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FIRST AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
ESTABLISHING A PLAN OF SUBLEASEHOLD
CONDOMINIUM OWNERSHIP FOR
THE MARINA CITY CLUB CONDOMINIUMS

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EXHIBIT A – Condominium Plan

EXHIBIT B – List of Units

FIRST AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
ESTABLISHING A
PLAN OF SUBLEASEHOLD CONDOMINIUM OWNERSHIP FOR
THE MARINA CITY CLUB CONDOMINIUMS

MARINA CITY CONDOMINIUMS a California Limited Partnership, is the sublessee of the Premises subject to this Declaration. The Premises are located on and form a part of that certain real property (the "Property") described as follows:

Lot 1 of Tract 45545, as per map recorded in Book 1100, Pages 36 – 38, inclusive, of Maps in the office of the County Recorder of Los Angeles County.

Declarant hereby declares as follows:

1. Declarant hereby establishes by this Declaration a plan for (i) the individual ownership of the subleasehold estates described herein as the Units, and (ii) the ownership by the individual and separate Sublessees, as tenants-in-common, of the subleasehold estate described herein as the Common Area
2. Declarant hereby establishes a condominium as defined in California Civil Code Sections 783 and 1351(f).
3. This Declaration supersedes the Declaration of Covenants, Conditions and Restrictions Establishing a Plan of Subleasehold Condominium Ownership for the Marina City Condominiums ("Original Declaration"), which was recorded on November 13, 1987, as Instrument No. 87-1821154, and the First Amendment to Declaration of Covenants, Conditions and Restrictions Establishing a Plan of Subleasehold Condominium Ownership for the Marina City Club Condominiums ("First Amendment"), which was recorded on December 9, 1987 as Instrument No. 87-1950329. Following recordation of this Declaration, the Original Declaration and First Amendment shall be of no further force or effect.

DECLARATION

Declarant hereby makes the following declaration as to division, easements, rights, liens, charges, covenants, which the Premises may be put, hereby specifying that such declaration shall operate for the mutual benefit of all Sublessees of the Premises and shall constitute covenants to run with the real property and shall be binding on and for the benefit of Declarant, its successors and assigns, and all subsequent Condominium Sublessees of all or any part of the Premises, together with their assignees, sublessees, successors, heirs, executors, administrators, devisees and assigns, and shall be imposed upon all of the Premises.

ARTICLE 1. DEFINITIONS.

The following definitions shall be applicable to this Declaration:

1.1. "Appurtenant Rights" means the rights of parking ingress, egress, support, use and enjoyment granted to each Sublessee in Sections 5.2 and 5.3 of the Master Condominium

Sublease for use in connection with such Sublessee's Unit and the Common are

1.2. "Articles of Incorporation" means the Articles of Incorporation of the Association as the same may be duly amended from time to time.

1.3. "Association" means the MARINA CITY CLUB CONDOMINIUM OWNERS ASSOCIATION, a California non-profit mutual benefit corporation, its successors and assigns.

1.4. "Board" or "Board of Directors" may be used interchangeably herein and shall mean the Board of Directors of the Association as the same may, from time to time, be constituted.

1.5. "Bylaws" means the Bylaws adopted by the Association including any amendments or additions thereto.

1.6. "Common Area" means the portion of the Premises more particularly described in Section 3.2 and 3.3 below.

1.7. "Condominium" means a Unit within the Project, together with its respective undivided subleasehold interest in the Common Area and the Appurtenant Rights applicable to such Unit, as more particularly set forth in the Master Condominium Sublease.

1.8. "Declarant" or "Master Sublessee" means Marina City Condominiums, a California Limited Partnership, and any of its successors and assigns (other than Owners) pursuant to a recorded assignment approved by the County of Los Angeles ("County") and Sublessor.

1.9. "Declaration" means this Declaration of Covenants, Conditions and Restrictions, together with any amendments, supplements or modifications hereto.

1.10. "Deed of Trust" means and is synonymous with the word "Mortgage," and the same may be used interchangeably with the same meaning; similarly, the word "Trustor" shall be synonymous with the word "Mortgager," and the word "Beneficiary" shall be synonymous with the word "Mortgagee."

1.11. "Federal Agencies" means any one or more of the following: Federal National Mortgage Association ("FNMA"); Federal Home Loan Mortgage Corporation ("FHLMC"); Federal Housing Administration ("FHA"); Veterans Administration ("VA"); and the Government National Mortgage Association ("GNMA").

1.12. "Governing Documents" means the Declaration, the Articles of Incorporation, the By-Laws and the Rules and Regulations of the Association or its Board, all as amended from time to time.

1.13. "Governmental Regulations" means all applicable conditions, approvals, rules, regulations and the like of the governmental authorities, agencies, districts or departments to the extent of their jurisdiction in the context and circumstances that such term is used.

1.14. "Master Lease" means that certain Second Amended and Restated Lease [Improved Parcel] No. 55624, dated as of October 15, 1987, by and between the County, as lessor, and J.H. it may be amended from time to time.

1.15. "Master Condominium Sublease" means that certain Master Condominium Subleases by and between J.H. Snyder Company, a California limited partnership, as Sublessor, and Declarant, as Master Sublessee, covering the Premises, as it may be amended from time to time.

1.16. "member" means every person or entity who holds a membership in the Association.

1.17. "Mortgage" means any security device encumbering all or any portion of the Premises or any Condominium. The term "Mortgage" includes a Deed of Trust, and the Subleasehold Deed of Trust, "First Mortgage" means a Mortgage which is junior only to the Sublessor's Subleasehold Deed of Trust provided for in the Master Condominium Sublease. "First Mortgage" means the holder of a First Mortgage.

1.18. "Mortgages" means a person or entity to whom a Mortgage is made: "Mortgagor" means a person or entity who mortgages his or its property to another, i.e., the maker of a Mortgage.

1.19. "Owner" or "Condominium Sublessee" means the record owner (as shown in the records of the County Recorders Office), whether one or more Persons, of a Condominium which is a part of the Premises. "Owner" shall also include (i) a contract vendee under a long-term installment land contract which is in the nature of a security device and otherwise complies with the requirements of a real property sales contract pursuant to Sections 985:6 of the California Civil Code or any successor to such Civil Code Sections, (ii) a contract seller under a sales contract which is not described under clause (i), unless such seller holds title merely as security for the performance of an obligation, and (iii) the Declarant as to all Condominiums not yet assigned by Declarant to a Condominium Sublessee. "Owner" shall not include persons or entities who hold title merely as security for the performance of an obligation.

1.20. "Percentage Interest" means the percentage interest of each Owner in the Common Areas as set forth in Section 3.2 (b) below.

1.21. "Person" means a natural person, corporation, partnership, association, firm or other entity as the context may require.

1.22. "Proportionate Share" means the proportionate share of each Owner in the receipts and common expenses of the Association as set forth in Section 5.2 below.

1.23. "Phase" means and refers to one or more Condominiums, which become a part of the Project through the Declaration in the case of the first Phase or through a Supplemental Declaration of Covenants, Conditions and Restrictions and Annexation for the Marina City Condominiums ("Supplemental Declaration") in the case of any subsequent Phase.

1.24. "Premises" means the Common Area and the Units including Units annexed to the Project as provided in Article 13, and any Supplemental Declaration

1.25. "Project" means the subleasehold condominium regime established by this Declaration and any Supplemental Declaration.

1.26. "Rules and regulations" means both those rules and regulations adopted by the Association or its Board, including any amendments or additions thereto, with respect to the use and management of the Common Area, and the Marina City

Condominium Rules and Regulations, which have been adopted by the Sublessor and a copy of which is attached to the Master Condominium Sublease as Exhibit H, as the same may be amended from time to time.

1.27. "Sublessee" means each Condominium Sublessee and the Master Sublessee (with respect to each Unit not yet assigned by the Master Sublessee to a Condominium Sublessee). "Sublessees" means the Master Sublessee (so long as it retains an interest under the master Condominium Sublease) and all Condominium Sublessees,

1.28. "Sublessor" means J.H. Snyder Company, a California limited partnership, its successors and assigns.

1.29. "Single Family" means no more than a total of two people if the Unit is a studio or one-bedroom apartment; four people if the Unit is a two-bedroom apartment; or six people if the Unit is a three-bedroom apartment or penthouse.

1.30. "Towers" means the three (3) high-rise towers located on the Property and containing the Units: "Tower" means one of the Towers.

1.31. "Units" mean those dwelling areas more particularly described in Section 3.1 and 3.3 below.

ARTICLE 2. CONDOMINIUM PLAN.

Incorporated herein by this reference is that certain Condominium Plan ("the Condominium Plan") which describes the division of the Premises into condominiums in accordance with California Civil Code S1351, and which has been or will be recorded in the official Records in the Office of the County Recorder of Los Angeles County, California. A copy of the Condominium Plan is attached hereto as Exhibit A.

ARTICLE 3. DESCRIPTION OF PROJECT.

