



HORIZON MANAGEMENT COMPANY

THE VILLAGE CONDOMINIUM OWNERS ASSOCIATION

CC&R'S

THE VILLAGE CONDOMINIUM OWNERS ASSOCIATION
630 The Village, #117
Redondo Beach, California 90277
Telephone (213) 379-0198



November 21, 1990

The Village Homeowners
610 - 696 The Village
Redondo Beach, Ca. 90277

The CC&R's Article VI 6.1 for The Village Condominiums states as follows:

" None of the condominiums shall be used except for residential purposes."

Residential Definition:

Chiefly for residents rather than transients.

Transients Definition:

Passing quickly or soon:fleeting. Staying only a short time.

The Village Condominiums are to be occupied on a residential basis with a term of not less than Sixty (60) days continuous occupancy.

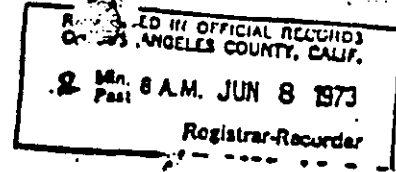
Please attach this definition with your legal documents for easy reference.

Thank you,

Board of Directors
The Village Condominiums

Phillip K. Smith, Jr.
Greenberg & Baker
1900 A... o... cho Stars
Los Angeles, California 90067

81660



DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
THE VILLAGE CONDOMINIUMS
Redondo Beach, California

FEE \$ 242/21

WHEREAS, Lincoln Property Company No. Thirty-Three, Inc., a California corporation ("Declarant") is the owner of certain real property in the City of Redondo Beach, County of Los Angeles, State of California, more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Project") and

WHEREAS, it is the desire and intention of Declarant to subdivide and develop the Project and to sell and convey Condominiums therein subject to the covenants, conditions and restrictions set forth in this Declaration;

NOW, THEREFORE, Declarant hereby declares that the Project shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved, subject to the following covenants, conditions and restrictions, all of which are in furtherance of a plan for the subdivision and improvement of the Project and sale of Condominiums therein, and which are established for the purpose of enhancing and protecting the value, desirability and attractiveness of the Project. All of the covenants, conditions and restrictions herein set forth shall run with the Project and shall be binding on all parties having or acquiring any right, title or interest in the Project or any part thereof, and shall be for the benefit of each owner of any portion of the Project, or any interest therein, and shall inure to the benefit of and be binding upon each successor in interest of such owners. The Project is intended to be made subject to each and all of the provisions of Sections 1350 through 1359 of the Civil Code of California. There has been recorded or will be recorded concurrently herewith a plan (the "Condominium Plan") as required by Civil Code §1351, and this Declaration is made in compliance with Civil Code §1355.

ARTICLE I

Definitions

In addition to the terms elsewhere defined herein the following terms shall have the following meanings whenever used in this Declaration:

- 1.1 Declarant: Lincoln Property Company No. Thirty-Three, Inc., a California corporation.
- 1.2 Owner: The record owner, or owners if more than one, of a Condominium, including Declarant.
- 1.3 Project: The real property subject to this Declaration, divided or to be divided into Condominiums, together with all structures now or hereafter constructed thereon.
- 1.4 Condominium: A condominium as defined in Section 783 of the California Civil Code, being an estate in real property consisting of (a) a separate fee interest in the space within a Unit, and (b) a fractional undivided interest as a tenant in common in the Common Area.
- 1.5 Unit: The elements of a Condominium which are not owned in common with the other Owners. The boundaries of the Units in the Project are as shown and defined on the Condominium Plan. Notwithstanding the foregoing, Unit 111 as shown and defined on the Condominium Plan is a recreation room and is part of the Common Area.
- 1.6 Common Area: The Project, excepting Units 1 to 110 inclusive and Units 112 to 324 inclusive as shown and defined on the Condominium Plan.
- 1.7 Association: ~~The Village Condominium Owners' Association, Inc.~~
- 1.8 Board: The Board of Directors of the Association.
- 1.9 Articles; By-Laws: The Articles of Incorporation and By-Laws of the Association.
- 1.10 Member: Every person or entity holding membership in the Association.
- 1.11 Declaration: This Declaration, as from time to time amended.
- 1.12 Mortgage: A mortgage or deed of trust of record encumbering a Condominium. The term "Mortgagee" shall include the beneficiary and the term "Mortgagor" shall include the trustor under a deed of trust.

ARTICLE II

Management by the Association

2.1 Organization. The Association is a California corporation charged with the duties and invested with the powers prescribed by law and set forth in the Articles, By-Laws, and this Declaration. Neither the Articles nor By-Laws shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration. In the event of any such inconsistency the provisions of this Declaration shall prevail. The Board of Directors of the Association, and such officers as the Board may elect or appoint, shall conduct the affairs of the Association, in accordance with the Articles and By-Laws as from time to time amended.

2.2 Membership. Each Owner shall be a Member of the Association and shall be entitled to one membership for each Condominium owned. Each Member shall have the rights, duties and obligations set forth in this Declaration, the Articles, the By-Laws and the Association Rules as the same may from time to time be amended. The membership of each Owner in the Association shall be appurtenant to the Condominium giving rise to such membership, and shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon the transfer of title to such Condominium, and then only to the transferee of title thereto. Any transfer of title to a Condominium shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner thereof.

2.3 Voting.

(a) There shall be one vote for each Condominium in the Project. The vote for each Condominium shall be cast as a unit; fractional votes shall not be allowed. If more than one person is the Owner of a Condominium, and such persons are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any such person or persons jointly owning a certain Condominium cast a vote representing that Condominium, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other such persons. In the event more than one vote is cast for a particular Condominium, such votes shall be void and shall not be counted.

(b) Every Owner entitled to vote at an election for members of the Board shall have the right to cumulate his votes and give one candidate, or divide among any number of the candidates, a number of votes equal to the number of votes such Owner is otherwise entitled to, multiplied by the number of directors to be elected.

2.4 Duties of the Association. The Association shall have the obligation to perform each of the following duties:

(a) Subject to the provisions of Paragraph 2.7, to maintain and otherwise manage all of the Common Area and all facilities, improvements and landscaping thereon, and all property that may be acquired by the Association.

(b) To pay water (including sewer service) charges with respect to the Common Area and the Units, and to pay charges for gas and electricity with respect to the Common Area.

(c) To obtain and maintain in force the policies of insurance specified in Paragraph 2.6.

(d) To pay taxes and assessments which are or could become a lien on the Common Area, or any portion thereof.

(e) To perform such other acts, whether or not expressly authorized by this Declaration, as may be reasonably necessary to enforce any of the provisions of this Declaration and the Association Rules.

2.5 Powers and Authority of the Association. The Association shall have all of the powers of a corporation organized under the General Non-Profit Corporation Law of the State of California, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the By-Laws, or this Declaration. The Association shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under this Declaration, the Articles and the By-Laws, 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, including without limitation the power and authority:

(a) To levy assessments on the Owners and to enforce payment of such assessments, all in accordance with the provisions of Articles III and IV.

(b) To enter into or upon any Unit or the Common Area for the purpose of performing the duties of the Association set forth in Paragraph 2.4, enforcing by peaceful means any of the provisions of this Declaration or maintaining or repairing any area required to be maintained by an Owner if for any reason whatsoever such Owner fails to maintain or repair such area. Any such entrance into a Unit shall be after twenty-four (24) hours prior written notice to the Owner, or such greater notice as may be required by any provision hereof; provided, however, that such entrance shall be permitted without any prior notice whatsoever in the event of an emergency. The Association shall also have the power and authority from time to time in its own name, on its own behalf or on behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration and to enforce, by mandatory injunction or otherwise, all of the provisions hereof.

(c) To grant and convey to any third party easements and rights-of-way in, on, over or under the Common Area for the purpose of constructing, erecting, operating or maintaining thereon, therein or thereunder overhead or underground lines, cables, wires, conduits, or other devices for the transmission of electricity for lighting, heating, power, telephone and other purposes, public sewers, storm water drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes and any similar public or quasi-public improvements or facilities.

(d) To contract for materials and/or services for the Common Area or the Association, with the term of any service contract limited to a duration of one year, except with the approval of a majority of the voting power of the Association.

(e) By a majority vote of the Board, and from time to time, to adopt, amend, enforce and repeal such rules and regulations as the Board shall determine to be necessary or proper for the operation of the Common Area (the "Association Rules"). The Association Rules shall govern the use of the Common Area by any Owner, by the family of such Owner, or by any invitee, licensee or lessee of such Owner; provided, however; that the Association Rules may not discriminate among Owners and shall not be inconsistent with this Declaration, the Articles or By-Laws. 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. Upon such mailing or delivery, the Association Rules shall have the same force and effect as if set forth in this Declaration.

