this provision will subject the Owner to a fine, after Notice and a Hearing, pursuant to the Fine Schedule adopted by the Board.

5.7 Damage to Interior of Condominium. Each Owner, at the Owner's sole expense, shall repair and restore damage to the interior of the Owner's Condominium, including, but not limited to, those items which the Owner is required to maintain, repair and replace in accordance with this Declaration. The work shall be completed promptly following the repair or replacement of the Common Area portions of the building by the Association in the event of partial or total destruction and a determination to rebuild.

ARTICLE VI

ARCHITECTURAL CONTROL

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

side and rear elevations), materials, and location of the same shall have been submitted to and approved in writing by the Association's Board of Directors as to quality of workmanship and materials and harmony of external design and location in relation to surrounding structures. The Owner shall provide to the Board a copy of any building permits required by the City for the work to be done. No modification to the electrical wiring or plumbing in the Common Area perimeter walls, ceilings or floors of a Condominium, or any other component shared with other Owners or any structural modification to the roofs, walls, foundation, garage, etc. shall be made. An exception would be to accommodate a disability, in which case the Owner of the Condominium shall obtain the prior written approval of the Board. Any new or replacement sheds to be installed in the parking garage must receive Board approval before installation.

6.2 Submission of Plans; Action by Board. Plans and specifications for the proposed Improvement shall be submitted to the Board of Directors by personal delivery or certified mail to the Board or to such other place as directed by the Board of Directors. For any Improvements requiring a building permit, a copy of the building permit shall be submitted to the Board of Directors with the plans and specifications.

6.3 Approval or Disapproval. Approval of the Board may contain conditions or requests for modification of particular aspects of the Owner's plans and specifications. Approval or denial of plans shall be communicated in writing within Thirty (30) days of submission of all plans, specifications and materials required by the Committee. If the application for approval is not granted in writing within 30 days, the application shall be deemed denied.

6.4 Reconsideration by the Board. If a proposed modification or change is disapproved in writing, the Owner is entitled to reconsideration by the Board at an open meeting of the Board.

6.5 Architectural Rules. The Board may, subject to Civil Code Section 4355, adopt, amend and repeal rules and regulations to be known as "Architectural Rules." Said rules shall interpret and implement the provisions of this Declaration by setting forth the standards and procedures for the review and approval of proposed Improvements and guidelines for architectural design, placement of any work of Improvement or color schemes, exterior finishes and materials and similar features which are recommended for use within the Property, provided that said rules shall not be in derogation of the minimum standards required by this Declaration. In the event of any conflict between the Architectural Rules and this Declaration, the Declaration shall prevail.

6.6 Non-Complying Improvements. Failure to comply with the Architectural provisions of this Declaration, the rules and regulations of the Association, building codes, any law or ordinance, or the terms and conditions of the Board's approval, may result in the Board requiring the removal of the Improvement and restoration of the area of the building to its pre-modified condition, or the modification of the Improvement to make it conform to the Board's conditions of approval. The removal or modification of the Improvement shall be made by the Owner, at

his/her/their expense, within 30 days of notification to the Owner by the Board or within such shorter time as the Board may determine is necessary for safety reasons or such longer time as the Board may determine is necessary. If the Owner fails to remove or modify the Improvement within the time specified, the Board may do so and assess a Special Individual Assessment against the Owner to pay for the expenses incurred by the Association.

6.7 Variances. The Board may grant a reasonable variance, if requested by an Owner prior to constructing the Improvement, in order to prevent unnecessary hardship or expense or to avoid impractical requirements, provided the variance does not violate the provisions of this Declaration, does not amount to a material deviation from the overall plan and scheme of development, does not detrimentally affect or create a nuisance to any other Condominium or the Common Area, and does not violate any government order, code or law.

ARTICLE VII

RESTRICTIONS ON USE OF CONDOMINIUMS AND COMMON AREA

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

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

7.2 Interior Improvements. All interior Improvements shall be in compliance with the Architectural provisions of the Declaration, Rules and Regulations, and Los Angeles Building Code. Any interior Improvement to a Condominium involving structural components of the building structure such as the roof, load-bearing walls, foundation, etc. shall require prior written architectural approval from the Board of Directors, shall be in compliance with the governing documents, and shall require a permit, when required by law. Work requiring approval shall include, but not be limited to, window replacement, electrical re-wiring, the alteration of any load-bearing walls, and the alteration of ceilings within the Condominium. Under no circumstances shall any Owner undertake any activity or work with respect to the Owner's Condominium that will impair the structural soundness or integrity of another Condominium, any Common Area, including Exclusive Use Common Area, or impair any easement. All work performed within a Condominium which requires approval by the Board shall be done by a licensed and insured contractor and a permit shall be obtained by the Owner, if necessary. A copy of the contractor's certificates of insurance and State contractor's license shall be included with the application to the Board. The Owner is responsible for all work done by a contractor hired by the Owner and the Board's approval of an application shall not make the Association responsible if the work is not performed to Code, not carried out with the necessary skills, or not carried out with required permits. The Owner shall be responsible for the contractor's actions and omissions.

7.3 Use of and Damage to Common Area. No Owner, Resident, invitee, or guest may make any improvement, alteration or modification to the Common Area, Exclusive Use Common Area, or Common Area Facilities or remove or alter any furnishings, structures or landscaping materials. Nothing shall be attached to the exterior of the building by any Owner, unless approved in writing by the Board prior to attachment or unless specifically permitted by law. The Common Area shall not be obstructed by any person or object. Each Owner shall be liable to the Association for any damage to the Common Area, Exclusive Use Common Area, or Common Facilities that may be sustained by reason of the negligent or intentional conduct of the Owner or Resident, that Owner's or Resident's family members, contract purchasers, contractors, tenants, guests, or invitees. Each Owner, by acceptance of his or her deed, agrees personally and for family members, contractors, contract purchasers, tenants, guests, and invitees, to indemnify the Association, and to hold the Association harmless from, and to defend them against, any claim of any person for personal injury or property damage occurring within the Condominium of the Owner, including any Exclusive Use Common Area. Indemnification of the Association is not required in the event (i) that such injury or damage is covered by liability insurance carried by the Owner in whose Condominium the injury or damage occurred, or (ii) the injury or damage occurred by reason of the willful or negligent act or omission of the Association.

7.4 Nuisance - Prohibition of Offensive Activities. No illegal, noxious or offensive activities shall be carried on or conducted upon any Condominium, Exclusive Use Common Area, or Common Area nor shall anything be done within the Property which is or could become an unreasonable annoyance or nuisance to other Owners or Residents. Without limiting the foregoing, no Owner or Resident shall cause or permit unreasonable noise, including, but not limited to, barking dogs, the operation of excessively noisy air conditioners, stereo amplifier systems, television systems, radios, motor vehicles or power tools, or loud human voices to emanate from an Owner's Condominium or from activities within the Common Area, which would unreasonably disturb any other Owner's or Resident's quiet enjoyment of his or her Condominium or the Common Area. No horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of a Condominium and its contents, shall be placed or used on any Condominium. The Board of Directors of the Association shall have the right to determine if any noise, odor, or activity producing such noise or activity constitutes a nuisance and impose fines in accordance with the Association's Fine Schedule, after notice and a hearing. Any changes to the flooring in a Condominium which increase the level of noise that can be heard from outside the Condominium shall result in the Owner making the change to be obligated to take all reasonable measures to decrease and/or eliminate the noise. Noise created by an Owner modifying flooring shall be a neighbor to neighbor issue, unless the Board determines otherwise. The Association shall not be held responsible for any flooring changes by an Owner.

