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ARTICLE 15

COVENANT AGAINST PARTITION

15.1 Individual Residence Lots. The component interests which comprise the Unit received by each Owner shall not and cannot be partitioned or otherwise separated. No Owner may sell, assign or convey his parking or storage space, interest in the Common Area, or membership in the Corporation separate and apart from his Residence Lot. Any attempted severance, partition, separation or conveyance in violation of this paragraph 15.1 shall be null and void. Each Owner covenants and agrees that the component parts of the Unit conveyed hereunder shall not be separated or separately conveyed and that any transfer or conveyance of a Residence Lot shall be presumed to and shall transfer and convey the entire Unit interest. Where a Residence Lot shall be owned by two or more Owners as co-tenants, tenants in

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common or joint tenants, nothing herein contained shall be deemed to prevent a judicial partition as between such cotenants.

15.2 Partition of Project. An action may be brought by one or more of the Owners for judicial partition of their respective interest by sale of the entire Project free of this Declaration; provided, however, that such partition shall only be made upon a showing of the occurrence of any of the following:

(i) Three (3) calendar years have elapsed after the date of damage or destruction to the Project which renders a material part thereof unfit for its use prior thereto, and that the Project has not been rebuilt or repaired substantially to its state existing prior to the date of such damage or destruction; or

(ii) That three-fourths (3/4) or more of the Project has been destroyed or substantially damaged and that the Owners holding in the aggregate more than a fifty percent (50%) interest in the Common Area are opposed to repair or restoration of the Project; or

(iii) That more than fifty (50) years have elapsed from the date of recording of this Declaration and that the Project is obsolete and uneconomic and that the Owners holding in the aggregate more than a fifty percent (50%) interest in the Common Area are opposed to the repair or restoration of the Project. Except as hereinabove provided, no Owner shall seek judicial partition of the Common Area or any part thereof so

long as this Declaration shall remain in effect.

15.2.1 In connection with the vote of Owners pursuant to paragraph 15.2, in each instance where a Residence Lot is subject to the lien or charge of a Mortgage, the vote of the Owner of such Residence Lot not to repair or restore shall be deemed ineffective unless the Mortgagee shall have consented in writing thereto.

15.3 Power of Attorney. The Corporation is hereby granted an irrevocable power of attorney to sell the Project for the benefit of all Owners thereof when partition of the Owners' interests in said Project may be had pursuant to paragraph 15.2 hereof, or the Owners elect not to repair any damage or destruction to the Project as set forth in paragraph 13.1 hereof. The power of attorney herein granted shall be exercised by the Board, which is hereby authorized to record in the Office of the County Recorder of San Diego County, a certificate of exercise which certificate shall be conclusive evidence thereof in favor of any person relying thereon in good faith.

ARTICLE 16

PARKING AND STORAGE SPACE

16.1 Parking and Storage. The Project has been so designed by the Grantor that each Residence Lot shall have an attached covered garage to be used for parking motor vehicles. No Owner shall be entitled to convert said garage from said use without the written consent of the Board of Directors pursuant to Section 10.4 hereof.

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16.2 Extra Space. In the event there are any extra parking or storage spaces in the project, the Corporation may assign the exclusive use of them to Owners on any nondiscriminatory basis as may be selected by the Corporation for which an extra fee may be charged.

ARTICLE 17

ENCROACHMENT EASEMENT

17.1 Encroachment Easement. Each Residence Lot within the Project is hereby declared to have an easement over all adjoining Residence Lots for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of the buildings, fences or other improvements, or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachments, settlement or shifting; provided; however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful misconduct of said Owner or Owners. In the event a structure is partially or totally destroyed, and then repaired or rebuilt, the Owners of each Residence Lot agree that minor encroachments over adjoining Residence Lots shall be permitted and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist.

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FULL MICRO SAFETY

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ARTICLE 18

GENERAL PROVISIONS

18.1 Amendment. At any time(s), and from time to time hereaft r, this Declaration may be amended by written instrument (or counterparts thereof) (i) signed and acknowledged by the Owners of at least seventy-five percent of the Residence Lots, (ii) bearing, or to which is attached, written consent of the holders of every mortgage or deed of trust encumbering (as of the time of recording such amendment) such Residence Lots, with each signing Owner certifying under penalty of perjury as to the names of all holders of every mortgage or deed of trust encumbering his Residence Lot, if any, and if no such holder is identified, said Owner's signed amendment shall conclusively be counted without consent from any other party, and (iii) filed for record in the Office of the Recorder of San Diego County, California. Each such amendment shall become effective upon such recording. Each amendment made pursuant to this Paragraph 18.1 shall, from and after its effective date, be as effective as this instrument as to all (i) the Common Area, (ii) the Units, (iii) the Residence Lots, (iv) the Project, and (v) the Owners (as of the effective date) and their successors in interest.