2.6 Insurance.

(a) The Association shall obtain and maintain in force comprehensive public liability insurance insuring the Association, the Manager, if any, the Declarant and the Owners, and the agents and employees of each, against any liability incident to the ownership or use of the Common Area and including, if obtainable, a cross liability endorsement insuring each insured against liability to each other insured. The limits of such insurance shall not be less than \$1,000,000 for death of or injury to any one person and \$3,000,000 for death of or injury to more than one person in any one occurrence, and \$100,000 for property damage in any one occurrence.

(b) The Association shall also obtain and maintain in force a master or blanket policy of fire insurance for the full insurable value of all of the improvements within the Project. Such policy and any endorsements thereon shall be in the form and content, for such term and in such company as may be satisfactory to any Mortgagee; and, if more than one Mortgagee has a loan of record against the Project, or any part thereof, such policy and endorsements shall meet the maximum standard of the various Mortgagees represented in

the Project. Such policy shall contain extended coverage and replacement cost endorsements, if available, and may also contain vandalism and malicious mischief coverage, special form endorsement, stipulated amount clause, and a determinable cash adjustment clause, or a similar clause to permit cash settlement covering full value of the improvements in the event of partial destruction and decision not to rebuild. Such policy shall be in such amounts as shall be determined from time to time by the Board, shall name as insured the Association, the Owners and Declarant, so long as Declarant is the Owner of any of the Condominiums, and all Mortgagees as their respective interests shall appear, and shall contain a loss payable endorsement in favor of the trustee hereinafter described.

(c) All insurance proceeds payable under Paragraph 2.6(b), and subject to the rights of the Mortgagees under Paragraph 2.6(f), shall be paid to a trustee, to be held and expended for the benefit of the Owners, Mortgagees and others, as their respective interests shall appear. Said trustee shall be a commercial bank, or branch thereof, in Los Angeles County, California, which has agreed in writing to accept such trust. In the event repair or reconstruction is authorized, the Board shall have the duty to contract for such work as provided for herein.

(d) The Board may purchase and maintain in force demolition insurance in adequate amounts to cover demolition in the event of total or partial destruction and decision not to rebuild. The Board shall also purchase and maintain workmen's compensation insurance, to the extent that the same shall be required by law, for all employees of the Project. The Board may also purchase and maintain fidelity bonds, insurance on commonly-owned personal property, and such other insurance as it deems necessary.

(e) An Owner may carry such personal liability and property damage insurance respecting his Unit as he may desire; however, any such policy shall include a waiver of subrogation clause.

(f) With respect to insurance coverage under Paragraph 2.6(b), any Mortgagee shall have the option to apply insurance proceeds payable to him in reduction of the obligation secured by his Mortgage.

2.7 Exterior Maintenance of Buildings and Common Area. The Association shall provide exterior maintenance of each building within the Project which houses the Units, which maintenance shall include and be limited to painting, maintaining, repairing and replacing roofs, gutters, downspouts and exterior building surfaces, when and if required by reason of normal wear and tear or deterioration, and maintenance of landscaping within the Common Area, including trees, shrubs, grass and walkways. The Association shall also maintain all hallways, corridors, entryways, stairways, elevators and other common interior areas of such buildings. To perform these services the Association shall employ the services of a person or firm ("the manager") upon the best terms available.

(Each Owner shall be responsible for the maintenance and repair of the interior of his Unit, all glass surfaces included in, attached or appurtenant to his Unit) and shall also be responsible for the maintenance and repair of the plumbing and electrical systems servicing his Unit and located from the angle stop to the plumbing fixture and from the breaker box to the electrical fixture or outlet, as the case may be, in said Unit, and all appliances and equipment, including air-conditioning units, located in said Unit) If an Owner shall fail to perform such maintenance or make such repairs or replacements as are his responsibility, then, upon the vote of a majority of the members of the Board, and after not less than thirty (30) days' notice to such Owner, the Association shall have the right (but not the obligation) to enter into or upon the Condominium of such Owner and provide such maintenance or make such repairs or replacements, and add the cost thereof to the assessments chargeable to such Owner.

ARTICLE II

Maintenance Assessments

3.1 Covenant to Pay Assessments. Declarant covenants for each Condominium owned, and each Owner other than Declarant, by acceptance of a deed to a Condominium, shall be deemed to covenant, to pay regular assessments and special assessments for capital improvements levied as hereinafter provided. The regular and special assessments, together with interest and costs of collection as hereinafter provided, shall be a charge on the real property and shall be a continuing lien upon the Condominium against which each such assessment is made. Each such assessment, together with such interest and costs, shall also be the personal obligation of the person who was the owner of such Condominium at the time such assessment became due and payable.

3.2 Basis of Regular Assessments.

(a) Within thirty (30) days prior to the beginning of each calendar year, the Board shall estimate the charges required to be paid by the Association in performing its functions for the Project during such calendar year, including a reasonable provision for contingencies and less any surplus from the prior year's fund. Such amount ("the estimated cash requirement") shall be assessed to all Owners in December of each year for the following year at the proportionate rates described in Paragraph 3.4. If the estimated cash requirement proves inadequate for any reason, including non-payment of any Owner's assessment, the Board may at any time levy a further assessment which shall be assessed to the Owners in the same manner. Except as herein otherwise provided, each owner shall pay assessments levied pursuant to this Article to the Association in equal monthly installments commencing upon the first day of January in the calendar year following the assessment.

(b) Any assessments levied and which become payable with respect to a Condominium prior to the initial sale thereof by Declarant shall be the obligation of Declarant as the Owner thereof.

(c) All funds collected hereunder, together with special assessments or charges elsewhere provided for in this Declaration, shall be controlled by the Declarant prior to the organizational meeting of the Members, and thereafter by the Board, and shall constitute the maintenance fund referred to herein.

(d) Within sixty (60) days after the end of each calendar year, the Board shall prepare and distribute to all Owners a report with respect to the use of the maintenance fund for such year which shall include a statement of cash income and expenditures and any amount remaining in such fund as of the end of such year.

3.3 Special Assessments for Capital Improvements. In addition to the regular assessments authorized above, the Association may levy in any calendar year a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment in excess of \$1,000 shall be approved by the vote or written consent of Members other than Declarant representing fifty-one percent (51%) or more of the total voting power of the Association excluding therefrom the voting power of Declarant.

3.4 Rate of Assessment. Regular assessments shall initially be at the monthly rates set forth in Exhibit "B" attached hereto and incorporated herein by this reference. As and when the Association's budget shall increase or decrease as herein provided, such assessments shall be adjusted so that Owners of Condominiums of each of the plan designations shown in Exhibit "B" shall bear the same relative proportion of the total budget as that initially borne. Thus, if the initial budget shall be increased by 10%, the monthly assessment payable by each Owner shall be the respective amount set forth in Exhibit "B," increased by 10%.

3.5 Date of Commencement of Regular Assessments. The regular assessments provided for herein shall commence as to each condominium on the first day of the month following the filing of a Notice of Completion in Los Angeles County with respect to the building which houses the Unit corresponding to such condominium.

3.6 Certificate of Payment. The Association shall, within ten (10) days after demand and upon payment of a reasonable fee not to exceed \$10.00, furnish a certificate signed by an officer of the Association stating whether assessments on a Condominium have been paid.

ARTICLE IV

Enforcement of Assessments

4.1 Delinquency. Any assessment provided for in this Declaration which is not paid when due, shall be delinquent. With respect to each assessment not paid within fifteen (15) days after its due date, the Association may, at its election, require the owner to pay a "late charge" in a sum to be determined by the Association, but not to exceed ten dollars (\$10.00) per each delinquent assessment. If any such assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date due at the rate of ten percent (10%) per annum.

4.2 Assessment Lien. Any delinquent assessment or assessments, together with interest and late charges in accordance with Paragraph 4.1, shall be and become a lien upon the Condominium against which such delinquent assessment or assessments were levied, upon the recording in the Los Angeles County Recorder's Office of a notice of assessment as provided in Section 1356 of the Civil Code of California. A notice of assessment shall not be recorded until fifteen (15) days after the delivery to the delinquent Owner of a written notice of default and demand to cure such default and unless the delinquent Owner shall not have cured the default within such fifteen-day period.

4.3 Foreclosure of Lien. The Association or its agent may enforce any lien established pursuant to Paragraph 4.2 by sale, such sale to be conducted in accordance with the provisions of Sections 2924, 2924b and 2924c of the Civil Code, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted by law. In the event the enforcement of such lien is by action in Court, reasonable attorneys' fees shall be allowed to the extent permitted by law. In the event of enforcement in the manner provided by law for the exercise of powers of sale in mortgages and deeds of trust, the Association shall be entitled to actual expenses and such fees as may be allowed by law or as may be prevailing at the time the sale is conducted. If any such default is cured prior to sale or other enforcement of such lien, the Board shall cause to be recorded a certificate setting forth the satisfaction and release of such lien, upon payment by the delinquent Owner of actual expenses incurred by the Association, including reasonable attorneys' fees.

4.4 Legal Action. In addition to the right of lien herein set forth, the Association may bring a suit at law against a delinquent Owner to enforce his assessment obligation. Any judgment rendered in such an action shall include a sum for reasonable attorneys' fees in such amount as the Court may adjudge against the delinquent Owner.