7.5 Household Pets.

(a) Number and Type of Pets. No animals, livestock, reptiles, fish, insects, birds, or poultry shall be kept in any Condominium, except up to two (2) usual and ordinary domestic

dogs, cats, fish in an aquarium, and no more than 4 birds inside bird cages, may be kept as household pets provided that they are not kept, bred, or raised for commercial purposes. No dog shall be permitted within the complex which exceeds forty pounds (40 lbs.) in weight. The Board may approve a pet that does not conform to these restrictions after written application by the Resident. Any pets existing at the time the Restated CC&Rs become effective which exceed the above limit shall be permitted to remain until the Owner moves or the pet is deceased or no longer lives in the Condominium. An Owner may not replace a deceased pet with another pet which exceeds the above number or weight limitation.

(b) Transport of Pets. All pets shall be kept within the Condominium, confined to a crate or cage, or carried or kept on a leash, not to exceed 5 feet in length, by a person capable of controlling the pet (including cats) during ingress and egress through the Common Area. No pet is permitted to roam the Common Area. No pets are permitted in the pool area. No pets shall be fed in the Common Area.

(c) Responsibility for Pet's Conduct. Each person bringing or keeping a pet on the Property shall be solely responsible for the conduct of the person's pets and injury or damage, if any, caused by the pets (including service dog or emotional support animal). The Association, its Board, officers, employees and agents shall have no liability to any Owners, Residents, their family members, guests, invitees, tenants and contract purchasers for any damage or injury to persons or property caused by any pet. No dangerous or threatening pets are permitted.

(d) Taking Care of the Pet. Each pet owner shall clean up after such pet. An Owner shall not permit a pet to relieve itself on the Common Area and shall clean up after the pet if the pet relieves itself in the Common Area. If the pet relieves itself on the Condominium's balcony or patio, then the Owner shall promptly remove the waste. Pet owners shall comply with City and County ordinances. A pet shall not be kept in the garage, balcony, patio, courtyard, or walkways in the Owner's absence, nor tethered, tied or chained in exterior Exclusive Use Common Area, the Condominium, or the Common Area.

(e) Service and Emotional Support Animals. Any Resident requesting a reasonable accommodation to be able to live with either a service animal or emotional support animal ("ESA") shall comply with these restrictions. All requests shall be in writing to the Board of Directors and shall describe how the service animal or ESA affords the Resident an equal opportunity to use and enjoy his or her Condominium, Exclusive Use Common Area, and the Common Area. The request shall state what reasonable accommodation is requested and can be denied if the presence of the service dog or ESA presents an undue burden or fundamental alteration. An undue burden could be the cancellation of the Association's insurance because a breed of dog is prohibited by the Association's insurance carrier. All service dogs and ESA shall be cared for in compliance with these restrictions and the Rules and Regulations for the Association. The Board is authorized to request the removal of the service dog or ESA in the event the animal causes damage to property or injures a person, is a danger to person or property or constitutes a nuisance to other Residents by violating the Rules or disturbing the other

Residents' quiet enjoyment. Any person living with either a service dog or an ESA is responsible for any damage caused by the dog or animal and subject to a Reimbursement Special Assessment to reimburse the Association for the repair of the damage. The Board may request the following to substantiate the need for a service dog or ESA:

(1) Service Dogs: The Board may request proof of the need for and training of a "service" dog.

(2) Emotional Support Animals: The Board may ask the Resident to provide a letter from a licensed mental health professional identifying the reason the ESA is needed.

(f) Rules. The Board of Directors shall have the right to establish and enforce rules and regulations for the reasonable control and keeping of household pets, service dogs and ESA in, upon and around the Property to ensure that the same do not interfere with the quiet and peaceful enjoyment of the Property by other Owners and Residents. The Board of Directors shall have the right to ask an Owner or Resident or guest of either to remove a pet, service dog or ESA from the Property permanently if the animal is determined to be a nuisance or considered dangerous.

7.6 Signs. No advertising signs or billboards shall be displayed on any building or posted within or upon any portion of the Common Area, except as permitted by law. Owners may display one sign in plain view of the public which advertises their Condominium "For Rent", "For Lease", "For Sale", or "For Exchange" in such place as may be designated by the Board. The sign shall be no larger than 18" by 24" in size and of reasonable design. Owners may display non-commercial signs, posters, flags and banners on or in their Condominiums only in accordance with Civil Code Section 4710. This provision does not apply to signs posted by the Board of Directors on Common Area.

7.7 Business Activities. No business or commercial activities of any kind whatsoever shall be conducted in any Condominium, Common Area, patios, balconies, Exclusive Use Common Area, garage or in the building without the prior written approval of the Board. No restrictions contained in this Section shall be construed in such a manner so as to prohibit any Owner from maintaining a home office, unless other Residents are disturbed by an unreasonable number of visitors to the Property, excessive noise, or additional traffic. This restriction shall not prohibit leasing of a Condominium, subject to Article VIII of this Declaration.

7.8 Garbage. No rubbish, trash, or garbage shall be allowed to accumulate within or outside of any Condominium or in the Common Area or Exclusive Use Common Area. No Owner or Resident shall allow an accumulation of trash, debris, paper, or other items which would create a fire or health hazard or invite infestation of termites and other pests. Any extraordinary accumulation of rubbish, trash, garbage or debris (such as debris generated upon vacating of premises or during the construction of modifications and Improvements) shall

promptly be removed from the Property to a public dump or trash collection area by the Owner or Resident at his or her expense.

7.9 Clotheslines. No exterior clothesline shall be erected or maintained and there shall be no drying or laundering of clothes or any article in a manner which is visible from any neighboring Condominium, the street or the Common Area.

7.10 Antennas and Similar Devices. No Owner or Resident shall place or maintain any objects, such as wires, masts, towers, poles, television and radio antennas, or television satellite reception dishes on or about the exterior of the building, the roof, or on any Common Area within the Property, except as may be permitted by law. Objects must not encroach upon any common elements or any other Owner's individual Condominium. The Board of Directors may adopt guidelines for the placement of satellite dishes, and other similar devices, within the Property.

7.11 Machinery and Equipment. No machinery or equipment of any kind shall be placed, installed, operated or maintained upon or adjacent to any Condominium, in the common garage, Exclusive Use Common Area, or the Common Area, except such machinery or equipment as is usual or customary in connection with the use, maintenance or repair of a Condominium or appurtenant structures within the Property. No carpenter shops which create an unreasonable disturbance to neighbors are permitted on the Property.