In order to establish a plan of condominium ownership of the Premises, Declarant hereby covenants and agrees that the Premises are hereby divided into the separate subleasehold estates set forth in Section 3.1 and 3.2 below:

3.1 Unit.

Each of the dwelling areas identified on Exhibit B, as well as those dwelling areas, if any, annexed to the Premises pursuant to Article 13, which areas are separately shown, lettered, numbered and designated on the Condominium Plan, is a separate subleasehold estate and shall be defined and referred to herein as a "Unit". Each of the Units consist of one or more designated air spaces as indicated and described on the Condominium Plan herein below:

(a) The boundaries of each space designated on the Condominium Plan as a Unit (including any sub-elements thereof as may be designated on the Condominium Plan) the interior surfaces of the perimeter walls, floors, ceilings, inclined, vertical or horizontal planes, or curved surfaces, as the case may be, at the limits of the dimensions shown on the Condominium Plan. A unit includes both the portions of the Towers so described, and not excluded in Section 3.3 hereof, and the air space so encompassed. A Unit includes all fixtures, outlets, appliances, space heaters, air conditioners, if any, and similar devices located within and serving only the particular Unit, or such device, wherever located, if designated on the Condominium Plan as a part of the Unit, and also includes the

water heater, if any, servicing only the particular Unit regardless of where such water heater is located.

(b) The boundaries of each space, if any, consisting of a balcony, deck or patio shall be the adjoining exterior surface of the walls, windows, doors, overhangs and ceilings of the tower in which it is located, and where the inclined, vertical or horizontal planes, or curved surfaces as the case may be, at the limits of the dimensions for the particular balcony, deck or patio shall include only the air space and finished floor or ground surface within, but not the railing or enclosures of such balcony, deck or patio or any other portions of the applicable Tower and surface thereof described by or contained within the boundaries of the balcony, deck or patio.

(c) In interpreting this Declaration and the Condominium Plan, the actual, as-built dimensions of the Unit (including balconies, decks or patios, if any) or of a Unit thereof, shall be conclusively presumed to be its boundaries in the Master Condominium Sublease, Condominium Plan or this Declaration.

3.2 Common Area.

(a) Defined. The "Common Area" means that subleasehold estate comprising the Association office, as shown, letterhead, numbered, and designated on the Condominium Plan. The Common Area consists of one or more designated air spaces as indicated and described on the Condominium Plan herein below:

(1) The boundaries of the space designated on the Condominium Plan as Common Area (including any Plan) shall be the interior surfaces of the perimeter walls, floors, ceilings, windows and doors where they exist and otherwise to the inclined vertical or horizontal planes, or curved surfaces, as the case may be, at the limits of the dimensions shown on the Condominium Plan. The Common Area includes both the portions of the Towers so described, and not excluded in Section 3.3 hereof, and the air space so encompassed. The Common air conditioners, if any, and similar devices located within and servicing only the Common Area, or such device, wherever located, if designated on the Condominium Plan as part of the Common Area.

(2) In interpreting the Condominium Plan and this Declaration, the actual, as-built dimensions of the accordance with the original plans thereof, shall be conclusively presumed to be its boundaries rather than the metes and bounds (or other description) expressed in the Master Condominium Sublease, the Condominium Plan or this Declaration.

(b) Undivided Interest in Common Area.

A one-six hundredth (1/600) interest (the "Percentage Interest") in the Common Area shall be conveyed to each Condominium Sublessee in connection with conveyance to such Sublessee of his Condominium. This Percentage Interest cannot be changed except as expressly provided in the Master Condominium Sublease and Declarant, its successors assigns and grantees covenant and agree that interests in the Common Area and the respective Units conveyed therewith shall not be separated or separately conveyed or encumbered even though the description in

the instrument of conveyance or encumbrance may refer only to the Unit.

(c) Owner's Percentage Interest in Common Area.

Each Owner's Percentage Interest in the Common Area shall be equivalent to the number of Units leased by such Owner times the Percentage Interest assigned to each Unit.

3.3. Exclusions from Premises.

(a) The following portions of the Towers are not a part of the Premises: bearing portions of walls, studs, structural members, columns, floors, roofs, slabs, and foundations wherever located (except for the finished surfaces thereof located within a Unit or Common Area) and pipes, ducts, flues, chutes, conduits, wires and other utility installations, wherever located (except the portion thereof located within and servicing only a Unit or the Common Area, as applicable).

(b) Notwithstanding anything in this Declaration which is or appears to be to the contrary, the Common Area does not include (i) any of the recreational or entertainment facilities or improvements, such as swimming pools, tennis courts, health and sports club facilities, restaurant facilities, and boating slip and marina facilities now or hereafter located on the Property, or (ii) any parking areas, driveways, pedestrian walkways, hallways, lobby areas or other portion of the Towers, or any commercial or residential units or facilities on the Property, other than the Common Area office shown on the Condominium Plan.

ARTICLE 4. MANAGEMENT OF PROJECT.

4.1. Association Membership and Voting Rights.

4.1.1 Membership. An Owner of a Condominium shall automatically, upon becoming the record Owner thereof, be a Member of the Association and shall remain a Member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. The membership shall not be transferred, pledged or alienated in any way, except (i) upon and with the transfer of such Condominium, or (ii) by pledge to a lending institution or Condominium seller as additional security for a loan secured by a Mortgage on the Condominium to which the membership is appurtenant. Any attempt to make a transfer of a membership prohibited by this Section shall be void and shall not be reflected upon the books and fails to transfer such membership appurtenant thereto, upon any transform whether voluntary or involuntary of the Condominium, the books of the Association and thereupon the membership outstanding in the name of the prior Owner shall be null and void. A membership shall survive the death of a member and may be transferred in the manner herein provided.

4.1.2. Voting. The Association shall have two classes of voting membership:

(a) Class A. Class A Members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Condominium owned. When more than one person holds an interest in any Condominium, all such persons shall be Members. The vote for such Condominium shall be exercised as they among themselves determine, but in no event shall.

more than one Class A vote be cast with respect to any Condominium.

(b) Class B. The Class B Member shall be the Declarant and shall be entitled to three votes for each Condominium owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, which ever occurs earlier:

(1) Two years from the date of the original issuance of the most recently issued Final Subdivision Public Report for the most recent Phases of the Project.

(2) Four years from the date of the original issuance of the Final Subdivision Public Report for the first Phase of the Project.

4.2. Administration and Compliance. The common affairs and management of the Common Area and the powers, rights, and duties of the Association shall be administered by the Association through its Board, officers and agents in accordance that any of the provisions of the Governing Documents other than this Declaration are in any way inconsistent with this Declaration, then this Declaration shall prevail and control. Each Owner, tenant or occupant of a Unit shall comply with the provisions of the Governing Documents other than this Declaration are in any way inconsistent with this Declaration, then this Declaration shall prevail and control. Each Owner, tenant or occupant of a Unit shall comply with the provisions of the Governing Documents, all as lawfully amended from time to time, and failure to so comply with the provisions of the Governing Documents, shall be grounds for (i) an action for damages and/or for injunctive relief, and (ii) such remedies, by legal proceeding or otherwise, as are available by reason of the Governing Documents, each of which remedies shall be cumulative and in addition to each other available remedy.

4.3. Powers, Rights and Duties of the Association.

The Association, shall have the following powers, rights, and duties in addition to those provided elsewhere in the Governing Documents:

- (a) To enforce and comply with the provisions of the Governing Documents.
- (b) To pay, compromise and settle taxes, including possessory interest taxes, special assessments and other liabilities which are or could become a lien on the Common undivided interest in the Common Area as a part of a Condominium and is solely the obligation of the Owner of such Condominium, or the settlement of such lien is otherwise provided for under the Master Condominium Sublease.
- (c) To levy assessments and to perfect and enforce liens as hereinafter provided.
- (d) To borrow funds to pay costs of operation, secured by assignment or pledge of rights against delinquent Owners: provided, however that the vote of a majority of the Members shall be required to borrow in excess of \$100 times the number of Condominiums in the Project.
- (e) To compromise and settle any claim of the Association: provided, any agreement for the compromise and/or settlement of any claim of the Association in an aggregate amount of \$7,500.00 or more shall require the prior written Members of the Association: and any such agreement which is approved by the Board and by a majority of the Members of the Association, voting in person or by proxy, shall be conclusively binding upon the Association, the Board members, the Owners and

each of them and their respective heirs. Administrators, executors, successors and assigns.

(f) To make reasonable Rules and Regulations for the operation and use of the Common Area and to amend them from time to time.

(g) To execute, perform and enforce deferred maintenance, utility, expense reimbursement and subsidy agreements.

Whenever the Governing Documents require the approval, consent or action of the Association, said approval, consent or action shall mean that of the Board, unless otherwise provided by this Declaration or the By-Laws. Notwithstanding the foregoing, the phrase "total voting power of the Association," as used in the Governing Documents, shall mean the voting power of the Members of the Association.

4.4. Maintenance, Repairs and Alterations.

Notwithstanding the existence of any insurance covering an Owner, the Association, or both, against loss, damage and destruction, the Association and each Owner shall have the affirmative obligations for maintenance, repair and restoration as set for the herein.