ARTICLE V

Property Rights and Easements

5.1 Undivided Interest in Common Area. There shall be conveyed to each Owner in the Project together with his respective Unit a fractional undivided interest in the Common Area. Declarant, its successors, assigns and grantees, covenant and agree that the undivided interests in the Common Area and the fee title to the respective Units conveyed therewith shall not be separate or separately conveyed, and each such undivided interest shall be deemed to be conveyed or encumbered with its respective Unit even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to the Unit.

5.2 Rights in Common Area. Every Member shall have a right and nonexclusive easement of enjoyment and a non-exclusive easement for ingress and egress in, to, over and through the Common Area. Such easements shall be appurtenant to and shall pass with the title to every Condominium, subject to the following:

(a) The right of the Association to limit the number of guests of Members.

(b) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.

(c) The right of the Association to adopt Association Rules regulating the use and enjoyment of the Common Area by the Members, their guests, family, invitees, licensees and lessees.

(d) The right of the Association to suspend the voting rights and right to use of the recreational facilities by a Member for any period during which any assessment against his Condominium remains unpaid and delinquent and for a period not to exceed thirty (30) days for any single infraction of the rules and regulations of the Association, provided that any suspension of such voting rights or right to use the recreational facilities, except for failure to pay assessments, shall be made only by the Association or a duly appointed committee thereof, after notice and hearing given and held in accordance with the By-Laws of the Association.

(e) The right of Declarant, its sales agents and representatives to the nonexclusive use of the Common Area and the facilities thereon for display and exhibit purposes in connection with the sale of Condominiums, which right Declarant hereby reserves; provided, however, that such use shall not be for a period of more than three (3) years after the conveyance of the first Condominium; provided further, that no such use by Declarant, its sales agents or representatives shall unreasonably restrict the Members in their use and enjoyment of the Common Area or recreational facilities thereon.

(f) The provisions of Paragraph 5.8 with respect to parking in the Common Area.

5.3 Delegation of Use. Any Member may delegate his right of enjoyment to the Common Area and recreational facilities to the members of his family, his tenants, or contract purchasers who reside in his Condominium.

5.4 Waiver of Use. No Member may exempt himself from personal liability for assessments duly levied by the Association, nor release the Condominium owned by him from the liens and charges hereof, by waiver of the use and enjoyment of the Common Area and recreational facilities thereon or by abandonment of his Condominium.

5.5 Additional Provisions Relating to Common Area. The Declarant, its successors and assigns, and all future Owners of Condominiums, by acceptance of their respective deeds, covenant and agree as follows:

(a) Except as provided in Section 752b of the Code of Civil Procedure of California, the Common Area shall remain undivided; no Owner shall bring any action for partition, it being agreed that this restriction is necessary in order to preserve the rights of the Owners with respect to the operation and management of the Project.

Public
(b) If any portion of the Common Area encroaches upon the Condominiums, there shall be a valid easement for the encroachment and for the maintenance thereof, so long as it exists. In the event a structure is partially or totally destroyed, and then rebuilt, the Owners agree that minor encroachments on parts of the Common Area due to construction shall be permitted and that valid easements for such encroachment and the maintenance thereof shall exist.

(c) The Common Area is and shall always be subject to easements for minor encroachments thereon of a Condominium; a nonexclusive easement for ingress, egress and support through the Common Area is appurtenant to each Condominium; and the Common Area is subject to such easements.

5.6 Utility Facilities. The rights and duties of the Owners with respect to sanitary sewer and water, electricity, gas and telephone lines and facilities shall be governed by the following:

(a) Wherever sanitary sewer house connections and/or water house connections or electricity, gas, or telephone lines are installed within the Project, which connections or any portion thereof lie in or upon Condominiums owned by other than the Owner of a Condominium served by such connections, the Owner of any Condominium served by such connections shall have the right, and is hereby granted an easement to the full extent necessary therefor, to enter upon the Condominiums in or upon which connections, or any portion thereof lie, to repair, replace and maintain such connections as and when necessary.

(b) Wherever sanitary sewer house connections and/or water house connections or electricity, gas or telephone lines are installed within the Project, which connections serve more than one Condominium, the owner of each Condominium served by such connections shall be entitled to the full use and enjoyment of such portions of such connections as service his Condominium.

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

5.7 Utility Easements. Easements on, over and under the Project for the installation and maintenance of electric, telephone, water, gas and sanitary sewer lines and facilities, and for drainage facilities as shown on the recorded map of the Project, and as may be hereafter required or needed to service the Project, are hereby reserved by Declarant, together with the right to grant and transfer such easements.

5.8 Parking. On or prior to the conveyance of each Condominium to an Owner, Declarant shall assign one or more numbered parking spaces in the Common Area to such Condominium. Notwithstanding any other provision in this Declaration, each Owner shall have the exclusive right to use such parking space or spaces so assigned to his Condominium for the sole purpose of parking one non-commercial passenger vehicle in each single space or two such vehicles in each tandem space. Declarant shall file with the Board a schedule of such assigned parking spaces, and such assignments shall not be revised except upon the vote of seventy-five percent (75%) of all the Owners. The sale or other transfer of a Condominium shall not affect such assignments.

ARTICLE VI

Use Restrictions

The use of the Project and each Condominium therein shall be restricted in accordance with the following provisions in addition to all other covenants, conditions and restrictions herein contained:

6.1 Residential Use by Adults. None of the Condominiums shall be used except for residential purposes. The Condominiums shall not be used or occupied by persons under eighteen (18) years of age; provided, however, that the Board may permit, by means of duly adopted rules, Owners' guests and invitees under eighteen (18) years of age and children of Owners born after such Owners purchase their Condominiums to use and occupy the Condominiums subject to such conditions as the Board deems reasonable.

6.2 Alterations. No building, fence, wall or other structure or improvement shall be constructed or maintained upon the Project, nor shall any exterior addition, change or alteration be made in, on or to the Project, or any part thereof, by anyone other than Declarant, without the prior written approval of the Board.

6.3 Commercial Use. No part of the Project shall ever be used or caused, allowed or authorized to be used in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending, or other such non-residential purpose; provided, however, that Declarant, its successors or assigns, may use the Project for a model site, and display and sales office during the construction and sales period.

6.4 Signs. No sign or billboard of any kind shall be displayed to the public view on any portion of the Project or any Condominium except one sign for each Condominium, of not more than eighteen (18) inches by twenty-four (24) inches, advertising the property for sale or rent, or except signs used by Declarant, its successors or assigns, to advertise the Project during the construction and sales period.

✓ 6.5 Lawful Use. No noxious, offensive or unlawful activity shall be carried on in or upon any Condominium or any part of the Project, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to the neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the Owners of his respective Condominium, or which shall in any way increase the rate of insurance on the Project or any part thereof.

✓ 6.6 Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other out-building shall be used on any Condominium at any time as a residence, either temporarily or permanently. No trailer, campe boat or similar equipment shall be permitted to remain upon any property within the Project unless placed or maintained within an enclosed garage or carport, or except as used by Declarant in connection with its construction and sales program on the Project.

6.7 Animals. One domesticated dog, cat or other commonly accepted household pet; or caged birds; or fish in a household aquarium may be kept and maintained in a Unit, provided such pets are kept for non-commercial purposes, and further provided such pets shall not in the opinion of the Board create an unreasonable annoyance or nuisance to the Owners. Such pets shall not be permitted in the Common Area except in accordance with the Association Rules. No other animals shall be kept, maintained or permitted on or in the Project without the written consent of the Board.

6.8 Oil Drilling. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind, shall be permitted upon or in the Project, nor shall oil wells, tanks, tunnels or mineral excavations or shafts be permitted upon the surface of the Project or within five hundred (500) feet below the surface of the Project. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon the Project.

6.9 Trash Removal. All rubbish, trash and garbage shall be regularly removed from the Condominiums, and shall not be allowed to accumulate thereon. - All clotheslines, refuse containers, woodpiles, storage areas and machinery and equipment shall be prohibited upon any Condominium, unless obscured from view of adjoining Condominiums and streets by a fence or appropriate screen approved by the Board.

6.10 Antennas. No alteration to or modification of the radio and/or television antenna system, as installed by Declarant, shall be permitted and no Owner shall be permitted to construct and/or use and operate his own external radio and/or television antenna.

6.11 Maintenance. Each Owner shall maintain and repair the interiors of his Unit, including interior walls, windows, glass, ceilings, floors, fixtures and appurtenances thereto in a clean, sanitary and attractive condition.

ARTICLE VII

Damage or Destruction

7.1 Insurance Proceeds Sufficient. In the event of damage to or the partial destruction of the improvements in the Project, and if the available proceeds of the insurance carried pursuant to Article II hereof are sufficient to cover not less than eighty-five percent (85%) of the cost of repair or reconstruction thereof, the damaged or destroyed improvements shall be promptly repaired and rebuilt unless, within ninety (90) days from the date of such damage or destruction, at a duly constituted meeting of the Association, Members representing seventy-five percent (75%) of the total voting power of the Association determine that such repair and reconstruction shall not take place.