7.12 Parking and Vehicle Restrictions

The following parking and vehicle restrictions shall apply within the Property:

(a) All Owners and Residents shall park their vehicles within their assigned Exclusive Use Common Area parking spaces, as established by the Condominium Plan for the development.

(b) The only vehicles permitted to be parked within the parking spaces are standard passenger automobiles, SUVs, passenger vans, trucks which fit within the parking space and do not extend beyond the boundaries of the parking space, and motorcycles. No boats, recreational vehicles, or other similar vehicles are permitted to be parked in the garage or parking spaces. Unauthorized vehicles may be towed.

(c) No parking space shall be sold to any person. Parking spaces may be rented only to on-site Residents.

(d) No moving trucks, trucks delivering items to the building, or vendors may park in the driveway.

(e) All vehicles must be operated at a safe and slow speed and in a quiet manner at all times within the garage.

(f) No vehicle shall park so as to block traffic, entrances, driveways, fire doors, or other vehicles.

(g) Residents shall maintain their parking spaces in a clean and good condition, free from debris, liquid leakage, and excess oil.

(h) In the event a Resident damages the building, the damage shall be reported promptly to the Board. In the event of damage to another person's vehicle or personal property, the damage should be reported promptly to the owner of the vehicle or property.

(i) Any person who causes damage to any interior or exterior component of the garage shall be financially responsible to reimburse the Board for their repair. The Board shall have the authority to levy a Special Individual Assessment, after notice and a hearing, against any Resident who causes or whose guests cause such damage.

(j) All Owners and Residents shall indemnify, defend and hold the Board harmless from any and all claims, damages, actions, that the Owners or Residents may suffer in the garage resulting from the actions or omissions of Owners or Residents and their guests.

(k) No vehicle parked in the garage or on the property shall be used for living quarters.

(l) The Board shall have the authority to promulgate reasonable rules and restrictions of uniform application regarding parking and vehicles within the Property as may be deemed prudent and appropriate.

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

7.14 Windows and Doors. Windows may only be covered by drapes, shades, shutters, or blinds, and may not be painted or covered with foil, cardboard, sheets, towels, or other materials which are not customarily used to cover windows. The exterior of window coverings facing the streets shall blend in with the color scheme of the building. Exterior shades, shutters, or canopies are prohibited. All window coverings must be maintained in good condition and appearance by the Owner. Windows shall have screens which are maintained in good condition. Screen doors

shall not be propped open or left open except when entering or exiting the Condominium. Nothing shall be shaken, dropped, thrown or disposed of through the windows or doors into the Common Area or exterior of the building.

7.15 Garage. The garage is for parking personal vehicles. No Owner or Resident shall store anything within the garage, including, but not limited to, hazardous items, including propane tanks, gas cans, chemicals, explosive items, or other items which could cause a fire or explosion or pest infestation. No tires, appliances, or other items shall be stored in the garage, except in a storage shed, bin, locker or storage unit approved by the Board. No repairs to vehicles, vehicle maintenance or washing of vehicles shall be done in the garage or Common Area driveway. All storage sheds, bins, lockers, and storage units shall be enclosed and nothing shall protrude from them or be visible from anywhere in the garage. No storage shed, bin, locker or storage unit shall block passage through the parking spaces or garage driving lanes or cause a nuisance or a fire hazard. Any Owner intending to install a storage shed, bin, locker or unit in the parking garage shall apply to the Board for approval prior to installation. The Board shall have the authority to adopt rules which pertain to the use of the garage, including the installation and maintenance of storage sheds, bins, lockers, or units. The Board may, in its discretion, adopt standards for the size, shape, appearance and location of storage sheds, bins, lockers or storage units. The Board shall have the authority but not the obligation to require that storage sheds, bins, lockers or units shall be suspended from the ceiling over the parking space or on wheels to comply with Fire Department requirements and Building and Zoning Ordinances. No storage sheds shall be used as living quarters. All persons storing personal property in the garage shall do so at his/her/their own risk. The Association shall not be responsible for any stolen property.

7.16 Storage. No person shall store or leave personal property within the Common Area, including but not limited to the walkways, courtyard and parking garage. Each Resident shall use his/her/their storage shed, bin, locker or storage unit for the storage of personal property. No Resident shall leave towels, shoes, or furniture in the Common Area. An Owner is permitted to place a door mat in the Common Area in front of the Owner's Condominium.

7.17 Air Conditioners. No portable air conditioner may be installed in any window, door, or through the exterior of the building without the prior written approval of the Board of Directors. All new air conditioners shall be installed in the location of the previous air conditioner. No air conditioner shall be installed which shall become a nuisance to neighboring Owners due to noise or lack of maintenance. Air conditioners shall be maintained by Owners in good working order.

7.18 Basketball Standards. No basketball standards or other sports equipment shall be permitted within the Property except as authorized in writing by the Board for common use.

7.19 Burning and BBQs. Exterior fires and BBQs are absolutely prohibited in the courtyard, any other Common Area, including the garage, front or side lawns, the sidewalks and

driveway, and parking spaces. A BBQ is allowed on an Owner's patio. Any heat or grease damage to the patio area is the Owner's financial responsibility.

7.20 Owner's Duty to Notify Association of Tenants and Contract Purchasers. Prior to any Resident moving into an Owner's Condominium, the Owner shall notify the Secretary of the Association or the Association's property manager, if any, of the name, e-mail address, and phone numbers of each Resident. Each Owner and Resident shall also notify the Secretary of the Association of the names of all persons to whom such Owner or Resident has delegated any rights to use and enjoy the Property and the relationship that each such person bears to the Owner or Resident.

7.21 Smoking. No Owner or Resident shall smoke cigarettes, cigars, marijuana, e-cigarettes or other similar items anywhere in the Common Area, including in the parking garage. Owners and Residents who smoke within their Condominiums shall take all reasonable measures to prevent smoke from escaping from their Condominium into other Condominiums or the Common Area, including keeping windows and doors closed and using smokeless ashtrays.

7.22 Water Conservation. Every Owner and Resident shall comply with the City's policy to reduce water usage. Since there is no separate meter for each Condominium and the Association pays for water usage, any Owner who is discovered to be using excessive amounts of water shall be required to pay for any excess usage. Any charge to be imposed on an Owner pursuant to this provision may be levied as a Special Individual Assessment, after notice and a hearing.

7.23 Balconies and Patios. Balconies and patios shall be maintained in a neat and clean condition. No items shall remain on the floor which could cause the deterioration or failure of the balcony or patio surface or the blockage of drainage from the balcony. No Owner or Resident shall install anything, including, but not limited to, tile, carpeting, wood, or other similar materials, on the surface of the floor of the balcony, if such materials could cause water to be trapped underneath leading to the deterioration of the balcony structure. The Owner shall be responsible for maintaining, repairing and replacing the surface material on the balcony and patio. An updates or modifications to the balcony or patio shall be the financial responsibility of the Owner. If the Owner does anything which leads to the deterioration of the balcony structure, the Owner shall be responsible for reimbursing the Association for the repair or replacement of the balcony structure pursuant to a Reimbursement Assessment.