4.4.1. Maintenance and Repair of Common Area.

Except as otherwise expressly provided herein or in the Master Condominium Sublease, the Association shall maintain, repair, replace and restore or cause to be so maintained, repaired, replaced and restored, the Common Area, including, without limitation, the windows, cabinets, exposed plumbing, built-in appliances, water heating units, and wall and floor coverings located within the Common Area and the interior fixtures therein. Subject to the terms, conditions, provisions and restrictions set forth in the Master Condominium Sublease, the Association shall, in connection with the above, have the right to paint, plaster, panel, carpet, tile, wax, paper or otherwise refinish, decorate and customize the inner surface of the walls, ceilings, floors, windows, and doors located within the Common Area, and move or remove any nonbearing walls (such changes or additions to the Common Area are collectively referred to as the "Decorations"). The Association shall also keep the Common Area free from debris and shall not commit or suffer any waste to be committed on, in or adjacent to the Common Area. The cost of any such maintenance and repair, replacement or restoration by the Association shall be assessed in accordance with Article 5, except that the cost of any such maintenance, repair, replacement or restoration which results from the negligence or willful act of a particular Owner, or such Owner's family member, guest, employee, agent, licensee, tenant or any occupant of such Owner's Unit shall be assessed to that Owner.

4.4.2. Maintenance and Repair of Units.

Except as otherwise expressly provided in the Master Condominium Sublease, each Owner shall maintain, repair, replace and restore or cause to be maintained, repaired, replaced and restored, at his own cost and expense, such Owner's Unit, including without limitation the windows, cabinets, balcony, deck or patio, exposed plumbing, built-in appliances, water heating units, and wall and floor coverings located within such Owner's Unit, and the interior surfaces of the walls, ceilings, floors, conditions, provisions and restrictions set forth in the Master Condominium Sublease, each Owner shall, in connection with the above, have the right to install Decorations within his Unit

Each Owner shall also keep his Unit free from debris and shall not commit or suffer any waste to be committed in his Unit.

4.3.3. Air Conditioner and Heater.

In accordance with the Master Condominium Sublease, each Owner shall be responsible, at his sole cost and expense, for the maintenance and repair of any air conditioning, water is designated or assigned to an Owner's Unit or which services only such Owner's Unit; and each such Owner shall at all times maintain such vibrator pads and buffers as are necessary to protect the applicable Towers from damage from the use or maintenance of such air conditioner or heater. If such appliance, compressor or device becomes worn out beyond repair, such Owner shall replace said device, at his sole cost and expense, with a device of comparable size and quality as approved by the Association. Said Owner shall be responsible, at his sole cost and expense, for restoring the Tower surrounding said appliance, compressor or device becomes worn out beyond repair, such Owner shall replace said device, at his sole cost and by the Association. Said Owner shall responsible, at his sole cost and expense, for restoring the Tower surrounding said appliance, compressor or device to its condition prior to any repair or replacement thereof. In addition, those Owners whose Units are serviced by booster air conditioning equipment servicing more than one Unit, shall pay their pro-rata share of the cost of maintaining, repairing, renovating, replacing and improving such equipment as more specifically provided in the Master Condominium Sublease.

4.4.4. Right of Entry

To the extent reasonably necessary for the performance of his duties under Sections 5.3.2 and 5.3.3, each Owner, upon obtaining written approval from the Board, shall have a right to enter the Common Area at reasonable times and after reasonable notice to the Association. Any Owner who exercises said right shall be responsible for restoring the area so used to its condition prior to such use.

ARTICLE 5. ASSESSMENTS AND LIEN.

5.1. Creation of Obligation and Lien.

Except as may otherwise be provided in Sections 5.3 and 5.4, each Owner shall have a personal obligation to pay all assessments, charges other monetary sums which are duly levied against his Condominium by the Association and become due while he is the Owner of such Condominium. Such assessments, charges and other sums are also hereby established as charges and a lien upon the Condominium to which they relate, enforceable as provided herein and subject to the specific limitations contained in Sections 5.9 (d) and 5.9 (e).

5.2. Proportionate Share.

Each Owner's proportionate share ("Proportionate Share") in the receipts and common expenses of the Association shall be a pro-rata share based upon the number of Condominiums owned by such Owner as a proportion of all Condominiums included in the Premises. If any Units are added to or subtracted from the Premises each Owner's Proportionate Share shall immediately and automatically be adjusted by a proportional amount.

5.3. Assessments.

Each Owner, including Declarant, shall be subject to the following assessments in amounts to be determined by the Board:

(a) Regular annual assessments ("Regular Assessments") equal to the Owner's Proportionate Share of (i) the actual or estimated cost of all maintenance, repairs, taxes,

Insurance and other common expenses for which the Association is responsible, and (ii) adequate reserves for long-term replacement of capital or other improvements for which the Association is responsible, if any. Said assessments shall be levied on an annual basis and shall accrue and be payable on a monthly basis (or such longer interval, but not less frequently than yearly, as the Board shall direct) and shall commence as to all Condominiums, including Declarant's unsold Condominiums, as of the first day of the month following close of escrow for the sale of the first Condominium and shall continue to be due and payable on the first day of each month thereafter.

(b) Special assessments ("Special Assessments") for capital expenditures or other purposes all on the same basis as for Regular Assessments.

(c) Fines, penalties and such other sums as become payable under the Governing Documents.

5.4. Limitation on Increases in Assessments.

The Board may not, without the vote or written consent of Owners constituting a quorum, casting a majority of the votes with the Governing Documents (i) impose a Regular Assessment per Condominium which is more than twenty percent (20%) greater than the Regular Assessment for the immediately preceding year, or (ii) impose Special Assessments which in the aggregate exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year; provided, however, that the above limitations shall not apply to and shall not limit increases necessary for emergency situations. For purposes of this Section, "quorum" means more than fifty percent (50%) of the Owners, and an "emergency situation" is any one of the following:

(a) An extraordinary expense required by an order of a court.

(b) An extraordinary expense necessary to repair or maintain all or any part of the Premises for which the Association is responsible where a threat to personal safety on the Premises is discovered.

(c) An extraordinary expense necessary to repair or maintain all or any part of the Premises for which the Association is responsible that could not have been reasonably foreseen by the Board in preparing and distributing the pro forma budget. However, prior to the imposition or collection of an assessment, under this Section 5.4(c), the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why that expense was not or could not have been reasonably foreseen in the budgeting process, and the resolution shall be distributed to the Members with the notice of assessment.

5.5. Statement of Regular Assessments.

The Board of Directors shall, at the time of distribution of the budget and other financial statements as provided in the By-laws, cause to be mailed or delivered to each Owner at the address of his Condominium (or at such other address specified in writing by such Owner), a statement of the amount of the Regular Assessments levied upon said Condominium for the Association's next fiscal year. If, for any fiscal year, the Board shall fail (i) to timely prepare or have prepared a budget and/or (ii) to mail or deliver to each Owner a statement of the Regular Assessments as provided in this Declaration and the By-Laws, then the amount of the previous fiscal year's Regular Assessment, including any increases duly levied by the Association in the previous year, shall be automatically charged,

levied and assessed against such Owner as the Regular Assessment and shall be due and payable in all respects as if the Board had timely prepared such budget and delivered such statements. Subject to the limitation in section 5.4, the Board may modify the Regular Assessments during the course of a fiscal year if necessary to conform to a revised estimate of costs and expenses.

5.6. Bank Accounts.

All sums received or collected by the Association as assessments, whether Regular Assessments, Special Assessments or other assessments, together with any interest charges attributable thereto, shall be deposited in a checking or savings account or accounts in a bank or savings and loan association located in the State of California and selected by the Board. The portion of the Regular Assessments collected that is attributable to The Board of Directors and such officers of the Association as the Board shall designate, or a managing agent or company designated by the Board, shall have exclusive control of said accounts. Any interest payable with respect to any funds deposited shall be the property of the Association. No Owner shall have the right to receive interest on any assessments or charges.

5.7. Real Estate Taxes.

It is contemplated that real estate taxes, including possessory interest taxes, attributable to the Common Area are to be individually assessed to each Owner. In the event that for any year any such taxes are separately assessed to the Proportionate Share no later than fifteen (15) days prior to the date when the payment of any installment of such taxes would become delinquent. If it appears to the Board that such taxes will thereafter continue to be separately assessed to the Association, the Board may include such amount in the Association budget and collect such taxes as a part of the Regular Assessment.

5.8. Payment of Assessments.

Each Owner shall pay all assessments levied and accrued upon his Condominium (whether pursuant to this or any other provision hereof) to the Association on or before the due date which shall be the first day of each month for monthly installments of Regular Assessments, or the first day of the period to which such assessments are applicable in the case of Regular Assessments collected at some greater interval. The due date for all other assessments shall be (10) days after the mailing or delivery of an invoice for the same to said Owner. Assessments shall be levied, shall accrue and shall be due and payable as provided in 5.3 as to all Condominiums within the Project. An accrued assessment shall be delinquent if not paid within fifteen (15) days after the due date, late charges shall accrue. The late charges shall be the greater of (i) \$10.00 or (ii) ten (10%) percent of the delinquent assessment. The late charge shall constitute full compensation to the Association for additional bookkeeping, billing and administrative costs incurred as a result of the late payment of an assessment, but shall not represent compensation for lost interest, which is provided for below.

The Association may, in addition to said late charges, recover all reasonable costs incurred in collecting the delinquent assessment, including reasonable attorneys' fees. If an assessment is not paid within thirty (30) days after the due date, the Association may, in addition to said late charges, assess interest on unpaid delinquent assessments, commencing thirty (30) days after the assessment becomes due and continuing

until paid, at the rate of twelve percent (12%) per annum or the highest rate permitted by law, whichever is less, No Owner may exempt himself from liability for his share of the assessments, late charges, interest and costs by waiving the use or enjoyment of the Common Area or by abandoning his Condominium.