7.2 Insurance Proceeds Insufficient. If the available proceeds of such insurance are less than eighty-five percent (85%) of the cost of repair or reconstruction, such repair or reconstruction may, nevertheless, take place if, within ninety (90) days from the date of such damage or destruction, Members representing a majority of the total voting power of the Association so elect at a duly constituted meeting of the Association.

7.3 Assessments. If the Owners determine to rebuild, either pursuant to Paragraph 8.1 or Paragraph 8.2 above, each Owner shall be obligated to contribute such funds as may be necessary to pay his proportionate share of the cost of reconstruction, over and above the insurance proceeds, and the proportionate share of each Owner shall be the same as his proportionate interest in the Common Area. In the event of the failure or refusal of any Owner to make his proportionate contribution, the Board may levy a special assessment against such Owner, and enforce such assessment as provided in Article IV hereof.

7.4 Contractor. If the Owners determine to rebuild, the Board shall obtain bids from at least two (2) reputable contractors and award the reconstruction work to the lowest bidder. The Board shall have the authority to enter into a written agreement with such contractor for such reconstruction, the insurance proceeds to be disbursed by the trustee pursuant to Paragraph 2.6. The Board shall take all necessary actions to assure the commencement of such reconstruction within one hundred twenty (120) days after such destruction and the diligent prosecution of such reconstruction to completion.

7.5 Failure to Rebuild. If rebuilding shall not be authorized either pursuant to Paragraph 8.1 or Paragraph 8.2 above, any available insurance proceeds shall be distributed in equal shares among the Owners and mortgagees of the damaged improvements (including the Association with respect to the Common Area) as their interests may appear in such a way as to give consideration to the relative degree of damage to such improvements and the relative original value of improvements which have sustained the same degree of damage.

7.6 Interior Repairs. Any reconstruction undertaken pursuant to the foregoing provisions shall cover only the exterior and structural components of the damaged or destroyed Condominiums, and such other damage to such Condominiums as may be covered by insurance maintained by the Association. If a destroyed Condominium is so rebuilt, the Owner of such Condominium shall be obligated to repair and rebuild the damaged portions of the interior of his Unit in a good and workmanlike manner at such Owner's expense.

7.7 Arbitration. In the event of a dispute among the Owners with respect to the provisions of this Article, any Owner may cause such dispute to be referred to arbitration in accordance with the then prevailing rules of the American Arbitration Association. In the event of arbitration, notice thereof shall be given to the Board and all other Owners within ten (10) days after reference to arbitration, and all Owners shall have an opportunity to appear in such arbitration proceedings. The decision of such arbitrator shall be final and conclusive upon all Owners. The arbitrator may include in his decision an award for costs and/or attorneys' fees against any one or more parties to the arbitration.

ARTICLE VIII

Rights of Lenders

- (a) Any condominium owner may encumber his condominium by deed of trust or mortgage. The beneficiary of the deed of trust or the mortgagee of a mortgage is referred to in this paragraph as a "Lender."
- (b) A breach of any of the provisions of this Declaration shall not affect or impair the lien or charge of any bona fide deed of trust or mortgage made in good faith and for value encumbering any of the condominiums.
- (c) A Lender who acquires title by foreclosure or deed in lieu of foreclosure shall not be obligated to cure any breach of this Declaration which is non-curable or of a type which is not practical or feasible to cure.
- (d) It is intended that any loan to facilitate the resale of any condominium after foreclosure or deed in lieu of foreclosure is a loan made in good faith and for value and entitled to all of the rights and protections afforded to other Lenders.
- (e) All liens created by this Declaration which pertain in any manner or way whatsoever to any regular or special assessments for the payment of money shall be subordinate to the lien created by any bona fide deed of trust or mortgage given to any Lender. It is specifically understood, however, that any such Lender shall be liable for all such assessments during the actual period of time that Lender holds title to a condominium. This liability for assessments on the part of the Lender is on a pro-rata basis with the pro-rata period commencing on the date the Lender acquires title and ending upon resale or other transfer by the Lender, whereupon the liability for new future assessments will attach to the transferee.
- (f) No amendment to this paragraph shall affect the rights of the holder of any such mortgage or trust deed recorded prior to recordation of such amendment who does not join in the execution thereof.
- (g) Because of its financial interest in the project, a Lender may appear (but may not vote) at meetings of the voting Owners and the Board to draw attention to violations of this Declaration which have not been corrected or made the subject of remedial proceedings or assessments.
- (h) A Lender is authorized to furnish information to the Board concerning the status of any loan encumbering a condominium.
- (i) All applicable fire and all physical loss or extended coverage insurance policies shall contain loss payable clauses naming the Lenders who encumber condominiums by deed of trust or mortgage, as their interest may appear.

(j) If there is any conflict between any provision of this "Rights of Lenders" Article and other provision in this Declaration, the language contained under "Rights of Lenders" shall control.

(k) The board shall give thirty (30) days prior written notice to each Lender represented in the Project of (i) any amendment or alteration of the Declaration, the By-Laws or the Articles; and (ii) any change of Manager of the Project.

(l) The Board shall give written notice to a Lender of any default by the Mortgagor in the performance of such Mortgagor's obligations under the Declaration, which default is not cured within thirty (30) days. Such notice shall be given by the Board within ten (10) days after the expiration of such thirty-day period.

(m) The Board shall provide each Lender with the Association's budget annually and thirty (30) days prior written notice to each Lender of its annual and special meetings.

ARTICLE IX

General Provisions

9.1 Binding Effect; Term. The covenants, conditions and restrictions of this Declaration shall run with the land, and shall inure to the benefit of and be enforceable by the Association, or any Owner, their respective legal representatives, heirs, successors, and assigns. Each and all of the covenants, conditions and restrictions of this Declaration shall continue in force for a period of forty (40) years from the date this Declaration is recorded, after which time said covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years, unless seventy-five percent (75%) of the Owners shall have executed and recorded, within six (6) months prior to the end of said forty (40) year period or any subsequent ten (10) year period, an instrument by which it is agreed that said covenants, conditions and restrictions shall terminate at the end of said forty (40) year period or said subsequent ten (10) year period, as the case may be.

9.2 Nuisance. Every act or omission whereby any provision of this Declaration is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated, whether the relief sought is negative or affirmative action, by Declarant, the Association or any Owner.

9.3 Violation of Law. Any violation of any state, municipal, or local law, ordinance or regulation, pertaining to the ownership, occupation or use of the Project or any part thereof is hereby declared to be a violation of this Declaration and subject to any or all of the enforcement procedures set forth herein.

9.4 Amendments. This Declaration may be amended only by an affirmative vote of Members representing at least seventy-five percent (75%) of the voting power of the Association. No amendment to this Declaration shall be valid which would tend to defeat the priority position of a Mortgagee with respect to its lien or which would make the Mortgage illegal under then applicable governmental regulations unless consent is obtained in writing from such Mortgagee. For a period of three (3) years from the date of this Declaration or until Declarant no longer owns any Condominium in the Project, whichever occurs first, no amendment to this Declaration shall be effective without the prior written consent of Declarant.

9.5 Condemnation. In the event that all or part of the Project shall be condemned by any governmental body having the right of eminent domain, the compensation for such condemnation shall be distributed to the Owners and their respective Mortgagees, as their interests shall appear, on the basis of each Owner's interest in the Common Area, unless the judgment of condemnation shall, by its terms, otherwise apportion such compensation among the Owners.

9.6 Construction. The provisions of this Declaration shall be liberally construed to effectuate the purpose of creating a uniform plan for the development of a condominium residential community and for the maintenance of community common recreational facilities and community common areas. The Article and Paragraph headings have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

9.7 Notices. Any written notice or other documents relating to or required by this Declaration may be delivered either personally or by mail. If by mail, such notice or document shall be deemed to have been delivered and received twenty-four (24) hours after a copy thereof has been deposited in the United States mail, postage prepaid, addressed as follows:

(a) If to the Association, at 310 No. San Vicente Blvd. Los Angeles, California 90048.

(b) If to an Owner, to the address of any Condominium owned, in whole or in part, by him or to any other address last furnished by an Owner to the Association;

(c) If to Declarant, at 310 No. San Vicente Boulevard, Los Angeles, California 90048

provided, however, that any such address may be changed at any time by the party concerned by recording a written notice of change of address and delivering a copy thereof to the Association. Each Owner shall file the correct mailing address of such Owner with the Association, and shall promptly notify the Association in writing of any subsequent change of address.

9.8 Cumulative Remedies. Each remedy provided by this Declaration is cumulative and not exclusive.

BK14392m:331

~~EXHIBIT A~~

That certain real property in the City of Redondo Beach, County of Los Angeles, State of California, described as follows:

Lot 1 of Tract 31193, as per map recorded in Book 825, Pages 11 and 12 of Maps in the Official Records of said County, and Parcels 4 and 10 of Official Map No. 12, as per map recorded in Book 5, Pages 21, 22 and 23 of Maps in the Official Records of said County.