7.24 Solar Energy Systems and Panels. No solar energy system or panels shall be installed on the roof of the Condominiums until the Owner applies to the Board for approval. An applicant Owner shall submit a solar site survey to determine usable solar roof area and an equitable allocation of the usable solar roof area among all owners sharing the same roof and the Owner shall reimburse the Association for the cost of an expert to review the solar site survey prior to the solar energy system being considered for approval. Approval shall be conditioned upon the Owner notifying each other Owner of a Condominium within the building of the

application to install a solar energy system, require the Owner doing the installation to maintain a homeowner liability insurance policy with policy limits of a minimum of One Million Dollars (\$1,000,000) at all times and provide the Board with a certificate of insurance within 14 days of approval of the application and annually thereafter. An Owner and each successive Owner of a solar energy system shall be responsible for the costs of damage to the Common Area or Condominiums resulting from the installation, use, maintenance, repair, removal or replacement of the solar energy system, any roof warranty becoming void due to the solar energy system, the costs for the maintenance, repair and replacement of the solar energy system, and the costs for restoration of the Common Area or Condominiums. The conduit for the solar energy system shall not be visible from the exterior of the building. An Owner of a solar energy system is responsible for ensuring that the system does not cause noise or become too hot so that it poses a danger to the building. The Owner is responsible for removing and replacing the solar energy system when the Association re-roofs the building. An Owner is responsible for reimbursing the Association for the cost of trimming any trees in the Common Area that may interfere with the solar energy system's operation. An Owner has no authority to require another Owner to trim a tree to accommodate the solar energy system's performance. An Owner of a solar energy system is prohibited from selling energy to other Condominiums' Owners, persons or entities.

7.25 Electric Vehicle Charging Stations. An Owner or Resident may install an electric vehicle charging station designed in compliance with the California Building Standards Code, which delivers electricity from a source outside an electric vehicle into one or more electrical vehicles, subject to the following restrictions.

(a) An Owner or Resident shall submit a written application to the Board and obtain approval to install the electrical vehicle charging station before its installation. The Board may charge a fee for the review of the application. If an application is not denied within 60 days following receipt of the application by the Association, the application shall be deemed approved, unless the Association within that time period requests additional information.

(b) The electric vehicle charging station shall meet applicable health and safety standards and requirements imposed by state and local authorities, and all other applicable zoning, land use, or other ordinances, or land use permits.

(c) In the event that a non-owner Resident makes an application to install an electrical vehicle charging station in a parking space belonging to the Owner, the non-owner Resident shall include in his/her application the written approval of the Owner of the parking space.

(d) If the electric vehicle charging station is to be placed in a Common Area or an Exclusive Use Common Area, as designated by the Association's governing documents, the following requirements shall apply:

(1) The applicant shall first obtain the written approval of the Board. Installation of an electric vehicle charging station for the exclusive use of an Owner in a Common Area, that is not Exclusive Use Common Area, shall be authorized by the Board only if

the installation in the Owner's designated parking space is impossible or unreasonably expensive. The Board shall enter into a license agreement with the Owner for the use of the space in the Common Area and condition approval in that case on the requirements set forth in subparagraphs 2 through 5, inclusive below.

(2) The applicant shall hire a licensed, insured and bonded contractor to install the charging station. The charging station should be metered to Owner's Condominium directly and the Owner is responsible for all charges.

(3) The applicant and each successor Owner of the Condominium shall maintain a homeowner liability coverage policy in the amount of \$1,000,000 (one million dollars) and shall name the Association as an additional insured under the policy with a right to notice of cancellation. An Owner or Resident shall not be required to maintain a homeowner's liability coverage policy for an existing National Electrical Manufacturers Association standard alternating current power plug.

(4) Within 14 days of approval, the applicant shall provide a certificate of insurance that names the Association as an additional insured under the Owner's insurance policy.

(5) The applicant and each successor Owner of the Condominium shall be responsible for the following:

A. The costs for damage to the charging station, Common Area, Exclusive Use Common Area, or other Condominiums and their Exclusive Use Common Area resulting from the installation, maintenance, repair, removal, or replacement of the charging station.

B. The costs for the maintenance, repair, and replacement of the charging station until it has been removed and for the restoration of the Common Area and Exclusive Use Common Area after removal.

C. The cost of electricity associated with the charging station. No Common electrical outlets shall be used to charge electric vehicles.

D. Disclosing to prospective buyers the existence of any charging station of the Owner and the related responsibilities of the Owner as described herein.

(e) The Association may create a new parking space where one did not previously exist to facilitate the installation of an electrical vehicle charging station.

(f) The Association may install an electric vehicle charging station in the Common Area for the use of all Members of the Association and the Board may promulgate Rules and Regulations related to the use of the charging station.

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

ARTICLE VIII

LEASING OF CONDOMINIUMS

The Third Amendment to the original Declaration which was recorded on September 4, 2018 as Instrument No. 20180893592 shall remain in full force and effect regarding leasing.

ARTICLE IX

MAINTENANCE AND REPAIR RESPONSIBILITIES

9.1 Association's Responsibilities. The Association shall be solely responsible for all maintenance, repair, upkeep and replacement of the Common Area and Common Facilities as set forth below.

(a) Generally. The Association shall paint, maintain, repair and replace (as necessary due to normal wear and tear, deterioration or damage or destruction other than by the conduct or omission of an Owner or Resident, their family members, or guests) the Common Area roofs, bearing walls, vertical supports, floors, garages, elevator, foundations, gutters, down spouts, stairs, equipment/storage rooms, mailboxes, common area walkways, courtyard, parking spaces, the pool and spa, trash bins, and exterior building surfaces. The Association shall also maintain the landscaping, including, but not limited to, the trees, shrubs, grass, and walks within the Common Area, except for trees, plants and shrubs on the patios, balconies or in front of Owner's doors which face the courtyard.

(b) Plumbing. The Association shall maintain, repair and replace all sewer and water pipes from the point at which an Owner's plumbing connects to the main line plumbing within the Common Area only. The Association shall not be responsible for plumbing which serves one Condominium or which is located within a Condominium.

(c) Windows and Doors. The Association shall not be responsible to maintain, paint, repair or replace the windows or doors of a Condominium, except that the Association shall install and paint new entry doors replaced by Owners with the Board's approval.

(d) Common Area. Except as otherwise specified herein, the Association shall operate, maintain, repair and replace Common Area structures and buildings, which include, but are not limited to, building exteriors, stairs, courtyard, walkways, pool and spa, elevators, and

garage and parking spaces, which in the discretion of the Board need to be repaired or replaced due to wear and tear and deterioration or damage.

(e) Electrical Lines. The Association shall maintain, repair and replace electrical lines which are located within the Common Area, as the Board determines is necessary or appropriate.

(f) Garages. The Association shall be responsible for repairing and replacing the garage structure and foundation, unless damage is caused by the negligence or willful misconduct of the Owner or Resident of the Condominium.