5.9. Lien.

All assessments, (including late charges, interest, collection costs, attorneys' fees and other costs) shall, if not paid within thirty (30) days after the due date, become a lien upon the Owner's Condominium and shall continue to be such a lien until fully paid and shall also be the personal obligation of the Owner of the Condominium at the time the assessment became due, subject to the following conditions:

(a) Such lien shall become effective against any such Condominium only upon the recordation by the Association of a notice of delinquent assessment, in accordance with California Civil Code Section 1367 or any similar law hereafter enacted, in the Office of the County Recorder for the County of Los Angeles. The notice of delinquent assessment shall state the amount of delinquent assessments and other charges, a description name of the Owner of such Condominium, and the name and address of the trustee authorized by the association to enforce the lien by sale. Such notice of delinquent assessment shall be executed by an authorized representative, is designated, the President of the Association Upon the payment of all delinquent assessments, together with other costs, or upon other satisfaction thereof, the Association shall cause to be recorded a release of lien, provided that the Association is reimbursed for the cost of preparing and recording the release (including reasonable attorneys' fees).

(b) Each monthly installment of any regular Assessment, each Special Assessment and each other assessment is hereby declared and agreed to be a separate and distinct debt of the Owner against whom the same is assessed and any lien upon such Owner's Condominium arising by reason of any such assessment as provided by this Article 6 is hereby expressly declared and agreed to be a separate and distinct lien securing only the debt, enforcement of any lien or utilization of any remedy shall not require the concurrent collection of any other debt or enforcement of any other lien securing a separate assessment debt.

(c) Any such lien shall not defeat nor render invalid nor have priority over (i) the lien of any First Mortgage affecting any Condominium made in good faith and for value and recorded in the office of the County Recorder of Los Angeles County prior to the recordation of any such lien, or (ii) the lien of the Subleasehold Deed of Trust (defined in Section 16.3 of the Master Condominium Sublease) to be imposed against each Condominium as provided in the Master Condominium Sublease. Any such lien shall be subordinate and subject to the lien of any such prior recorded First Mortgage or Subleasehold Deed of Trust shall take such title free of the lien hereof for all assessments which accrued up to the time of such trustee's sale or foreclosure, except for claims for a share of such assessments or charges to all Condominiums including the Condominium acquired through such trustee's sale or foreclosure and subject to the lien hereof for all assessments and charges subsequently accruing without regard to any prior acceleration of unaccrued assessments.

(d) With the exception of reasonable late payment penalties for delinquent assessments and/or charges to reimburse the Association for the loss of interest and costs reasonably incurred, including without limitation, attorneys fees, in its efforts to collect delinquent assessments, and notwithstanding anything contained herein which may be or appear to be to the contrary, no assessment or charge imposed by the Association as a fine, penalty or disciplinary measure for failure of a Member to comply with the Governing Documents of the Association or as a means of reimbursing the Association for costs incurred by the Association in the repair of damage to the Common Area or facilities for which the Member was responsible or in bringing the Member or his Condominium into compliance with the Governing Documents shall become a lien against the Member's Condominium which is enforceable by power of sale in accordance with the provision of California Civil Code Sections 2924, 2924(b) and 2924(c). Except as specifically limited in this subparagraph (d), however, such assessment, if unpaid, may become alien and be enforceable as such lien or by other legal means, in the same manner as Regular Assessments.

(e) The Association shall have no authority to cause a forfeiture or abridgment of an Owner's right to the interest on account of the failure by the Owner to comply with the Governing Documents or duly-enacted rules of operation for common areas and facilities except by judgment of a court, by a decision arising out of arbitration, or as the result of a foreclosure or sale under a power of sale for failure of the Owner to pay assessments duly levied by the Association.

5.10. Enforcement of Assessment Lien.

The Association is hereby vested with the right and power to bring any and all actions against an Owner for the collection of said assessments which are not paid when due, and to enforce the aforesaid lien by any and all methods available for the enforcement of contractual obligations or liens, including, without limitation, (i) the right to bring a personal action against the Owner on such debt, (ii) the right to foreclose such lien in any method provided by law for foreclosure of a Mortgage, (iii) the right to accept assignment of the Owner's Condominium in lieu of foreclosure, and (iv) subject to the limitations of Sections 5.9(d) and 5.9(e), the right to sell the Owner's interest by power of sale, which may be enforced by the trustee designated in the notice of delinquent assessment, or a successor trustee substituted pursuant to Civil Code §2934a. A sale of an Owner's interest by power of sale shall be conducted in accordance with the provisions of Civil Code Sections 2924 through 2924h (or any similar statutory provisions that may hereafter exist) for the foreclosure by power of sale of Mortgages. Such provision shall be applied and adapted to the foreclosure of the lien by power of sale to the fullest extent reasonably possible and consistent therewith in view of the differences between the lien and Mortgages generally (for example, "trustor" as used in the statute would refer to the delinquent "Owner" and beneficiary" would refer to the "Association"). The Association shall have the power to bid in its own name on the property sold and to hold, lease, mortgage and convey the same for the benefit of all the Owners. All rights and remedies granted to the Association hereunder shall be cumulative and the exercise of one or more right or remedies shall not constitute a waiver or election preventing the use of other rights or remedies. The Association shall be entitled to collect from a defaulting Owner all costs and attorneys' fees incurred in connection with pursuing the collection of said assessments and/or the enforcement of said lien.

5.11. Suspension, Fines and Penalties.

Notwithstanding and other remedy or action available to the Association, the membership and all rights and privileges thereof of any Member may be suspended by action of the Board for a period not to exceed thirty (30) days for (i) each failure to pay any assessment levied against such Member's Condominium in full promptly when due (whether or not he is personally obligated to pay such assessment), or (ii) each violation of any provision of the Governing Documents of the Association; provided, that for any continuing violation, such suspension may continue until the violation is cured. Such suspension shall not take effect, however, unless the Member is first given notice and an opportunity to be heard as provided in Section 16.4. The Board shall also have the right, pursuant to the same notice and hearing procedures, to assess fines against any Member who violates, or whose family member, household member, guest, agent, invitee, licensee, tenant or employee violates, any of the Governing Documents. Fines may be levied for each such offense, as provided in the By-Laws.

ARTICLE 6. INSURANCE.

6.1. Liability, Fidelity and Workers' Compensation Insurance.

The Association, for the benefit of the Association, the Units, the Common Area, the Owners and their Mortgagees, and the Declarant shall acquire at a minimum the following insurance policies:

(a) Public Liability. A policy or policies insuring the Association and its officers, the Board, the Owners, the County, the Sublessor, and the Declarant and its officers, employees, agents and representatives against any liability, to the public or to the Owners, their guests, employees invitees, or tenants, incident to the ownership or use of the Common Area. Limits of liability under such policy or policies of insurance shall not be less than a combined limit of one million dollars (\$1,000,000.00) for injury or death to one or more persons and for property damage in any one accident or occurrence. Said policy or policies shall contain a severability of interest endorsement which shall preclude the insurer from denying the claim of named insureds because of any neglect or other act or omission of another named insured. The policy or policies shall provide that they may not be cancelled or substantially modified by any party without at least ten (10) days' prior written notice to the Association and to each holder, insurer or guarantor of a First Mortgage which is listed as a scheduled holder of a First Mortgage in each such insurance policy.

(b) Fidelity. A fidelity bond or insurance for Board members, officers, trustees, employees and volunteers responsible for handling funds collected and held for the Association or Owners, naming as insured the Association for an amount sufficient to cover at least one and one-half times the Association's estimated Regular Assessments; provided however, that the aggregate amount of such bonds shall not be less than a sum equal to three months' aggregate assessment on all Units plus reserve funds. The bond or insurance shall contain waivers by the issuers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions. The bond or insurance shall provide that it may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days' prior written notice to the Association and to First Mortgagees which have submitted a prior written request therefor.

(c) Workers' Compensation. Workers' compensation insurance, including employer's liability insurance, to the extent necessary to comply with applicable laws.

(d) Master Insurance Policies. In addition, if Sublessor fails to provide the insurance policies required of Sublessor by Article 8 of the Master Condominium Sublease, the Association has the right under Section 8.7 of the Master Condominium Sublease and subject to the conditions set forth in Section 11.07 of the Master Lease, to secure such insurance.

6.2. Casualty.

If the Federal Agencies, or any of them, are a Mortgagee or Owner of a Condominium within the Project, the Association shall, to the extent that any of said entities require it, acquire and maintain for the benefit of the Association, the Units, the Common Area, the Owners and the Declarant, a policy or policies of insurance for the full insurable replacement value, without deduction for depreciation, of any alterations, Decorations or improvements, changes or additions to the Common Area and any personal property within the Common Area for the interest of and naming as insured the Association for the use and benefit of the Owners, as their interests may appear. Such policy or policies shall to the extent available:

(a) Provide coverage, if reasonably available at reasonable cost, against the perils of fire, extended coverage, vandalism and malicious mischief, as minimum requirements.

(b) Provide for 30 days' prior written notice to the Association of lapse, cancellation, material modification or reduction in type or amount of coverage.

(c) Contain a waiver of subrogation rights by the insurer as against the Association, its officers, the Board and the Owners.

(d) Provide that, without affecting any protection to Mortgagees, any proceeds payable to the Association shall be paid to a bank or trust company to be designated by the Association to act as depository.

(e) Be primary to and shall not be affected by any right of setoff, proration or contribution by reason of any insurance held by an Owner.