EXHIBIT A

NAME _____
STREET 16721 HALE AVENUE
CITY IRVINE CA 92714

RECORDED IN OFFICIAL RECORDS
OF LOS ANGELES COUNTY, CA
MIN. DATE 8 A.M. APR 6 1981
Recorder's Office

FEE
\$5
20

FIRST AMENDMENT TO
DECLARATION OF RESTRICTIONS
OF THE VILLAGE CONDOMINIUM OWNERS ASSOCIATION

COMES NOW THE VILLAGE CONDOMINIUM OWNERS ASSOCIATION, a California incorporated Association, being the Declarant, and by this instrument amends that certain Declaration of Restrictions dated June 6, 1973, and recorded June 8, 1973 as Document No. 2284 in the Official Records of Los Angeles County, California, in the following respects only:

Revise Article IX, Section 9.4 Amendments, first sentence, to read as follows:

"This Declaration may be amended only by an affirmative vote of Members representing at least fifty-one percent (51%) of the voting power of the Association."

IN WITNESS WHEREOF, THE VILLAGE CONDOMINIUM OWNERS ASSOCIATION, by its President and Secretary execute this instrument this 13th day of January, 1981

THE VILLAGE CONDOMINIUM OWNERS ASSOCIATION

Marvin D. Moran
PRESIDENT

Marie I. Lindsay
SECRETARY

TO LMC 19.10

81- 344900

12

Acknowledgment—(District) (Organization) (Association) etc.

STATE OF CALIFORNIA
County of _____

On January 13, 1981 before me, the undersigned, a Notary Public in and for said State, personally appeared Marvin D. Moran, known to me to be the President and Marie I. Lindsay, known to me to be the Secretary of the Village Condominium Owners Association the Association that executed the within instrument, and known to me to be the persons who executed the within instrument on behalf of the Association therein named, and acknowledged to me that such Association executed the same.

WITNESS my hand and official seal.

(Seal)

Signature Janet Lee Tarola
Name (Typed or Printed)
Notary Public in and for said State



JUN 8 1973

EXHIBIT "B"

Initial Regular Monthly Assessments Payable Pursuant to
Article III:

<u>Unit Plan Designation</u>	<u>Monthly Assessment</u>
A	\$20.00
B	22.00
C	42.00
D	23.00
E	49.00
F	55.00

JUN 8 1973

2983

NAME ALTA PROPERTY MANAGEMENT
STREET 16721 HALF AVENUE
CITY IRVINE, CA 92714

RECORDED IN OFFICIAL RECORDS
OF LOS ANGELES COUNTY, CA
MIN.
DATE 8 A.M. APR 6 1981
Recorder's Office

FEE
\$5
20

SECOND AMENDMENT TO
DECLARATION OF RESTRICTIONS
OF THE VILLAGE CONDOMINIUM OWNERS ASSOCIATION

COMES NOW THE VILLAGE CONDOMINIUM OWNERS ASSOCIATION, a California incorporated Association, being the Declarant, and by this instrument amends that certain Declaration of Restrictions dated June 6, 1973, and recorded June 8, 1973 as Document No. 2284 in the Official Records of Los Angeles County, California, in the following respects only:

Delete and revise Article III, Section 3.4 Rate of Assessment, to read as follows:

"Regular assessments shall initially be at the monthly rates set forth in Exhibit "B" attached hereto and incorporated herein by this reference. As and when the Association's budget shall increase or decrease as herein provided, such increase or decrease shall result in an adjustment to Condominium Owners monthly assessments. The increase or decrease the Condominium Owner must bear shall be determined by adding or subtracting an equal dollar amount for each unit regardless of type of unit. Further, a maintenance fee schedule shall be established which will reflect the same gap between the various types of units as was the original schedule set in 1973."

IN WITNESS WHEREOF, THE VILLAGE CONDOMINIUM OWNERS ASSOCIATION, by its President and Secretary execute this instrument this 13 day of January, 1981

THE VILLAGE CONDOMINIUM OWNERS ASSOCIATION
Marvin D. Moran
PRESIDENT

Marie I. Lindsay
SECRETARY

TD 1981 C 19.10

81- 344901

Acknowledgment—(District) (Organization) (Association) etc.

STATE OF CALIFORNIA
County of Orange

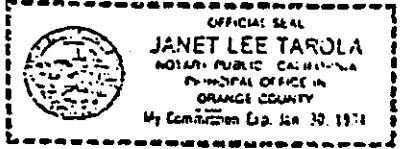
On January 13, 1981 before me, the undersigned, a Notary Public in and for said State, personally appeared Marvin D. Moran, known to me to be the President and Marie I. Lindsay, known to me to be the Secretary of the Village Condominium Owners Association the Association that executed the within instrument, and known to me to be the persons who executed the within instrument on behalf of the Association therein named, and acknowledged to me that such Association executed the same.

WITNESS my hand and official seal.

(Seal)

Signature Janet Lee Tarola
Janet Lee Tarola

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



Recording Requested By
And When Recorded Mail to:

The Village Condominium Owners Assoc.
c/o Bali Management, Inc.
2790 Skypark Drive #300
Torrance, CA 90505

RECORDED/FILED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA
1 MIN. 1 P.M. OCT 25 1994
PAST

AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE VILLAGE CONDOMINIUM OWNERS ASSOCIATION,
A CONDOMINIUM PROJECT

FEE \$10 F
2

RECITALS

A. WHEREAS, on June 8, 1973, a Declaration of Covenants, Conditions and Restrictions for The Village Condominiums (the "CC&R's") was recorded with the County Recorder of Los Angeles County as Document #2284 pertaining to that certain real property and improvements thereon in the City of Redondo Beach, County of Los Angeles, State of California described as:

Lot 1 of Tract Number 31193 as per Map recorded in Book 825, pages 11 and 12, and Parcels 4 and 5 as per Map Number 12, recorded in Book Number 5, pages 21, 22 and 23 of Maps, in the office of the Los Angeles and

B. WHEREAS, the undersigned are duly authorized and appointed President and Secretary of The Village Condominium Owners Association (the "Association"), a California corporation; and

C. WHEREAS, the undersigned have confirmed and placed in the records of the Association an instrument signed by not less than fifty-one percent (51%) of the owners of the units in the Project reflecting their confirmation and approval of the following amendments and modification to the CC&R's;

NOW, THEREFORE, the undersigned, as the duly authorized representatives of the Association, having first obtained the approval in writing of an instrument signed by not less than fifty-one percent (51%) of the owners of the units in the Project do hereby execute this Amendment amending and modifying the CC&R's as follows:

AMENDMENT TO ARTICLE IV OF THE CC&R'S

A Section 4.5 is added to Article IV of the CC&R's which provides as follows:

"As security for the payment of all assessments and liens provided for in this Article IV, and other amounts due and owing by an Owner pursuant to the Declaration and the Association's Rules, each Owner hereby gives to and confers upon the Association the power and authority during the continuance of such ownership, to collect the rents, issues and profits of said Owner's Condominium(s) without taking any action other than to demand such rents, issues and profits, reserving unto the Owner the right, prior to any default by such Owner in performance with the Owner's obligations under this Declaration or the Rules of the Association or in payment of any indebtedness to the Association in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default the Association may also, at any time, upon ten (10) days' written notice to such Owner, either in person, by agent or by a receiver to be appointed by the court of competent jurisdiction, and without regard to the adequacy of any security for such indebtedness, enter upon and take possession of such Owner's Condominium(s) or any part thereof, and in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any such indebtedness, and in such order as the Association may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default hereunder or invalidate any act done pursuant to this Declaration.

The assignment of rents and powers described in the foregoing paragraph shall not affect, but shall in all respects be subordinate to, the rights and powers of the holder of any first mortgage on any Condominium, or any part thereof, to do the same or similar acts."

IN WITNESS WHEREOF, the undersigned have signed this document this 31 day of August, 1994.

Louis J. Melkowsky
President of The Village
Condominium Owners Association

Joan Bruno
Secretary of The Village
Condominium Owners Association

AGREEMENT FOR SHARING USE OF
RECREATIONAL FACILITIES

1. This Agreement, dated July 27, 1973, is entered into at Los Angeles, California, by and between LINCOLN PROPERTY PARTNERS I, a California limited partnership ("Lincoln"), and THE VILLAGE CONDOMINIUM OWNERS' ASSOCIATION, INC., a California nonprofit corporation ("the Association").

2. Lincoln is the owner of a 332 unit apartment project in the City of Redondo Beach, Los Angeles County, California ("Phase I"), the legal description of which is:

Parcel 5 of Official Map 10
in the City of Redondo Beach,
County of Los Angeles, State
of California, as per map
recorded in Book 5, Pages 13
through 18 of Maps in the
Official Records of said County.

Phase I contains recreational facilities, including a recreation building and a swimming pool. Attached hereto as Exhibit "A" is a site plan on which the recreational facility area of Phase I is outlined in blue ("the recreational facility").