(g) Pool, Spa and Storage Room. The Association shall be responsible for maintaining, repairing and replacing the pool and spa owned by the Association's Members in common.

(h) Mailboxes. The Association shall be responsible for maintaining, repairing and replacing the mailboxes, but the Owners shall be responsible for maintaining, repairing and replacing the locks for the Owner's respective mailbox.

(i) Trash Bin Enclosures. The Association shall be responsible for maintaining, repairing and replacing the trash bin enclosures, except for damage caused by Owners, Residents or their family or guests.

(j) Exterior Light Fixtures. The Association is responsible for maintaining, repairing and replacing light fixtures affixed to the building exteriors but Owners are responsible for maintaining light bulbs for fixtures which exclusively serve their Condominium.

(k) Balconies and Patios. The Association shall be responsible to paint, repair and replace the balcony structure, the patio slab as originally constructed, and patio fences and walls as determined necessary by the Board due to normal wear and tear and deterioration or damage not caused by an Owner or Resident.

(l) Chimneys. The Association shall be responsible to repair and replace the exterior of the chimney, including flashing, and the chimney structure as the Board determines is necessary due to normal wear and tear, deterioration or damage. Each Owner is responsible to have the inside of their chimney cleaned.

(m) Stairs, Stoops, Landings, Porches. The Association shall be responsible to repair and replace any stairs, stoops, landings, porches and railings outside of the Condominiums.

(n) Water Intrusion and Other Damage to a Condominium from a Common Area Source. The Association shall only be responsible for any damage to the interior of a Condominium which occurs from a Common Area source. The Association shall not be responsible for loss of use of the Condominium by the Owner or Resident of the Condominium

or for damage to personal property. If the Association's insurance policy covers the repair or replacement of items within the Condominium which would ordinarily be the responsibility of the Owner, the insurance policy provisions will control.

(o) Pest Control. The Association shall be responsible for termite inspections of the Common Area and for the eradication of termites in Common Area building components maintained and repaired by the Association, including the repair and replacement of wood damaged by termites or other wood-destroying pests or organisms. The Common Area consists of the unfinished perimeter walls, ceilings and floors of a Condominium. The partition walls inside the Condominium are the Owner's responsibility. The Owner shall be responsible if the Owner creates a condition which encourages the infestation of termites. Each Owner shall make his/her Condominium available for termite inspection upon reasonable notice. The Association shall be responsible for the eradication of other pests, i.e. ants, bees, cockroaches, in the Common Areas. The Board of Directors shall make the determination as to the best method for eliminating the pests and no Owner shall have the right to interfere with the decision to eradicate the pests in the manner deemed best by the Board for the Owners and Residents.

(p) Relocation. The Association shall not be responsible for temporary accommodations of Owners, Residents or their Tenants or family members in the event that repairs to or replacement of the Common Area makes temporary relocation necessary. The Association shall not be responsible for rental income lost by the Owner of a rental Condominium if the Condominium becomes uninhabitable due to Common Area repairs or replacement.

9.2 Owner Maintenance, Repair and Replacement Responsibilities.

(a) Generally. Each Owner of a Condominium shall be responsible for maintaining, repairing and replacing components within the airspace of his or her Condominium, patio and balcony, including the betterments, improvements, equipment, fixtures, utility improvements such as electrical, plumbing, sewer and drain pipes, telephone wiring, gas lines, cable lines, furniture, furnishings, carpeting, hardwood floors, floor and wall tile, bathroom fixtures, sinks and tubs, shower stalls, toilets, air conditioning and heating equipment, hot water heater, water pressure regulator, refrigerators, washers, faucets, built-in cabinets, counter-tops, appliances, lighting fixtures, and the interior surfaces of the perimeter walls, ceilings and floors, and partition walls of the Condominium, and anything within the airspace of the Condominium, patio and balcony in a clean, safe, and attractive and workable condition. No structural alterations shall be made to the interior of any building or Condominium and no alterations, painting, or changes visible from the exterior of the Condominiums shall be made by any Owner without the prior written consent of the Board. Structural repairs are defined as any work requiring a building permit, modifying any wall, the roof, the foundation, modifying or making any changes to the electrical system or plumbing, or any other work which could affect the Common Area or an adjoining Condominium.

(b) Entry Doors to Condominium. Each Owner shall be responsible for the maintenance, repair and replacement of the interior and exterior entry doors to the Condominium, including the cleaning, hardware, kick plates, weather proofing, frame and glass, if any. The Board may adopt Rules which prescribe the size, type, style and color of entry doors and only those doors may be installed.

(c) Windows, Sliding Glass Doors and Screens. Each Owner shall be responsible for the maintenance, repair, and replacement of the windows and sliding glass doors and all components of the windows and sliding glass doors of his or her Condominium. The Board may adopt Rules which prescribe the size, type, style and color of screens and doors and only those screens and sliding glass doors may be installed. Changes to windows and doors shall require the prior written approval of the Board. Any Owner making changes to the original windows or sliding doors of the Condominium shall be responsible to the Association and any other Owner for any damage caused by a leak to the window. Owner shall be responsible for cleaning and replacing the windows and glass of his or her Condominium, both exterior and interior. Each Owner is also responsible for the maintenance and repair of window and door screens. Each Owner shall be responsible for re-keying the entry door hardware for his/her Condominium, if necessary. Each Owner shall also be responsible for weather stripping, caulking, painting, staining, and sealing of the windows and doors of his or her Condominium.

(d) Air Conditioning and Heating. Each Owner shall be responsible for the maintenance, repair and replacement of the air conditioning and heating systems that service the Owner's Condominium.

(e) Plumbing and Electrical. Each Owner shall be responsible for the maintenance, repair and replacement of the plumbing pipes, drains and plumbing fixtures, faucets, toilets, and lines located within and/or serving the Condominium, including but not limited to water lines on or to appliances such as air conditioners and refrigerators, and electrical lines which are located within the Condominium. Each Owner shall maintain his or her toilets in good repair, including, but not limited to, the angle stops and valves so as not to cause water intrusion to flow outside of the Condominium. Each Owner shall be responsible for the maintenance, repair and replacement of drain pipes from the showers, tubs, sinks and toilets. Each Owner shall maintain the sewer and water pipes exclusively serving his or her Condominium in an open and unobstructed condition between the point at which said pipes enter the Condominium and the point at which the pipes join the main line sewer and water pipes serving other Condominiums. Each Owner shall be responsible for the maintenance, repair and proper operation of washers, dryers and refrigerators so as not to cause damage to the Common Area or other Condominiums. Every Owner shall cooperate with the Association and other Owners in the maintenance, repair and replacement of sewer and water pipes. If an Owner must obtain access through the exterior of the building to make repairs, the Owner shall first obtain the written approval of the Board of Directors and shall restore the exterior surface of the building to its pre-repair condition at his/her own cost. Unless an emergency repair or scheduled repair is needed as directed or approved by the Board of Directors, the water cannot be turned off

in the building by an Owner or other Resident without 72 hours notice and approval by the Board of Directors. The Owner is responsible for posting notices around the building at least 48 hours prior to having the water turned off. Only the Association's plumber can turn off and manipulate the main water for the building. The Board of Directors will only allow the water to be turned off for the building no more than once per month for any Owner for regular maintenance.