(f) Provide for a deductibility feature of not more than one thousand dollars (\$1,000.00) from any amounts otherwise payable thereunder.

(g) Include an Agreed Amount Endorsement and Inflation Guard Endorsement, if such endorsements are available and are commonly required by prudent institutional mortgage investors in the area in which the Premises are located.

6.3. Insurer Rating.

Except with respect to any policies of insurance described in Section 6.1(d), all policies of insurance obtained by the Association as provided in this Article 6 shall be obtained from an insurance company qualified to do and doing business in the State of California and holding a rating of "B/VI" or better, by Best's Insurance Reports, and such policies may be obtained from one or more companies. If the Association obtains any of the policies of insurance referenced in Section 6.1(d), such policies shall be obtained from an insurance company qualified to do and doing businesses in the State of California

and holding a Best's Key Rating Property Casualty Guide rating equal to or great than XV.A.

6.4. Requirements of Federal Agencies.

Notwithstanding any other provision herein, the Association shall continuously maintain in effect such liability insurance and a fidelity bond meeting the insurance and bond requirements for Condominium projects established by the Federal Agencies, to the extent that any of said entities require such coverage and are a holder, insurer and/or guarantor of a First Mortgage on, or an Owner of, a Condominium within the Premises, except to the extent such coverage is not available or has been waived in writing by the entities involved.

6.5. Management Agent Bond.

If the Association delegates to a management agent the responsibility for handling or administering funds of the Association, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for fund of, or administered on behalf of, the Association. Such fidelity bonds shall name the Association as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than a sum equal to three (3) months of Regular Assessments including reserves on all Condominiums. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days' prior written notice to the Association and to First Mortgagees which have submitted a prior written request therefor.

6.6. Insurance Trustee.

Notwithstanding any provisions and requirements contained herein relating to property or liability insurance, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any insurance trust agreement or any successor to such trustee (collectively, "Insurance Trust"), who may be delegated the power and authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose. Each Owner appoints the Association, or any Insurance Trustee or substitute Insurance Trustee designated by the Association, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including (i) the collection and appropriate disposition of the proceeds thereof, (ii) the negotiation of losses and execution of releases of liability, (iii) the execution of all documents, and (iv) the performance of all other acts necessary to accomplish such purpose.

6.7. Additional Insurance Coverage.

Nothing in this Declaration shall prohibit the Association from acquiring additional liability and/or casualty insurance meeting the requirements and limitations of the Master Condominium Sublease, including, without limitation, director's liability insurance covering the members of the Board, as the Board, in its discretion deems necessary or desirable. To the extent such director's liability insurance is available on terms which are economically acceptable to the Board, the Board shall

obtain liability insurance covering the members of the Board. The Association also has the right, but not the obligation, under the Master Lease and Master Condominium Sublease to place certain insurance, and to draw upon a bond, letter of credit, or other security posted by Sublessor in connection therewith, if the Sublessor fails to provide such insurance or an authorized program of self-insurance as required by the Master Lease and Master Condominium Sublease. Those rights shall be exercised, if at all, in the following manner. Upon receiving notice of the right to place such insurance and to draw upon the security posted by Sublessor, the Board shall call a special meeting that which it shall adopt a recommendation to the Association with respect to the above matters. Within five (5) days after the Board's adoption of the recommendation, the Board shall hold a meeting of the Association to act upon the recommendation of the Board. The purchase of such insurance, and the resort to any security posted by Sublessor in connection therewith, shall be authorized only if approved by a majority of the voting power of the Association residing in members other than the Declarant. If the purchase of such insurance, and any other actions in connection therewith, are approved by the Association the Board shall thereafter carry out such actions on behalf of the Association, subject to all applicable requirements, limitations, and conditions imposed on such action under The Master Lease, the Master Condominium Sublease, or the Governing Documents. Subject to the limitations set forth in Section 5.3, the Board may fund the payment of such insurance premiums through Special and Regular Assessments, and may, in anticipation of exercise of the above rights, establish and fund a reserve account adequate to insure that the Association will be able to exercise the above rights should such action be authorized by the Association.

6.8. Owner's Casualty and Public Liability Insurance Responsibilities.

Each Owner is responsible at such Owner's sole cost and expense, to obtain and maintain in effect such policies of casualty insurance and public liability insurance with respect to that Owner's Unit, including any Decorations, alterations, leasehold improvements and personal property therein, as such Owner may desire. It is expressly understood that the Association is not obliged to provide casualty insurance or liability insurance for the Owner's Unit or such Decorations, alterations, leasehold improvements or personal property.

ARTICLE 7. COVENANTS AND RESTRICTIONS REGARDING USE.

7.1. Single Family Residential Use.

Except as otherwise provided in Section 7.10 (respecting Declarant's use of the Premises) or the Master Condominium Sublease, the Premises shall be used solely for residential use and each Unit shall be used solely for Single Family residential use, and no business, commercial, manufacturing, mercantile, vending, occupation, profession, trade or other non-residential enterprise of any kind shall be conducted on the Premises.

7.2. Leases.

With the exception of a Mortgagee in possession of a Unit following a default in a First Mortgage or Subleasehold Deed of Trust and a foreclosure proceeding or a deed or other arrangement in lieu of foreclosure, no Owner shall lease or otherwise rent his Unit for transient or hotel purposes, which shall be defined as (i) rental for any period less than thirty (30) days, or (ii) rental if the occupants of the Unit are provided customary hotel service such as room services for food and beverage, maid service, furnishing laundry and linen, and bellhop service. Nor shall any Owner lease or otherwise rent

less than his entire Condominium. No Owner shall enter into any rental, lease or tenancy agreement unless such agreement is in writing and has an initial term of at least thirty (30) days. Such written agreement shall include an express provision that it is subject in all respects to the provisions of the Master Condominium Sublease, this Declaration, the Bylaws, and the Rules and Regulations, and that a failure by the lessee or tenant to comply with the terms of any of those documents shall be a default under the agreement.

7.3. Guests.

The total number of persons residing in a Condominium Unit at any one time shall not exceed that allowed by the lesser of (i) local fire and zoning regulations or (ii) the amounts set forth in Section 1.24 above.

7.4. Nuisance.

No Unit or other part of the Towers shall be used by an Owner in such manner as to disturb or interfere with the quiet enjoyment of other residents or to annoy them by unreasonable noises or otherwise; and no nuisance, illegal, hazardous or noxious activity, waste or litter shall be committed or permitted to occur by an Owner within the Towers. No rubbish or debris of any kind shall be placed or permitted to accumulate by an Owner anywhere upon or in the Towers and no Owner shall permit an odor to arise therefrom so as to render the Towers, or any portion thereof, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. No Owner shall permit any activity to exist or operate upon or in any portion of the Towers so as to be offensive, hazardous or detrimental to any other property in the vicinity thereof or to its occupants, and the Board shall have the right to determine if any noise, odor or activity producing same constitutes a nuisance. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), or items which may unreasonably interfere with television or radio reception of any Owner shall be located, used or placed on any portion of the Towers by an Owner without the prior written approval of the Sublessor. All storage shall be enclosed with the Units, so as not to be visible to other Owners.

7.5. Animals.

Subject to the Rules and Regulations, one (1) usual and ordinary domestic household pet such as a dog, cat or bird may be kept in a Unit, provided such pet is not kept, bred or maintained for any commercial purposes and is kept under reasonable control at all times, and provided further that under no circumstances shall any dog be kept that exceed twenty-five (25) pounds in weight. All dogs shall be kept on a leash at all times that such dogs are outside their master's Unit. Any pet deemed a nuisance by the Sublessor or the Association shall be removed from the Premises. Except as provided in the preceding sentences, no animals, of any kind, shall be raised, bred or kept in the Premises. Each Owner or the person in control of such pet shall immediately clean up after the pet. Each Owner and such person, if any, shall be financially responsible for all damage caused to any persons or property by such pet. Each Owner who keeps or permits to be kept any pet within the Towers shall, and does hereby, indemnify the Association, its Board and Officers, the Sublessor, and each Owner against any and all loss, cost or liability arising out of having such pet.

7.6. Signs.

No Owner, tenant or other occupant of the Premises shall post any advertisement, signs, flags, banners or posters of any kind for public display without the prior written approval of the Sublessor, the Association, and, in those cases required by the Master Lease, the County. This restriction shall neither apply to nor limit the right of Declarant to display or have displayed signs, posters, banners, flags and similar items advertising the sale or lease of the Premises or Units therein. Display of an American or California flag shall be subject to the Rules and Regulations and shall require prior written approval as to compliance therewith. The Board shall have the right to remove an item display in violation of this Section 8.6 and to assess the responsible Owner for all costs and expenses incurred in such removal.

7.7. Wiring.

No Owner, resident or lessee shall install wiring on the exterior of the Towers or wiring which protrudes through the walls or the roof of the Towers for electrical or telephone installations, television antennae, air conditioning Units or any other machines or equipment.

7.8. Common Area.

The Common Area shall be used only for handling the administrative affairs of the Association and shall not be used for any other business, commercial, manufacturing, mercantile, vending or other residential or non-residential enterprise of any vending or other residential or non-residential enterprise of any kind. Except as otherwise provided in this Declaration, there shall be no obstruction of the Common Area, nor shall anything be kept or stored in the Common Area nor shall anything be altered, constructed or planted in, or removed from the Common Area, without the prior written consent of the Board. The Common Area shall be kept free of rubbish, debris and other unsightly or unsanitary materials. The Common Area shall not be rented by the Association or any Member thereof, to any other person for any purpose or any period of time.