18.2 Severability. Should any of the covenants contained in this Declaration be held by a competent court to be void or unenforceable in law or in equity, the partial invalidity or unenforceability of any one such provision shall not affect the validity or enforceability of any other provisions hereof.

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18.3 Term. Subject to the provisions of paragraph 18.1 hereof relating to amendments, this Declaration shall be in effect until 5:00 p.m. on December 31, 2033, and shall be automatically extended for successive periods of twenty (20) years each thereafter unless within six (6) months prior to the expiration of the initial term or of any succeeding twenty-year term a written agreement executed by Owners owning a majority of the Residence Lots shall be placed of record in the Office of the County Recorder of San Diego County terminating the effectiveness of this Declaration in whole or in part as to all or part of the Project.

18.4 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a residential condominium project. Failure to enforce any provisions hereof shall not constitute a waiver of the right to enforce such provision or any other provision hereof.

18.5 Rights of Grantor. Notwithstanding anything to the contrary contained in this Declaration, the Grantor shall have the absolute right to use one or more of the Residence Lots prior to the sale thereof as sales offices and model Residence for display to prospective purchasers until such time as all of the Residence Lots owned by the Grantor have been sold. Additionally, the Grantor shall have the absolute right to post such signs, make such displays, and to conduct such sales activities normally carried on by developers of similar residential projects until such time as all Condominiums owned by the Grantor have been sold. The

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Grantor shall additionally have the absolute right, until the Project is completed, to carry on any and all necessary or desirable construction activities, including without limitation, the construction of buildings and improvements, the operation of machinery, equipment and earth-moving equipment, the erection of temporary and permanent utility facilities, the maintenance of construction site job shacks and any other similar activities which are normally carried on by developers of similar residential housing projects.

18.6 Attorneys' Fees. In the event any litigation is commenced to enforce any rights or obligations under this Declaration, the prevailing party shall be entitled to recover court costs and reasonable attorneys' fees from the other party or parties to the litigation.

ARTICLE 19

ANNEXATION

19.1 Annexation of Additional Properties. Adjoining property may be annexed to and become subject to this Declaration by any of the methods set forth hereinbelow in this paragraph as follows:

19.1.1 Annexation Pursuant to Approval. Upon approval by seventy-five percent (75%) of the voting power of the Owners, by vote at a duly called meeting or by the written assent of such Members, the Owner of any property who desires to add it to the scheme of this Declaration along with the Corporation may file of record a Supplementary Declaration, as described herein-

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after.

19.1.2 Annexation Pursuant to General Plan. All or any part of the adjoining property described in Exhibit "D" attached hereto, may be annexed, from time to time, to the Project and added to the scheme of this Declaration and subject to the jurisdiction of the Corporation without the assent of the Owners, the Corporation or its Members, provided and on condition that:

(i) Any annexation pursuant to this subparagraph 19.1.2 shall be made within three (3) years from the date of issuance of any final public report on the subject Real Property, or the adjoining property described in Exhibit "D"; and

(ii) the development of the additional properties shall be in accordance with a general plan of development substantially similar to the development of the subject Real Property.

(iii) A Supplementary Declaration, as described in subparagraph 19.1.3 hereof shall be recorded covering the applicable portion of the adjoining property described in Exhibit "D".

19.1.3 Supplementary Declarations. The additions authorized under the foregoing paragraphs shall be made by filing of record a Supplementary Declaration of Covenants, Conditions and Restrictions, or similar instrument, with respect to the additional properties which shall extend the scheme of this Declaration to such properties. Such Supplementary Declarations contemplated above may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme

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of this Declaration. In no event, however, shall any such Supplementary Declarations, merger or consolidation, revoke, modify or add to the covenants established by this Declaration within the existing project, except as hereinabove otherwise provided.

IN WITNESS WHEREOF, the Grantor has executed this instrument on the 29th day of March, 1973

McMILLIN CONSTRUCTION CO., INC.

(SEAL)

By [Signature]
By [Signature]

Home Federal Sav. & Loan Assn. of S.D., as beneficiary of that certain deed of trust, recorded on Dec. 23, 1971, as file number 298,887, in the Office of the County Recorder of the County of San Diego, State of California hereby agrees that the lien and charge of said Deed of Trust is and shall be subject and subordinate to the within Declaration of Restrictions.

By [Signature] Vice President
By [Signature] Vice Pres.

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