(f) Pest Control. Each Owner shall be responsible for pest control within their Condominiums.

(g) Fireplace. Each Owner shall maintain the interior surfaces of the chimney and firebox including periodic removal of soot, and shall maintain the gas pipes, logs and other contents of the firebox and flue.

(h) Patio and Balcony. Each Owner is responsible for maintaining, repairing and replacing all improvements inside the patio and/or balcony fences, including but not limited to, the balcony flooring surface, the patio slab if it is modified by the Owner or previous owners of the Condominium, trees and plants, sprinklers, gate, and the hose bib. The replacement or installation of any gate or anything which is visible from the Common Area requires Board approval. The Association shall be responsible for repairing or replacing the patio and/or balcony fences due to normal wear and tear, deterioration, or damage not caused by Owner, Resident, family or guests, or another Owner, Resident, family or guests, or some other person or entity responsible for the damage due to negligence or intentional misconduct. The Association may seek reimbursement from the responsible person or entity by means of a Special Reimbursement Assessment.

(i) Stove and Dryer Vents. Each Owner is required to maintain and clean all stove vents and dryer vents every six months to ensure safe operation.

(j) Contractors. Each Owner is responsible for the contractors performing any work to the Condominium and such Owner shall be responsible for obtaining any required permit.

9.3 Damage to other Condominiums or Common Area. Owners are required to have their own insurance policy covering their Condominium and its fixtures such as plumbing, sewers, cabinets, appliances, improvements, furnishings and furniture and for damage caused by components within their Condominium which is their repair responsibility. In the event that damage is caused to a Condominium, another Condominium or the Common Area as the result of a plumbing leak, fire or other casualty originating from within an Owner's Condominium, that Owner shall be responsible for paying for the reasonable repair and/or replacement cost of items damaged within the Owner's Condominium, another Condominium, and the Common Area. If the responsible Owner does not have the required insurance for the repairs, the Board may make the repairs to the Common Area and another Condominium and provide notice to the Owner of the costs and expenses incurred by the Association in making the repairs to the Common Area and/or another Condominium and the Owner shall have thirty (30) days, or such longer period of

time as the Board may determine, to reimburse the Association, after notice and a hearing. If the Owner does not reimburse the Association, the Board may levy a Special Reimbursement Assessment against the Owner responsible for the damage for all costs and expenses, including but not limited to attorneys' fees and repair costs, after notice and a hearing. The Association shall not be responsible for handling damage claims by one Owner against another. The Association's licensed plumber or other qualified professional building consultant shall make the determination as to the source of the damage and the determination shall be binding on the Owners affected by any leaks.

9.4 Obligation To Permit Entry by Association and Adjacent Owners. Each Owner shall be obligated to permit the Association, its representatives and contractors, and adjacent Owners and contractors to enter the Owner's Condominium for purposes of performing installations, alterations, maintenance or repairs which are reasonably necessary for the use and enjoyment of the Common Area. Requests for entry shall be made at least 24 hours in advance at a mutually convenient time.

9.5 Cooperative Maintenance Obligations. To the extent necessary or desirable to accomplish the Association's maintenance and repair obligations hereunder, individual Owners shall cooperate with the Association and its agents and maintenance personnel in the prosecution of the Association's work. An Owner shall also cooperate with other Owners and Residents who require access to the Owner's Condominium for the purpose of making repairs. Each Owner who is affected by Association repairs shall be responsible for his/her own relocation expenses should the Owner choose to or be required to vacate the Condominium for repairs.

ARTICLE X

INSURANCE

10.1 Fire, Casualty and Earthquake Insurance. The Association shall obtain and maintain a master or blanket policy of fire and casualty insurance, for the full insurable value (replacement cost) of all the Common Area buildings, facilities and fixtures within the Project. The Association shall additionally obtain and maintain a policy of earthquake insurance, if available for a reasonable cost, for the full insurable value (replacement cost) of all the Common Area buildings, facilities and fixtures.

Depending on the nature of the insured property and the requirements, if any, imposed by institutional Mortgagees having an interest in such property, the policies maintained by the Association pursuant to this section shall contain an agreed amount endorsement or its equivalent, an increased cost of construction endorsement or a contingent liability from operation of building laws endorsement, vandalism, malicious mischief coverage, a special form endorsement and a clause to permit cash settlements for full insurable value in case of partial destruction. The policies required herein shall provide amounts or coverage as shall be determined by the Board and shall name as insured the Association, all Owners, and all Mortgagees as their respective interests may appear. The policies may contain a loss payable endorsement in favor of the trustee described below in Section 10.8.

The insurance shall be kept in full force and effect at all times and the full replacement value of the insured property shall be redetermined on an annual basis. Any insurance proceeds received from a claim under the Association's master policy shall be used as determined by the Board. Only the Board may make claims against the Association's master policy of insurance, and any Owner who causes a claim to be filed against the Association's insurance which is not caused by a Common Area source or component, shall be responsible for paying the deductible and any fines levied by the Association, after notice and a hearing.

If the Board refuses to either repair damage caused by a Common Area source out of Association funds or file an insurance claim for any damage caused by a Common Area source or component so that a Condominium can be repaired, the Association shall be liable to the Owner for the reimbursement of the expense of repairing the damage.

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

10.3 Directors and Officers Liability Insurance. The Association shall obtain and maintain Directors and Officers Liability Insurance in a minimum amount of Five Hundred Thousand Dollars (\$500,000) covering prior acts in order to ensure that past Board Members are protected for decisions made during their term of service. The policy shall name as insureds not only the current Board Members but also volunteer committee members.

10.4 Fidelity Bond and Other Insurance.

(a) The Board may, in its discretion, obtain and maintain fidelity bonds or insurance in an amount equal to three (3) months assessments plus all reserve funds.

(b) To the extent such insurance is reasonably obtainable or required by any institutional First Mortgagee, the Association may also purchase with Common Funds such additional insurance and bonds as it may, from time to time, determine to be necessary or desirable, including, without limitation, demolition insurance, flood insurance, worker's compensation, commercial umbrella coverage, and boiler and machinery coverage.

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

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

10.7 Individual Condominium Owners Coverage.

(a) Loss Assessment Coverage. Each Owner is encouraged to obtain and maintain loss assessment coverage and deductible assessment coverage for fire and other casualties in an amount sufficient to cover the Owner's portion of the deductible and any shortfall in coverage under the Association's master policy. In the event of fire or other casualty which results in each Owner becoming responsible for the payment of a special or emergency assessment, each Owner with Assessment Loss Coverage shall instruct the insurance carrier to pay the proceeds directly to the Treasurer of the Association to pay for services, labor and materials provided by the Association for repair and/or reconstruction or to replenish reserve funds.