7.9. Activities Which Increase Insurance or Damage Premises.

No Owner shall engage in or permit any act or neglect (i) which will result in any increase of the insurance premiums for the Project or any portion thereof or the cancellation of such insurance, (ii) which would be in violation of any Governmental Regulations or (iii) which will or may have a tendency to decrease the attractiveness or value of the Premises. No waste shall be committed in the Common Area or the Towers by any Owner.

7.10. Declarant's Use.

Until Declarant and/or Sublessor have completed all of the contemplated improvements and closed the sales of all of the Condominiums, neither the Owners nor the Association shall interfere with the completion of the contemplated improvements and the sale of the Condominiums. For a period of three years after the date this Declaration is recorded, Declarant, and Sublessor and their authorized agents and assigns may make such use of the unsold Units as may facilitate completion and sale, including, but not limited to, maintenance of model units and sales offices, and the showing of the Premises and the Units therein; provided, however, that Declarant shall not unreasonably interfere with any Owner's use and enjoyment of the Premises.

7.11. Wall Coverings.

There shall be no alteration, repair or replacement of wall coverings within Units which may diminish the effectiveness of the sound control engineering within the Towers.

7.12. Alterations.

Except as otherwise expressly provided in the Master Condominium Sublease, no building, wall, fence, obstruction, balcony, screen, patio, patio cover, tent, awning, improvement or structure of any kind shall be commenced, erected, painted or maintained upon or within the Premises, nor shall any alteration or improvement of any kind be made thereto (hereinafter collectively referred to as "Alterations"); provided, that Owners shall be entitled to make Alterations to their Units and the Association shall be entitled to make Alterations to the Common Area so long as such Alterations are not structural or utility bearing, are not visible from the exterior of the affected Unit or Common Area if the drapes or shades are drawn, does not involve the piercing, altering or repair of the exterior of, or removal of any exterior portion of any wall, floor or ceiling separating Units or other rooms on the Property, and does not affect any common equipment used by any other Unit or other room or building on the Property.

7.13. Abide by Governing Documents; Master Lease, etc.

All Owners, lessees, guest and occupants of Condominium Units shall abide by this Declaration and other Governing Documents, the Master Lease, and the Master Condominium Sublease, and all the documents or restrictions applicable to the Premises.

7.14. Clotheslines.

No exterior clothesline shall be erected or maintained in or on any part of the Towers and there shall be no outside laundering or drying of clothes on any balcony, window or other exterior part of the Towers.

7.15. Garbage and Refuse Disposal.

Each Owner shall regularly remove all rubbish, trash and garbage from its Unit and shall not allow the same to accumulate thereon. Trash, garbage and other waste shall not be kept except in sanitary containers. Each Owner shall keep screened and concealed from view of adjoining premises, public streets, and portions of all adjacent property subject to common or public use, all equipment, garbage cans, storage piles or other similar items.

7.16. Radio and Television Antennas.

No Owner shall alter or modify any central radio or television antenna system or cable television system, whichever is applicable. No Owner shall construct, use or operate any additional radio, television or other electronic antenna without consent of Sublessor and, in those cases required by the Master Lease, the County.

7.17. Power Equipment and Car Maintenance.

No power equipment, workshops, or car maintenance of any nature whatsoever shall be permitted without the prior written approval of Sublessor.

7.18. Window Covers.

Curtains, drapes, shutters, blinds, or other window covers visible from the exterior of a Unit or the Common Area

must be approved by the Sublessor and, in those cases required by the Master Lease, the County prior to installation on or in a Unit or the Common Area. In no event shall any window be covered with aluminum foil or similar material.

7.19. Balconies.

No Owner shall erect or maintain on any balcony structure any screens, tents, awnings, fences, or obstructions of any kind without the prior written approval of Sublessor and, in those cases required by the Master Lease, the County.

7.20. Garage Sales.

No rummage sales, garage sales or flea markets of any kind shall be permitted on or in a Unit, the Common Area, or any other portion of the Property without the prior consent of Sublessor.

7.21. Aquariums.

No aquarium holding in excess of fifteen (15) gallons of water shall be permitted at any time on or in a Unit without the prior written consent of the Sublessor.

7.22. Owners' Accountability.

Each Owner shall be accountable to the Association and the other owners for the conduct and behavior of all person residing in or visiting his Unit.

7.23. View Obstructions.

No vegetation or other obstruction shall be planted or maintained upon any patio or balcony in any Unit in such location or of such height as to unreasonably obstruct the view from any other Unit in the vicinity thereof. In the event of a dispute between Owners as to the obstruction of a view from a Unit, such disputes shall be submitted to the Board, whose decision in such matters shall be binding. Any such obstruction shall, upon request of the Board, be removed or otherwise altered to the satisfaction of the Board, by the Owner upon whose Unit said obstruction is located. Any item or vegetation maintained upon any balcony or patio in any Unit which item or vegetation is exposed to the View of the Owner of any other Unit, shall be removed or otherwise altered to the satisfaction of the Board, if it determines that the maintenance of such item or vegetation in its then existing state is contrary to the purposes or provisions of this Declaration.

ARTICLE 8. DESTRUCTION OF PROJECT.

8.1. Bids and Insurance Proceeds.

As soon as practicable after the damage or destruction of all or any portion of the Common Area and the reconstruction, if any, thereof by Sublessor in accordance with the Master Condominium Sublease, the Association shall repair or replace all personal property within the Common Area, including all Alterations or Decorations, to the condition in which it existed prior to such damage or destruction. In performing such work, the Association shall proceed as set forth in this Article. The Board shall first (i) obtain bids from at least two (2) reputable contractors, licensed in California, which bids shall set forth in detail the work required to repair, reconstruct and restore the damaged or destroyed improvements within the Common Area to substantially the same condition as it existed prior to such damage and the itemized cost of such work, and (ii) determine the amount of all insurance proceeds available to the Association, as

trustee or otherwise, for the purpose of effecting such repair, reconstruction and restoration.

8.2. Sufficient Insurance Proceeds.

In the event that the insurance proceeds available to the Association, as trustee or otherwise, are sufficient to effect the total repair, reconstruction and restoration of the specified improvements within the Common Area, then the Association shall cause such improvements to be so repaired, reconstructed and restored to substantially the same condition as the same existed prior to such damage or destruction.

8.3. Insurance Proceeds Partially Sufficient.

If the proceeds of insurance available to the Association, as trustee or otherwise, are insufficient to cover the cost of repair, reconstruction and restoration of the improvements within the Common Area, then subject to the limitations contained in Sections 6.3(b) and 6.4, the Board shall levy a Regular Assessment or Special Assessment on all Units for all additional funds needed for such purpose.

8.4. Reconstruction.

The Board shall (i) enter into a written contract with a contractor licensed in California and submitting the lowest reasonable bid for such repair, reconstruction and restoration work, (ii) disburse insurance proceeds available for said work and funds collected by reason of Regular Assessments or Special Assessments authorized therefore in appropriate progress payments and (iii) take all steps necessary to ensure the commencement and completion of such repair, reconstruction and restoration in a lawful, workmanlike manner at the earliest possible date.

8.5. Selection of Proposed Assignee or Proposed Lessee.

In the event that the Association is called upon to select a Proposed Assignee or Proposed Lessee under Article 11A of the Master Condominium Sublease and Article 18 of the Master Lease following damage to or destruction of the Premises or a partial condemnation thereof, then , within five (5) days following the receipt by the Association of the required notice with respect to selection of such Proposed Assignee or Proposed Lessee under Sections 11A.1.1(b) or 11A.2.1(b) of the Master Condominium Sublease, as applicable, the Board shall hold a special meeting(s) to consider whether to recommend selection of a Proposed Assignee (as defined in Section 11A.1.1(c) of the Master Condominium Sublease) or a Proposed Lessee (as defined in Section 11A.2.1(c) of the Master Condominium Sublease), as applicable, to the membership of the Association. Within five (5) days after the meeting(s) of the Board described above, the Association shall hold a special meeting to act upon the recommendation of the Board. At said special meeting, in addition to the Proposed Assignee or Proposed Lessee, if any, recommended by the Board, any Owner may nominate any person or persons to be the Proposed Assignee or Proposed Lessee, as appropriate. The Association shall then vote upon each of the Proposed Assignees or Proposed Lessees, as applicable, nominated by the Board and/or the membership. The Proposed Assignee or Proposed Lessee, as applicable, receiving the most votes shall then be submitted for approval or disapproval by the membership. In order to be approved, the Proposed Assignee or Proposed Lessee, as appropriate, must be approved by a majority of the voting power of the Association residing in Members other than Declarant. The Board shall deliver a notice to the Sublessor of the name of the person, if any, so selected as soon as possible and, if any case, prior to the deadlines for designation of such

assignee or lessee set forth in Section 11A.1.1(c) and Section 11A.2.1(c), respectively, of the Master Condominium Sublease.