3. Lincoln Property Company No. Thirty-Three, Inc., a California corporation, is in the process of constructing a 323-unit condominium project ("Phase II") on property adjoining Phase I. The legal description of Phase II is:

That real property in the City
of Redondo Beach, County of Los
Angeles, State of California,
described as follows:

Lot 1 of Tract 51193, as per map recorded in Book 825, Pages 11 and 12 of Maps in the Official Records of said County, and Parcels 4 and 10 of Official Map 12, as per map recorded in Book 5, Pages 21, 22 and 23 of Maps in the Official Records of said County.

A condominium plan for Phase II was recorded on May 7, 1973 in Book M-4367 at Page 230 of the Official Records of the Los Angeles County, California Recorder.

4. The Association, a nonprofit California corporation, was organized for the purpose of managing the common areas of Phase II and otherwise acting on behalf of the condominium owners in Phase II as set forth in the Declaration of Covenants, Conditions and Restrictions, the Village Condominiums, Redondo Beach, California ("the CC&Rs") recorded on June 8, 1973 as Instrument No. 2284 of the Official Records of said Los Angeles County Recorder. All owners of the condominium units in Phase II are, and will be, members of the Association. Under the articles and bylaws of the Association, and pursuant to the CC&Rs, the Association is charged with the obligation of maintaining all of the common areas, and each of the condominium unit owners is obligated to contribute a share of those common expenses.

5. Lincoln hereby grants to the Association the right to use and the right to allow each of the owners of condominium units in Phase II, their lessees and guests, to use the recreational facility on Phase I within the area outlined in blue on Exhibit "A" attached, with the

right to use that portion of Phase I shown in red on Exhibit "A" attached solely for ingress to and egress from the recreational facility. The use of the recreational facility and the ingress and egress path thereto shall be subject to such rules and regulations as to the time and manner of use as may be promulgated from time to time by Lincoln, provided that said rules and regulations shall be equally applicable to the owners of condominium units and/or tenants of apartment units, their respective lessees and guests, on both Phase I and Phase II. In consideration for the rights granted herein, the Association shall pay to Lincoln monthly, on the tenth day of each month commencing August 10, 1973, the sum of Four Hundred Dollars (\$400.00) per month. All of the costs of operation, maintenance, repair, replacement, and capital improvements shall be the sole responsibility of Lincoln and the nature and extent of same shall be determined solely by Lincoln.

6. The term of this Agreement shall be perpetual and shall not be subject to cancellation or modification without the consent of the owner of Phase I, the Association, and the holders of all first deeds of trust on condominium units in Phase II.

7. The rights herein obtained under this Agreement by the Association on behalf of each of the condominium owners in Phase II shall be deemed to be "property that may be acquired by the Association" as that term is used in Article II, Section 2.4(a) of the CC&Rs, so that the Association may include the \$400.00

month cost in the common area maintenance expenses to be assessed to the condominium unit owners.

8. The rights granted herein are subject and subordinate to the rights of the holder of the first deed of trust on Phase I, and in the event of the foreclosure by said holder of its first deed of trust on Phase I, all rights granted herein would automatically terminate, and upon that occurring the Association would no longer be required to pay the \$400.00 per month. (At such time as that existing first deed of trust on Phase I is reconveyed, Lincoln and the Association will convert this agreement to a recorded easement.)

9. This Agreement shall inure to the benefit of and be binding upon the respective assignees and successors of Lincoln and the Association.

10. This Agreement shall be specifically enforceable by either party and in the event of any litigation brought to enforce this Agreement, the prevailing party shall be entitled to its reasonable attorney's fees.

11. Lincoln Property Company No. Thirty-Three, Inc. agrees to provide a copy of this Agreement to each of the persons to whom it sells a condominium unit in Phase II.

THE VILLAGE CONDOMINIUM OWNERS' ASSOCIATION, INC.

By Joel R. Landau
Joel R. Landau, President

LINCOLN PROPERTY COMPANY NO. THIRTY-THREE, INC.

By Joel R. Landau
Joel R. Landau, President

LINCOLN PROPERTY PARTNERS I

By Joel R. Landau
Joel R. Landau, General Partner

By Pancho Hunt
Pancho Hunt, General Partner

copy of this budget from the subdivider. Under this budget, the monthly assessment against each subdivision unit is \$34.00 to \$57.00, depending on the unit purchased, of which a portion is a monthly contribution to long term reserves and is not to be used to pay for current operating expenses.

IF THE BUDGET FURNISHED TO YOU BY THE DEVELOPER SHOWS A MONTHLY ASSESSMENT FIGURE WHICH VARIES 10% OR MORE FROM THE ASSESSMENT AMOUNT SHOWN IN THIS PUBLIC REPORT, YOU SHOULD CONTACT THE DEPARTMENT OF REAL ESTATE BEFORE ENTERING INTO AN AGREEMENT TO PURCHASE.

The association may increase or decrease assessments at any time in accordance with the procedure prescribed in the CC&Rs or Bylaws. In considering the advisability of a decrease (or a smaller increase) in assessments, care should be taken not to eliminate amounts attributable to reserves for replacement or major maintenance.

THE INFORMATION INCLUDED IN THIS PUBLIC REPORT IS APPLICABLE AS OF THE DATE OF ISSUANCE. EXPENSES OF OPERATION ARE DIFFICULT TO PREDICT ACCURATELY AND EVEN IF ACCURATELY ESTIMATED INITIALLY, MOST EXPENSES INCREASE WITH THE AGE OF FACILITIES AND WITH INCREASES IN COST OF LIVING.

The remedies available to the association against owners who are delinquent in the payment of assessments are set forth in the CC&Rs. These remedies are available against the subdivider as well as against other owners.

EASEMENTS: Easements for sewers and other purposes are shown on the title report and subdivision map recorded in the Office of the Los Angeles County Recorder, Book 325 of Maps, Page 11, and Condominium Plan, recorded as Instrument No. 1616 on May 7, 1973.

RESTRICTIONS: This subdivision is subject to restrictions recorded in the Office of the Los Angeles County Recorder, June 8, 1973, as Instrument No. 2284, which contain numerous provision which affects and control the use of the property.

MINERAL RIGHTS: You will not own the mineral, oil and gas rights under your land.

The right to surface entry has been waived.

TAX ESTIMATES: If the subdivider is unable to give you the current tax information, you may approximate your taxes as follows:

TAKE 25% OF THE SALES PRICE, DIVIDE BY 100, AND THEN MULTIPLY BY THE TOTAL TAX RATE. THE TAX RATE FOR THE 1977/78 FISCAL YEAR IS \$11.5328. THE TAX RATE AND ASSESSED VALUATION MAY CHANGE IN SUBSEQUENT YEARS. FOR EXAMPLE, ANY BONDED DEBT OR SPECIAL DISTRICT ASSESSMENT APPROVED AFTER THE ABOVE TAX RATE HAD BEEN SET COULD INCREASE THE FUTURE RATE.

PURCHASE MONEY HANDLING: The subdivider must impound all funds received from you in escrow depository until legal title is delivered to you. (Refer to Sections 11013 and 11013.4(a) of the Business and Professions Code).

DEPARTMENT OF REAL ESTATE
OF THE
STATE OF CALIFORNIA
TELEPHONE NO. (213) 620-2700

RECEIVED
Headquarters
Subdivisions
DEC 18 1978

Department of Real Estate

In the matter of the application of
MAIFRED C. TUTTLE

RECEIVED

114 - 3 1978

Dept. of Real Estate
Los Angeles Subdivisions

FINAL SUBDIVISION
PUBLIC REPORT

FILE NO. 32960

for a Final Subdivision Public Report on

TRACT NO. 31193
"THE VILLAGE"
LOS ANGELES COUNTY, CALIFORNIA

ISSUED: JULY 3, 1973
FOURTH AMENDMENT APRIL 27, 1978
and RENEWAL:
EXPIRES: APRIL 26, 1983

This Report Is Not a Recommendation or Endorsement of the Subdivision
But Is Informative Only.

Buyer or Lessee Must Sign That He Has Received and Read This Report.

This Report Expires on Date Shown Above. If There Has Been a Material Change in the Offering, an Amended Public Report Must Be Obtained and Used in Lieu of This Report.

Section 35700 of the California Health and Safety Code provides that the practice of discrimination because of race, color, religion, sex, marital status, national origin or ancestry in housing accommodations is against public policy.

Under Section 125.6 of the California Business and Professions Code, California real estate licensees are subject to disciplinary action by the Real Estate Commissioner if they make any discrimination, distinction or restriction in negotiating a sale or lease of real property because of the race, color, sex, religion, ancestry or national origin of the prospective buyer. If any prospective buyer or lessee believes that a licensee is guilty of such conduct, he or she should contact the Department of Real Estate.

Information Regarding Schools can be found on Page 6 of this Report

READ THE ENTIRE REPORT on the following pages before contracting to purchase a lot in this SUBDIVISION.