(b) Other Insurance. Each Owner is required to carry the following insurance (any premises liability and property damage insurance policy shall include a waiver of subrogation clause as to the Association, other Owners, and any institutional First Mortgagee of such Condominium) with a deductible affordable to the Owner:

(1) Condominium Owners Insurance Coverage. Each Owner shall have insurance coverage for everything within the Owner's Condominium from the walls and ceiling and floor inward, including, but not limited to, betterments and improvements, fixtures, equipment, furniture, furnishings, carpeting, hardwood floors, floor and wall tile, bathroom fixtures, sinks, tubs, built-in cabinets, counter tops, appliances, lighting fixtures, upgrades to the Condominium, etc. The minimum limits of the insurance shall be sufficient to repair and replace the items within the Condominium. The Owner's insurance coverage shall be primary in the event of damage or loss to the Owner's Condominium, the Common Area, or another Owner's Condominium, the source of which is a component within the Condominium which the Owner is required to maintain, repair or replace, including, but not limited to, plumbing pipes, sewer pipes, drain lines, a faucet, toilet, refrigerator hose, washer, dishwasher, air conditioner, or shower valve. The Association shall not be obligated to pay for any upgraded items such as hardwood floors, marble, granite, quartz, tile and other upgrades within the Condominium and the Owners shall obtain insurance coverage to cover these upgraded items. Any Owner filing a claim against the Association's master policy for damage caused by a source that the Owner is obligated to maintain, repair and replace may be fined after notice and a hearing and shall pay the deductible for the claim. The Association shall be entitled to levy a Special Reimbursement Assessment for the deductible if the Owner fails to pay within 30 days of notification.

(2) Loss of use coverage or additional living expenses coverage for living expenses.

(3) Personal property coverage for your clothing and other personal property.

(4) Personal liability coverage for accidental bodily injury or property damage to other person's property and medical payments. The Association shall not be responsible for any personal injury, death or damage to property of others which occurs within an Owner's Condominium, unless an act or omission by the Association is the sole and direct cause of the injury, death or damage to property of others.

(5) Optional property coverages including special perils or all risk coverage to insure all losses not specifically excluded, higher limit coverage for valuables, coverage for other structures.

(6) Condominiums Regularly Rented to Others coverage, if the Owner rents his/her/their Condominium, to cover losses to the tenant's personal property, liability for injury or death to the tenant, and medical payments to the tenant.

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

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

10.10 Annual Review. The Board shall annually review the Association's insurance policies in order to determine whether the Association is adequately insured.

10.11 Deductible. The Board may levy an Emergency Assessment against all Owners for their proportionate share of the deductible following a fire, earthquake, or other casualty or event covered by the Association's insurance. If any Owner fails to pay the deductible, the Association shall levy a Special Assessment against the Owner. If any Owner fails to pay the deductible for a claim wrongfully made against the Association's master policy by the Owner, the Board shall levy a Special Individual Assessment against the Owner.

ARTICLE XI

EASEMENTS

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

11.2 Blanket Utility Easement. There is hereby created a blanket easement upon, across, over and under all of the Property for ingress, egress, installation, replacing, repairing and

maintaining all utilities, including but not limited to water, sewer, gas, telephones, drainage and electricity and the master television antenna or cable television system, if any. By virtue of this easement, it shall be expressly permissible for the providing utility company to erect and maintain the necessary equipment and underground facilities on the Common Area.

Notwithstanding the foregoing, no sewer, electrical lines, water lines, or other utilities may be installed or relocated on said Property except as initially designed and approved by the Declarant or thereafter approved by the Association's Board of Directors. The easements provided for in this Section shall in no way effect any other recorded easement on the Property.

ARTICLE XII

CONDEMNATION

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

12.2 Distribution and Sale Proceeds of Condemnation Award.

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

(b) Partial Sale or Taking. In the event of a partial sale or taking of the Properties, meaning a sale or taking that is not a total taking, as determined in section 2(a), above, the

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

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

(2) To Owners and to their respective Mortgagees, as their interests may appear, of Condominiums on the Property whose Condominiums have been sold or taken, an amount up to the fair market value of such Condominiums as determined by the court in the condemnation proceeding or by an appraiser, less such Owners' share of expenses paid pursuant to section 2(b)(i) (which share shall be in proportion to the ratio that the fair market value of each Owner's Condominium bears to the fair market value of all Condominiums.

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

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

12.3 Appraiser.

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

ARTICLE XIII

PARTITION OF COMMON AREA

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

condemnation) or in California Civil Code Section 4610 have been met. Nothing in this Declaration shall prevent partition of a co-tenancy in a Condominium.

13.2 Distribution of Proceeds Upon Partition. Proceeds of property resulting from a partition shall be distributed to and among the respective Owners and their Mortgagees as provided herein, depending upon the cause for the partition.

13.3 Power of Attorney. Each of the Owners irrevocably appoints the Association as attorney-in-fact and irrevocably grants to the Association full power in the name and stead of such Owner to sell the entire Project, and to execute deeds and conveyances to it, in one or more transactions, for the benefit of all Owners when partition of the Project may be had under Civil Code Section 4610 and under the circumstances authorizing partition under this Declaration. The power of attorney shall (a) be binding on all Owners, whether they assume the obligations under this Declaration or not; (b) be exercisable by a majority of the Board acting on behalf of the Association, subject to obtaining the prior approval by vote or written consent of 66-2/3 percent of the Owners and all institutional first Mortgagees; and (c) be exercisable only after recordation with the County Recorder of a certificate executed by those who have power to exercise the power of attorney that the power of attorney is properly exercisable under Civil Code Section 4610. This certificate shall be conclusive evidence of proper exercise in favor of any person relying on it in good faith.

ARTICLE XIV

PROTECTION OF MORTGAGEES/LENDERS

(LENDERS RIGHTS AS SET FORTH IN ARTICLE XIV OF THE ORIGINAL DECLARATION RECORDED ON JANUARY 4, 1980 AS INSTRUMENT NO. 80-11592 ARE INCORPORATED HEREIN BY THIS REFERENCE)

ARTICLE XV

ENFORCEMENT

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

15.2 Nuisance. Without limiting the generality of the foregoing section (a), 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.

15.3 Costs and Attorneys' Fees. If any Owner defaults in making payment of Assessments or in the performance or observance of any provision of this Declaration or otherwise causes the Association to obtain the services of an attorney, the Owner covenants and agrees to pay the Association any costs or fees incurred by the Association, including reasonable attorneys' fees, regardless of whether legal proceedings are instituted. The fees and costs may be specially assessed to the Owner. In case a suit is instituted, the prevailing party shall recover the cost of the suit, in addition to the aforesaid costs and fees.

15.4 Cumulative Remedies. The respective rights and remedies provided by this Declaration or by law shall be cumulative, and the exercise of any one or more of such rights or remedies shall not preclude or affect the exercise, at the same or at different times, of any other such rights or remedies for the same or any different default or breach or for the same or any different failure of any Owner or others to perform or observe any provision of this Declaration.

15.5 Failure Not a Waiver. The failure of any Owner, the Board of Directors, the Association or its officers or agents to enforce any of the covenants, conditions, restrictions, limitations, reservations, grants or easements, rights, rights-of-way, liens, charges or equitable servitudes contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter.