8.6. Revision of Condominium Documents.

In the event all or any portion of the Towers are damaged or destroyed and such damage or destruction is not completely repaired, reconstructed or restored, the Board shall, as soon as practicable, cause to be prepared, filed and/or recorded any revised subdivision map, condominium plan or other documents, reports, schedules or exhibits necessary to show the changed or altered status of the Premises, including, without limitation, the elimination of one or more of the Units, as a result of such damage. The cost (including attorneys' fees) of the preparation, filing and/or recordation of any document, map report, schedule or exhibit referred to herein shall be levied as a Special Assessment to the Owners in accordance with their respective Proportionate Shares.

ARTICLE 9. PARTITION.

There shall be no judicial partition of the Common Area, nor shall Declarant or any person acquiring any interest in the Premises, or any part thereof, seek any judicial partition thereof, provided, however, that if any Condominium shall be owned by two or more Owners as tenants in common or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition as between such Owners. Neither may any Unit in the Premises be partitioned or subdivided without the prior written approval of the holder of any First Mortgage or Subleasehold Deed of Trust on the Unit.

ARTICLE 10. AMENDMENT.

Except as otherwise expressly provided in California Civil Code Section 1356, this Declaration may be amended only by the written approval of both at least seventy-five percent (75%) of the total voting power of the Association and at least a majority of the votes of Members other than the Declarant. Any such amendment shall become effective upon recordation in the Office of the County Recorder of Los Angeles County of a written instrument setting forth such amendment and signed and acknowledged by a majority of the Board, who shall certify in said instrument that at least seventy-five percent (75%) of the total voting power of the Association and at least a majority of the votes of Members other than the Declarant have given their written approval of such amendment. Provided, however, that no amendment which materially affects the ownership, possession or use of an Owner, either directly or as a Member of the Association, shall be valid unless the prior written consent of the California Real Estate Commissioner is obtained, to the extent that such consent is required under Section 11018.7 of the California Business and Professions Code. Provided, further, that no material amendment, as denied below, shall become effective without the prior written approval (or deemed consent, as provided below in this clause) of such amendment by (i) the holders of at least fifty-one percent (51%) of the Subleasehold Deeds of Trust and (ii) the holders of at least fifty-one percent (51%) of all First Mortgages, based on one (1) vote for each such Subleasehold Deed of Trust or First Mortgage held and (iii) the County. Timely written notice of any proposed material amendment shall be given by the Board to the County and to each holder of a Subleasehold Deed of Trust, each First Mortgagee and each insurer or guarantor of a First Mortgage which has submitted a request therefore in accordance with Section 15.8 herein. Any such party that receives a written request from the Association to approve any amendment and which does not deliver to the Association, in person or by mail, a written negative response such request. For purpose of this Article 11, the term "material amendment" shall

mean amendments to provisions of this Declaration governing the following subjects:

- (a) The Proportionate Shares of the Condominium Owners in the receipts and common expenses of the Association.
- (b) The Percentage Interests of the Condominium Owners in the Common Area.
- (c) The purposes to which the Units and the Common Area are restricted.
- (d) Conversion of Units into Common Area or of Common Area into Units, or change in the boundary of any unit.
- (e) Voting.
- (f) Changes in the manner of determining and enforcing assessments and assessment liens, and the subordination thereof.
- (g) Reserves for repair and replacement of the Common Area.
- (h) Property maintenance obligations.
- (i) Insurance requirements specified in Article 7 herein.
- (j) Reconstruction of the Common Area in the event of damage or destruction.
- (k) Rights to use the Common Area.
- (l) Annexation or withdrawal of property to and from the Premises or changes in the boundaries of any Condominium.
- (m) Leasing of Condominiums.
- (n) Imposition of any right of first refusal or similar restriction on the right of a Condominium Owner to sell, transfer or otherwise convey his Condominium.
- (o) Establishment of self-management by the Association where professional management has been required by the federal Agencies, or any of them, if any of such entities making such requirement is a holder, insurer or guarantor of a First Mortgage on, or an Owner of, a Condominium within the Project.
- (p) Any of the provisions herein which are expressly for the benefit of First Mortgagees.

ARTICLE 11. TERM OF RESTRICTIONS.

This Declaration, together with any amendments hereto shall remain in full force and effect until the expiration or earlier termination of the Master Condominium Sublease.

ARTICLE 12. NOTICES.

Any notice required to be sent to any Member of the Association under the provisions of this Declaration shall be deemed to have been received when mailed with proper postage prepaid to the last known address of the person who appears as a Member on the records of the Association at the time of such mailing, or in the case of hand delivery, upon delivery to such last known address.

ARTICLE 13. ANNEXATION.

13.1. Annexation of Additional Units.

Those residential dwelling areas depicted on the Condominium Plan but which are not now included in the Premises (“Additional Units”), may be annexed to the Premises and become part of the Project, if at all, only in accordance with the provisions herein. Upon annexation, the Additional Units shall become subject to this Declaration without the necessity of amending individual sections hereof. Upon such annexation, all references herein to a Unit or the Units shall thereafter refer to the annexed Additional Units as well as the original Units, the Premises and the Project shall thereafter refer to and be deemed to include such Additional Units without further modification herein, and such Additional Units shall be subject to each and every of the terms, provisions, covenants, conditions and restrictions set forth in this Declaration.

13.2. Annexation by Declarant.

Some or all of the Additional Units may be annexed to the Premises and become part of the Project without the consent of the Association or any Members or Owners, on condition that:

- (a) Any annexation pursuant to this section shall be made within six (6) years of the original issuance of the Final Subdivision Public Report for the Project;
- (b) The annexation of Additional Units shall be in accordance with the plan of development submitted to and approved by the Department of Real Estate of the State of California.
- (c) A Supplemental Declaration, as described in Section 13.4 below, shall be recorded covering the Additional Units to be annexed.

Declarant shall be under no obligation to annex said Additional Units and Declarant makes no representation with respect to whether or not they will ever be annexed.

13.3. Annexation by Consent.

After the six-year period for annexation by Declarant described in Section 13.2 has passed, Additional Units may be annexed to the Premises and become part of the Project with either (i) the approval in writing of the Association, pursuant to the vote or written consent of not less than two-thirds (2/3) of the total votes residing in the Members other than the Declarant, or (ii) the consent of the California Department of Real Estate. The Association, if it desires to add Additional Units to the scheme of this Declaration, may file of record a Supplemental Declaration in the manner described in Section 13.4 below.

13.4. Procedures.

Annexation authorized hereby shall be made by recording a Supplemental Declaration or similar instrument, covering the Additional Units to be annexed, which shall extend the scheme of this Declaration and all of its provisions, covenants, conditions, restrictions, easements, rights, obligations and the jurisdiction of the Association to such Additional Units. Subject to the provisions of Article 11, such Supplemental Declaration may contain such additions and/or modifications of the covenants, conditions, restrictions, and easements contained in this Declaration as may be necessary to reflect the different character, if any, of such Additional Units, provided that such

additions and/or modifications shall not be inconsistent with the scheme of this Declaration.

13.5. Assessments.

Regular Assessments on the annexed Additional Units shall commence on the first day of the first month following the recordation of such documents as are necessary to annex such Additional Units to the Project and convert them to Condominiums.

13.6. Disclosure to FNMA.

If FNMA holds any Mortgage on a Condominium in the Premises at the time Additional Units are annexed, FNMA shall be furnished with title evidence which discloses any additional lien, easement or other encumbrance which will affect the Project after such annexation; provided, however, that failure to timely comply with this Section 13.6 shall not invalidate the effectiveness of an annexation which otherwise complies with the procedures set forth in this Article 13, so long as the required disclosure is ultimately given to FNMA.

ARTICLE 14. MORTGAGEES.

14.1 Mortgage's Consent Required.

Notwithstanding any provision in this Declaration or the By-Laws which is to the contrary, and in addition to all other approvals and consents required to be obtained from Mortgagees under this Declaration, unless the prior written approval of the holders of seventy-five percent (75%) or more of the Subleasehold Deeds of Trust and the holders of seventy-five percent (75%) or more of the First Mortgages, based on one (1) vote for each such Subleasehold Deed of Trust or First Mortgage held, is obtained, the Association shall not be entitled to do any of the following:

- (a) By act or omission seek to abandon or terminate the Condominium regime, except for abandonment provided by statute.
- (b) Change the prorata interest or obligations (including the Proportionate Share and Percentage Interest) of any Condominium Unit for (i) purposes of levying assessments or charges or allocating distributions of insurance proceeds or condemnation awards, and (ii) determining each Unit's prorata ownership of the undivided interest in the Common Area.
- (c) Partition or subdivide any Condominium Unit.
- (d) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area.
- (e) Use insurance proceeds for losses of any personal property, Alterations or Decorations in the Common Area for other than the repair, replacement or reconstruction of such personal property, Alterations, or Decorations, except as otherwise provided in this Declaration or by statute in case of substantial loss to the Common Area.
- (f) Fail to maintain fire and extended coverage on the Common Area to the extent required in Article 7.
- (g) Restore or repair all or any personal property, Alterations, or Decorations to the Common Area after a partial condemnation or damage due to an insurable hazard in any manner not substantially in accordance with this Declaration and the original plans and specifications.

- (h) Reallocate interests in the Common Area resulting from a partial condemnation or partial destruction of the Premises.

14.2. Books and Records.

Upon request, as provided in Section 15.8 below, holders, insurers and guarantors of First Mortgages of Condominiums shall have the right to (i) examine the books and records of the Association, including, without limitation the Governing Documents, at reasonable times and after reasonable notice, (ii) receive from the Association, a copy of the financial statements of the Association within ninety (90) days following the end of any fiscal year prepared by and/or audited by an independent accountant at no cost to such holder, insurer, or guarantor; and (iii) receive written notice of all meetings of the Association and have the right to designate a representative to attend all such meetings.