COMMON INTEREST SUBDIVISION GENERAL INFORMATION

The project described in the attached Subdivision Public Report is known as a common-interest subdivision. Read the Public Report carefully for more information about the type of subdivision. The subdivision includes common areas and facilities which will be owned and/or operated by an owners' association. Purchase of a lot or unit automatically entitles and obligates you as a member of the association and, in most cases, includes a beneficial interest in the areas and facilities. Since membership in the association is mandatory, you should be aware of the following information before you purchase:

Your ownership in this development and your rights and remedies as a member of its association will be controlled by governing instruments which generally include a Declaration of Restrictions (also known as C's & R's), Articles of Incorporation (or association) and Bylaws. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law. Study these documents carefully before entering into a contract to purchase a subdivision interest.

In order to provide funds for operation and maintenance of the common facilities, the association will levy assessments against your lot/unit. If you are delinquent in the payment of assessments, the association may enforce payment through court proceedings or your lot/unit may be liened and sold through the exercise of a power of sale. The anticipated income and expenses of the association, including the amount that you may expect to pay through assessments, are outlined in the proposed budget. Ask to see a copy of the budget if the subdivider has not already made it available for your examination.

A homeowner association provides a vehicle for the ownership and use of recreational and other common facilities which are designed to attract you to buy in this subdivision. The association also provides a means to accomplish architectural control and to provide a base for homeowner interaction on a variety of issues. The purchaser of an interest in a common-interest subdivision should contemplate active participation in the affairs of the association. He or she should be willing to serve on the board of directors or on committees created by the

board. In short, "they" in a common-interest subdivision is "you". Unless you serve as a member of the governing board or on a committee appointed by the board, your control of the operation of the common areas and facilities is limited to your vote as a member of the association. There are actions that can be taken by the governing body without a vote of the members of the association which can have a significant impact upon the quality of life for association members.

Until there is a sufficient number of purchasers of lots or units in a common-interest subdivision to elect a majority of the governing body, it is likely that the subdivider will effectively control the affairs of the association. It is frequently necessary and equitable that the subdivider do so during the early stages of development. It is vitally important to the owners of individual subdivision interests that the transition from subdivider to resident-owner control be accomplished in an orderly manner and in a spirit of cooperation.

When contemplating the purchase of a dwelling in a common-interest subdivision, you should consider factors beyond the attractiveness of the dwelling units themselves. Study the governing instruments and give careful thought to whether you will be able to exist happily in an atmosphere of cooperative living where the interests of the group must be taken into account as well as the interests of the individual. Remember that managing a common-interest subdivision is very much like governing a small community . . . the management can serve you well, but you will have to work for its success.



SPECIAL NOTES

THIS AMENDED REPORT COVERS ONLY LOTS NO. 51 AND 256 OF THE ORIGINAL SUBDIVISION WHICH CONTAINED 323 LOTS.

THIS PROJECT IS A COMMON-INTEREST SUBDIVISION OF THE TYPE REFERRED TO AS A CONDOMINIUM. IT WILL BE OPERATED BY AN INCORPORATED OWNERS ASSOCIATION.

THE OWNER OF THE APARTMENT PROJECT ON WHICH THE RECREATIONAL FACILITIES ARE LOCATED ADVISES HE INTENDS TO CONVERT THE PROJECT TO CONDOMINIUMS. THE CITY OF REDONDO BEACH HAS APPROVED A TENTATIVE TRACT MAP AND CONDITIONAL USE PERMIT FOR SUCH CONVERSION. THERE IS NO ASSURANCE THAT SUCH CONVERSION WILL BE UNDERTAKEN OR COMPLETED. HOWEVER, THE CURRENT SCHEDULE OF PLANNING FOR THE CONVERSION IS AS FOLLOWS:

- 1) OBTAIN COMMITMENT FOR PURCHASE OF INVESTOR' INTEREST - SEPTEMBER 15, 1976;
- 2) OBTAIN COMMITMENT FOR INTERIM FINANCING TO REFINANCE EXISTING FIA INSURED LOAN - OCTOBER 15, 1976;
- 3) RECORD FINAL TRACT MAP - DECEMBER 1, 1976.

OWNERS OF UNITS IN THIS PROJECT COVERED BY THIS PUBLIC REPORT HAVE THE RIGHT OF USE AND ENJOYMENT OF THE RECREATIONAL FACILITIES LOCATED ON THE ADJACENT APARTMENT PROJECT BY VIRTUE OF A GRANT DEED (EASEMENT) RECORDED IN THE OFFICIAL RECORDS OF THE LOS ANGELES COUNTY RECORDER ON JULY 14, 1976, AS DOCUMENT NO. 4459. THE VILLAGE CONDOMINIUM OWNERS' ASSOCIATION, INC., WILL PAY THE SUM OF \$100 ON THE FIFTH DAY OF EACH MONTH FOLLOWING THE RECORDING OF THE EASEMENTS TO THE OWNER OF THE RECREATIONAL FACILITIES. THIS AMOUNT REPRESENTS THE "SHARING-COST" OF THE CONDOMINIUM OWNERS' ASSOCIATION WITH RESPECT TO THE RECREATIONAL FACILITIES.

SINCE THE COMMON PROPERTY AND FACILITIES WILL BE MAINTAINED BY AN ASSOCIATION OF HOMEOWNERS AND IT'S ESSENTIAL THAT THIS ASSOCIATION BE FORMED EARLY AND PROPERLY, THE DEVELOPER MUST:

- 1) PAY ALL THE MONTHLY ASSESSMENTS WHICH HE OWES TO THE HOMEOWNERS' ASSOCIATION FOR UNOLD LOTS/UNITS--THE PAYMENTS MUST COMMENCE IMMEDIATELY AFTER SUBDIVIDER CLOSES FIRST SALE (REGULATIONS 2792.9 AND 2792.16).

THE HOMEOWNERS' ASSOCIATION MUST:

- 2) CAUSE THE FIRST ELECTION OF THE ASSOCIATION'S GOVERNING BODY TO BE HELD WITHIN 15 DAYS AFTER 51% SELLOUT, OR IN ANY EVENT NO LATER THAN SIX MONTHS AFTER CLOSING THE FIRST SALE. (REGULATIONS 2792.17 AND 2792.17); AND
- 3) PREPARE AND DISTRIBUTE TO ALL HOMEOWNERS A BALANCE SHEET AND INCOME STATEMENT. (REGULATION 2792.22).

THE SUBDIVIDER HAS STATED THAT HE WILL PROVIDE YOU WITH A COPY OF THE ARTICLES OF INCORPORATION, RESTRICTIONS AND BYLAWS, BY POSTING THEM IN A PROMINENT LOCATION IN THE SALES OFFICE AND FURNISHING YOU COPIES PRIOR TO CLOSE OF ESCROW. THESE DOCUMENTS CONTAIN NUMEROUS MATERIAL PROVISIONS THAT SUBSTANTIALLY AFFECT AND CONTROL YOUR RIGHTS, PRIVILEGES, USE, OBLIGATIONS AND COSTS OF MAINTENANCE AND OPERATION. YOU SHOULD READ AND UNDERSTAND THESE DOCUMENTS BEFORE YOU OBLIGATE YOURSELF TO PURCHASE A LOT OR UNIT.

THE SUBDIVIDER STATED HE WILL FURNISH THE CURRENT BOARD OF OFFICERS OF THE HOMEOWNER ASSOCIATION THE BUILDING PLANS TO INCLUDE DIAGRAMS OF LOCATION MAJOR COMPONENTS, UTILITIES AND RELATED DATA. THESE ITEMS WILL BE IMPORTANT TO THE BOARD OF OFFICERS OR THOSE WHO WILL MANAGE OR REPAIR COMMON FACILITIES IN THIS SUBDIVISION.

THE SUBDIVIDER OF THIS PROJECT HAS INDICATED THAT HE INTENDS TO SELL ALL OF THE UNITS IN THIS PROJECT. HOWEVER, ANY OWNER, INCLUDING THE SUBDIVIDER, HAS A LEGAL RIGHT TO LEASE THE UNITS. PROSPECTIVE PURCHASERS SHOULD CONSIDER THE POSSIBLE EFFECTS ON THE DEVELOPMENT IF A SUBSTANTIAL PORTION OF THE UNITS BECOME RENTAL PROPERTIES.

IF YOU PURCHASE TWO OR MORE UNITS THE SELLER IS REQUIRED TO NOTIFY THE REAL ESTATE COMMISSIONER OF THE SALE. IF YOU INTEND TO SELL BOTH UNITS OR LEASE THEM FOR MORE THAN ONE YEAR, YOU ARE REQUIRED TO OBTAIN AN AMENDED SUBDIVISION PUBLIC REPORT BEFORE YOU CAN OFFER THE UNITS FOR SALE OR LEASE.

WARNING: WHEN YOU SELL YOUR CONDOMINIUM UNIT TO SOMEONE ELSE, YOU MUST GIVE THAT PERSON A COPY OF THE DECLARATION OF RESTRICTIONS, THE ARTICLES OF INCORPORATION AND OF THE BY-LAWS. IF YOU FORGET TO DO THIS, IT MAY COST YOU A PENALTY OF \$500.00--PLUS ATTORNEYS' FEES, PLUS DAMAGES. (SEE CIVIL CODE SECTION 1360).