15.6 Rights and Remedies of the Association.

(a) Rights Generally. In the event of a breach or violation of any Association Rule or of any of the restrictions contained in any Governing Document by an Owner, Resident, his or her family, guests, employees, or invitees, the Board, for and on behalf of all other Owners, may enforce the obligations of each Owner to obey such Rules, covenants, or restrictions through the use of such remedies as are deemed appropriate by the Board and available in law or in equity, including but not limited to the hiring of legal counsel, the imposition of fines and monetary penalties, the pursuit of legal action, the suspension of the Owner's and Tenant's right to use recreational Common Facilities and/or suspension of the Owner's voting rights as a Member of the Association. In the event the Board determines not to take action, any Owner shall have the right to enforce the governing documents pursuant to Civil Code Section 5975.

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

15.7 Notice and Hearing Procedures.

(a) Actions prior to hearing. Any officer, Member of the Board, or agent of the Association, including a property manager, has the authority to informally request, orally or in writing, that an Owner bring himself/herself into compliance with the Governing Documents.

(b) Written Complaint. If the actions described above prove unsuccessful, a written complaint by any officer or Member of the Board, or by the property manager containing a written statement of all allegations of non-compliance shall be served on the Owner, along with notice of a hearing by any of the following means: (1) personal delivery or (2) by registered or certified mail, return receipt requested, and addressed to the Owner, at the address appearing on the books of the ASSOCIATION. Service by mailing shall be deemed delivered and effective two (2) days after such mailing in a regular depository of the United States mail.

(c) Notice of Hearing. Along with service of the complaint, the Board or property manager shall notify the Owner by personal delivery or first-class mail at least ten (10) days prior to the hearing. The notice to the Owner shall be substantially in the following form but may include other information:

"You are hereby notified that a hearing will be held in executive session before the Board at ____ on the _ day of ___, 20 __, at the hour of ___, upon the charges made in the complaint served upon you. You may but need not be present at the hearing, may but need not be represented by counsel, may present any relevant evidence and you will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to compel the attendance of witnesses and the production of books, documents or other items by applying to the Board."

If any of the parties can, within twenty-four hours, show good cause as to why they cannot attend the hearing on the set date and indicate times and dates on which they would be available, the Board may reset the time and date of hearing and promptly deliver notice of the new hearing date.

(d) Notice of Defense. The Owner may respond to the Complaint in writing or attend the hearing to present a defense.

(e) Hearing.

(1) Each party shall have these rights: to call and examine witnesses; to introduce exhibits; to cross-examine opposing witnesses; and to rebut the evidence against him. Even if the Owner does not testify in his own behalf he may be called and examined as if under cross-examination.

(2) The hearing need not be conducted according to technical rules relating to evidence and witnesses. Generally, any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. Hearsay evidence shall not be sufficient in itself to support a finding.

(3) The accusing party must appear at the hearing for purposes of examination. The hearing shall be conducted in executive session.

(f) Decision. After all testimony and documentary evidence has been presented to the Board, the Board shall vote upon the matter, with a majority of the entire Board controlling. The Board shall notify the Owner of its decision by personal delivery or by first-class mail within fifteen (15) days of the decision. There is no right of appeal.

15.8 Emergency Situations. Under circumstances involving conduct that constitutes:

(a) an immediate and unreasonable infringement of, or threat to, the safety or quiet enjoyment of neighboring Owners;

(b) a traffic or fire hazard;

(c) a threat of material damage to, or destruction of, the Common Area or Common Facilities;

(d) interference with the Association's management or maintenance and repair of the Common Area, or

(e) a violation of the Governing Documents that is of such a nature that there is no material question regarding the identity of the violator or whether a violation has occurred (such as parking violations), the Board of Directors or its duly authorized agents may undertake immediate corrective or disciplinary action and, upon request of the offending Owner, or on its own initiative, conduct a hearing as soon thereafter as reasonably possible.

15.9 Prerequisites to Court Actions. Court actions to enforce the governing documents, the Davis-Stirling Act, or the non-profit or non-profit mutual benefit sections of the Corporations Code, may only be initiated on behalf of the Association as follows:

(a) Upon approval of the Board;

(b) Prior to filing suit, the Board or any Owner must comply with the pre-litigation alternative dispute resolution procedures set forth in Civil Code Sections 5900, et seq. (Internal Dispute Resolution) and 5925, et seq. (Alternate Dispute Resolution), unless the suit is for non-payment of assessments or involves an immediate threat to safety of Owners and Residents or the Property, or a temporary restraining order is required.

15.10 Violation. A violation of the Governing Documents shall be defined as a single act or omission occurring on a single day. If the violation continues for additional days, discipline imposed by the Board may, in its discretion, include an additional fine for each day the violation continues but only after notice and the opportunity for a hearing is provided to the Owner of the Condominium whose Owner or Resident is responsible for the violation.

ARTICLE XVI
AMENDMENT OF DECLARATION

16.1 Amendment in General.

(a) The record Owners of Seventy Five Percent (75%) of Condominiums entitled to vote because their voting rights are not suspended may at any time modify, amend, augment, or delete any of the provisions of the Declaration.

(b) A certificate, signed and sworn to by the President and Secretary or such other Officers as the Board shall designate, that the record Owners of Seventy Five Percent (75%) of the Condominiums have voted for any amendment adopted as above provided, when recorded, shall be conclusive evidence of such fact. The Board of Directors shall maintain in its files the record of all such votes or written consents.

ARTICLE XVII
GENERAL PROVISIONS

17.1 Term. The covenants, conditions, restrictions, limitations, reservations, grants of easement, rights, rights-of-way, liens, charges and equitable servitudes contained in this Declaration shall run with, and shall benefit and burden the Condominiums and the Common Area as herein provided, and shall inure to the benefit of and be binding upon the Owners, the Association, its Board of Directors, and its officers and agents, and their respective successors in interest, for a term of 60 years from the date of the recording of this Declaration, after which time the same shall be automatically extended for successive periods of 10 years each unless, within 6 months prior to the expiration of the initial 60-year term or any such 10-year extension period, a recordable written instrument, approved by all Owners terminating the effectiveness of this Declaration shall be filed for recording in the Office of the County Recorder of Los Angeles County, California.

17.2 Construction of Declaration.

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

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

IN WITNESS WHEREOF, the undersigned have executed this Restated Declaration on this 10th day of 20 April, 2019.

**VILLA MARGARITA OWNERS'
ASSOCIATION,**
A California Non-Profit Corporation

By: Cynthia Walker
Cynthia Walker, President

By: Michelle Warnia
Michelle C Warnia, Secretary

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

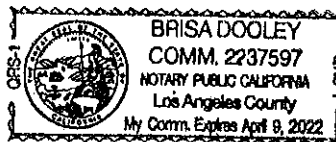
State of California
County of Los Angeles)

On April 10, 2019 before me, Brisa Dooley, Notary Public
(insert name and title of the officer)

personally appeared Cynthia Walker and Michelle C. Warnica
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.



Signature  (Seal)