INTERESTS TO BE CONVEYED: You will receive fee title to a specified unit, together with an undivided fractional fee interest as a tenant in common in the common area together with a membership in The Village Condominium Owners' Association and rights to use the common area.

LOCATION AND SIZE: This subdivision is located within the city limits of Redondo Beach. This project consists of approximately 6.12 acres on which 9 buildings containing 323 units and 364 carports and 201 parking spaces have been constructed, together with common facilities consisting of a swimming pool.

MANAGEMENT AND OPERATION: The Village Condominium Owners' Association, which you must join, manages and operates the common areas in accordance with the Restrictions, Articles of Incorporation and the Bylaws.

MAINTENANCE AND OPERATIONAL EXPENSES: The subdivider has submitted a budget for the maintenance and operation of the common areas and for long term reserves. You should obtain a

copy of this budget from the subdivider. Under this budget, the monthly assessment against each subdivision unit is \$46.00 to \$57.00, depending on the unit purchased, of which a portion is a monthly contribution to long term reserves and is not to be used to pay for current operating expenses.

IF THE BUDGET FURNISHED TO YOU BY THE DEVELOPER SHOWS A MONTHLY ASSESSMENT FIGURE WHICH VARIES 10% OR MORE FROM THE ASSESSMENT AMOUNT SHOWN IN THIS PUBLIC REPORT, YOU SHOULD CONTACT THE DEPARTMENT OF REAL ESTATE BEFORE ENTERING INTO AN AGREEMENT TO PURCHASE.

The association may increase or decrease assessments at any time in accordance with the procedure prescribed in the CC&Rs or Bylaws. In considering the advisability of a decrease (or a smaller increase) in assessments, care should be taken not to eliminate amounts attributable to reserves for replacement or major maintenance.

THE INFORMATION INCLUDED IN THIS PUBLIC REPORT IS APPLICABLE AS OF THE DATE OF ISSUANCE. EXPENSES OF OPERATION ARE DIFFICULT TO PREDICT ACCURATELY AND EVEN IF ACCURATELY ESTIMATED INITIALLY, MOST EXPENSES INCREASE WITH THE AGE OF FACILITIES AND WITH INCREASES IN COST OF LIVING.

The remedies available to the association against owners who are delinquent in the payment of assessments are set forth in the CC&Rs. These remedies are available against the subdivider as well as against other owners.

EASEMENTS: Easements for sewers and other purposes are shown on the title report and subdivision map recorded in the Office of the Los Angeles County Recorder, Book 425 of Maps, Page 11, and Condominium Plan, recorded as Instrument No. 1616 on May 7, 1973.

RESTRICTIONS: This subdivision is subject to restrictions recorded in the Office of the Los Angeles County Recorder, June 8, 1973, as Instrument No. 2284, which contain numerous provisions which affect and control the use of the property.

MINERAL RIGHTS: You will not own the mineral, oil and gas rights under your land.

The right to surface entry has been waived.

TAX ESTIMATES: If the subdivider is unable to give you the current tax information, you may approximate your taxes as follows:

TAKE 25% OF THE SALES PRICE, DIVIDE BY 100, AND THEN MULTIPLY BY THE TOTAL TAX RATE. THE TAX RATE FOR THE 1977/78 FISCAL YEAR IS \$11.5328. THE TAX RATE AND ASSESSED VALUATION MAY CHANGE IN SUBSEQUENT YEARS. FOR EXAMPLE, ANY BONDED DEBT OR SPECIAL DISTRICT ASSESSMENT APPROVED AFTER THE ABOVE TAX RATE HAD BEEN SET COULD INCREASE THE FUTURE RATE.

PURCHASE MONEY HANDLING: The subdivider must impound all funds received from you in escrow depository until legal title is delivered to you. (Refer to Sections 11013 and 11013.4(a) of the Business and Professions Code).

If the escrow has not closed on your lot within twelve (12) months of the date of your deposit receipt, you may request return of your deposit.

FILLED GROUND: Some lots contain filled ground varying to a maximum depth of 17 feet. These soils were compacted for the intended use under the supervision of a state licensed engineer.

FLOOD AND DRAINAGE: A letter from the Los Angeles County Flood Control District states that this project is reasonable free of Flood hazard. However, it is subject to overflow and ponding of local storm waters.

STREETS AND ROADS: All repairs and maintenance of the streets within this subdivision will be the responsibility of the association and the expense will be part of your assessment.

PUBLIC TRANSPORTATION: Bus service is available at perimeter of tract.

SCHOOLS: This tract will be serviced by the Redondo Beach City School District. Students in grades Kindergarten through six will go to McCandless School and students in grades 7 and 8 will go to Hillcrest School. Both schools are within easy walking distance.

Information pertaining to high school students may be had by writing to South Bay Union High School District. This tract is within the South Bay Union High School District, which serves grades 9 through 12. There is no school bus service available.

NOTE: This school information was provided by the school districts prior to issuance of the public report. Purchasers may contact the local school district offices for any changes in assignments, facilities and bus service.

For further information in regard to this subdivision, you may call (213)620-2700, or examine the documents at the Department of Real Estate, 107 South Broadway, Room 7001, Los Angeles, CA 90012.

Gll/mt

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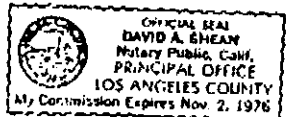
FILE NO. 32960

(RENEWED & 4TH AMENDED)

OCT 17 1973

OCT 17 1973

STATE OF CALIFORNIA
COUNTY OF *Los Angeles*



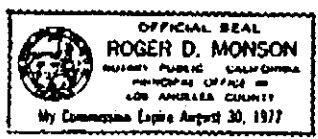
SS
ON *September 24*, 19*73* before me, the undersigned, a Notary Public in and for said County and State, personally appeared *LAWRENCE P. ROBOWAY*

known to me to be the person whose name *is* subscribed to the within instrument, and acknowledged to me that he executed the same

Notary's Signature *David A. Shean*

GENERAL ACKNOWLEDGMENT
Form No. 10

STATE OF CALIFORNIA
COUNTY OF *LOS ANGELES*

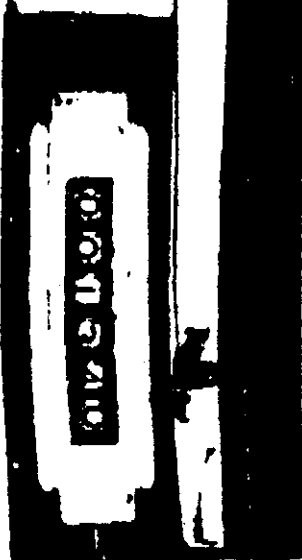


SS
ON *September 24*, 19*73* before me, the undersigned, a Notary Public in and for said County and State, personally appeared *DAVID F. GARBER* known to me to be the

President and *Secretary* of the Corporation that executed the within instrument and the officers who executed the within instrument on behalf of the Corporation therein named, and acknowledged to me that such Corporation executed the within instrument pursuant to its By-laws or a Resolution of its Board of Directors.

Notary's Signature *Roger D. Monson*

CORPORATION ACKNOWLEDGMENT
Form No. 11



OCT 17 1973

RECEIVED
JUN 26 1992
Aris d.

Transamerica Title Insurance Co.
81660

When Recorded Mail To:
Lincoln Property Co.
310 No. San Vicente Blvd.
Los Angeles, California
Attn: Dave Garber

1340

RECORDED IN OFFICIAL RECORDS
OF LOS ANGELES COUNTY, CALIF.
OCT 17 1973 AT 8:02 A.M.
Registrar-Recorder

CERTIFICATE OF CORRECTION

COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

Lawrence P. Rogoway, R.C.E. 14751, being duly sworn,
deposes and says:

That the following correction to the Condominium Plan for Tract (31193)
as recorded May 7, 1973 in Book M-4367, Page 230 et. seq. of Official
Records are made by me:

Sheet #2

Air spaces for Unit 312 shown as 5E-4, 5E-331 should be 5E-4, 5E-4B1.

Subscribed and sworn to before me
this 24th day of September, 1973

Lawrence P. Rogoway
Lawrence P. Rogoway
R.C.E. 14751

Margorie L. Dunn
Notary Public

Listed below is the present fee Owner
of property affected by the correction:

Lincoln Property Company No. Thirty Three, Inc.
310 North San Vicente Boulevard
Los Angeles, California 90048

Lincoln Property Company No. Thirty Three, Inc., hereby
agrees to the above correction.

MARGORIE L. DUNN
NOTARY PUBLIC - CALIFORNIA
COMM. NO. 10121 IN
LOS ANGELES COUNTY

*M. Commission Expires
11/23/1974*

LINCOLN PROPERTY COMPANY NO. THIRTY THREE,
A CORPORATION INC.

By: *Edward G. Keller*

By: _____

Carmen

FILE
\$4
21

OCT 17 1973

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