14.3. Taxes, Assessments and Charges.

All taxes, assessments and charges which may become liens prior to a First Mortgage under local laws shall relate only to the individual Condominium Unit which it encumbers and not to the Project as a whole.

14.4. Insurance Proceeds.

Notwithstanding any provisions of this Declaration or the By-Laws to the contrary, Owners shall not have any priority over the rights of the Mortgagees of the Condominiums pursuant to their Mortgages in the case of a distribution of insurance proceeds for losses to the Units or the Common Area.

14.5. Notice of Default.

A First Mortgagee of any Condominium in the Premises, upon written request, will be notified in writing by the Association of any default in the performance by the Owner of such Condominium of any obligation under this Declaration or the By-Laws, including, without limitation, the obligation of payment of assessments, which is not cured within sixty (60) days.

14.6. Notices of Damage or Destruction.

Upon written request, the Association shall give written notice to all First Mortgagees of Condominiums of any damage to or destruction of the Common Area which exceeds \$10,000.00 or any damage to a specified mortgaged Unit which exceeds \$1,000.00.

14.7. Notice of Condemnation.

If any Condominium, or portion thereof, or the Common Area, or any portion thereof, is made the subject matter of a condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then all holders of First Mortgages on Condominiums that have submitted a prior written request therefore to the Association will be entitled to timely written notice of any such proceeding or proposed acquisition, and no provision of the Governing Documents will entitle the Owner of a Condominium or other party to priority over such First Mortgagee with respect to the distribution of the proceeds of any award or settlement.

14.8. Request for Notice.

Notwithstanding any provision contained in the Governing Documents to the contrary, for purposes of any provision in

The Governing Documents requiring the vote of a specified percentage or proportion of First Mortgagees of Condominiums, the specified percentage or proportion of First Mortgagees of Condominiums, the specified percentage or proportion shall be calculated on the basis of only those First Mortgagees which have previously submitted to the Association a written request for notice, such request to state the name and address of such First Mortgagee and the address or lot, tract and Unit numbers of each Condominium upon which such First Mortgagee is the holder of a Mortgage. Similarly, only those First Mortgagees and/or insurers and/or guarantors of First Mortgages which have submitted to the Association such a written request for notice shall be entitled to notice of any action, event or undertaking for which notice to holders, insurers or guarantors of First Mortgagees is required by the Governing Documents. The Association will not charge a Mortgagee for preparation or delivery of any of the notices the Association is required to give to such Mortgagee under this Declaration, and neither the Association nor its management company has any right under any circumstances to refuse to give such required notice to a Mortgagee.

14.9. Protection.

No breach of this Declaration shall defeat or render invalid the lien of any Subleasehold Deed of Trust or any First Mortgage made in good faith and for value. However, each and all of the provisions hereof shall be binding upon and effective against any Owner whose title is acquired by or through trustee's sale or foreclosure of a Subleasehold Deed of Trust of First Mortgage except that a person who acquires title in such manner shall take title free of the lien hereof for all said charges that shall accrue subsequent thereto. The breach of any of the provisions hereof may be enjoined, abated, or reviewed by appropriate proceedings, notwithstanding the lien or existence of any such Mortgage.

14.10. Amendments to Meet Requirements of Federal Agencies.

It is the intent of Declarant that this Declaration and the other Governing Documents and the Project in general meet certain requirements imposed by the Federal Agencies as a condition to the purchase, guaranty or issuance of a Mortgage. The Association and each Owner shall take any action or shall adopt any resolutions required by Declarant to conform this declaration and the other Governing Documents to such requirements of the Federal Agencies as Declarant shall determine necessary or appropriate.

ARTICLE 15. NOTICE OF TRANSFER

Upon the lease, assignment or other transfer of a Condominium, the Owner who transfers the Condominium shall promptly notify the Association in writing of the name and address of the transferee, the nature of the transfer and the Unit involved, as well as such other information relative to the request. A copy of the executed instrument of transfer shall be transmitted to the Association for any transferors subject to this reason of assignment, lease, gift, devise or inheritance. The provisions of the Article 16 shall not apply to Declarant.

ARTICLE 16. MISCELLANEOUS.

16.1. Enforcement of Restrictions.

After the date on which this Declaration has been recorded, these covenants, conditions, servitudes, rights,

reservations, limitations, liens, charges and restrictions as well as the provisions of the other Governing Documents shall be enforced by the Association through the assertion of any and all available legal and/or equitable remedies, including but not limited to injunction, declaratory relief and action to abate a nuisance. The Association shall, in addition, have the right and duty to expend assessment funds pursuant thereto. Any one or more Owners shall also have the right of enforcement, except that no Owner shall have the right to enforce independently of the Association any assessment, lien or charge created herein. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.

16.2. Interpretation.

The provisions of this Declaration shall be liberally construed to effectuate its purposes of creating a general plan for the development and operation of the Project. The various headings used herein are for convenience only and shall not affect meaning or interpretation. Each exhibit referred to herein is attached hereto and deemed incorporated by this reference. In the event of any conflict between this Declaration and the Master Condominium Sublease, the Master Condominium Sublease shall conclusively be deemed to control; in the event of any conflict between this Declaration and the Condominium Plan, this Declaration shall conclusively be deemed to control.

16.3. Severability.

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provisions hereof.

16.4. Notice and Opportunity to be Heard.

Wherever it is provided in this Declaration that an Owner is to be given notice and opportunity to be heard, the Owner is to be given notice and opportunity to be heard, the Board shall proceed as follows: The Owner shall be notified in writing of the proposed action and the reasons therefore at least fifteen (15) days prior to the effective date of the proposed action, and if requested by said Owner in writing within five (5) days after receipt of notice thereof, a hearing on said proposed action shall be held before the Board. Said hearing shall be held by the Board at least five (5) days before the effective date proposed action, and at said hearing the Owner may appear in person, or by counsel at the Owner's expense, and defend himself against the matters resulting in the notice of proposed action.

16.5. Power of Attorney.

To the extent necessary to carry out and enforce the provisions of this Declaration, an irrevocable power of attorney coupled with an interest is granted to the Association by each of the Owners; provided, however, that this section shall not affect, limit or abridge, in any way, the rights reserved by Declarant in this Declaration.

16.6. Limitation of Liability.

Neither the Declarant (its officers, representatives, affiliates, agents or employees), nor the County, the Sublessor, the Association, the Board or any member or officer thereof, shall be liable for any failure to provide any service or perform any duty, function or responsibility designated or provided in the Governing Documents to be performed by the same, or for injury and/or damage to persons or property caused by fire,

explosion, the elements or by another Owner or person in the Project or resulting from electricity, water, rain, dust, mud or sand which may leak or flow from any Unit or from any pipes, drains, conduits, appliances or equipment, or from any other place or cause unless caused by the willful misconduct of the person or entity seeking the benefit of this limitation of liability.

16.7. Transfer of Control.

Declarant shall transfer control of the Common Area to the Association at the time of the close of escrow for the sale of the first Condominium in the Premises.

16.8. Waiver of Homestead Exemption.

Each Condominium Owner does hereby waive to the fullest extent permitted by law (with respect only to assessment liens created pursuant to this Declaration) the benefit of any homestead or exemption or redemption laws of the State of California in effect at the time any payment of any regular Assessment or Special Assessment becomes delinquent as herein provided, and such Owner shall be deemed to be estopped to raise said homestead or other exemption or redemption in any action or proceeding to enforce or foreclose such assessment liens.

16.9. No Public Rights in the Project.

Nothing contained in this Declaration shall be deemed to be a gift or dedication or offer of a gift or dedication of all or any portion of the Premises to the general public or for any public use or purpose whatsoever.

16.10. Costs and Attorney's Fees.

In any proceeding arising because of any alleged breach, default or violating under the Governing Documents, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be determined by the court.

16.11 Prohibition of Severance.

No Owner shall be entitled to sever from one another any of the elements of his Condominium, as such elements are defined in Article 3 of this Declaration. Neither may any of such elements be severally sold, conveyed, encumbered, separated, hypothecated or otherwise transferred and any violation or attempted violation of this provision shall be void and of no effect. In this regard, any transfer, sale or conveyance of a Condominium or of the component elements thereof, shall be presumed to be a conveyance of the entire Condominium, provided that nothing contained herein shall be construed to preclude an Owner of any Condominium from creating a co-tenancy in the ownership of said Condominium with any other person or persons. It is intended hereby to restrict severability in accordance with the provisions of California Civil Code (b).

16.2. No Representations or Warranties.

NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, HAVE BEEN GIVEN OR MADE BY DECLARANT OR ITS AGENTS OR EMPLOYEES IN CONNECTION WITH THE PREMISES OR ANY PORTION THEREOF, THEIR PHYSICAL CONDITION, ZONING OR OTHER LEGAL CLASSIFICATION, FITNESS FOR INTENDED USE, NOR IN CONNECTION WITH THE SUBDIVISION, SALE, OPERATION, MAINTENANCE, COST OF MAINTENANCE, TAXES OR REGULATION THEREOF AS A CONDOMINIUM PROJECT EXCEPT AS EXPRESSLY SET FORTH IN THIS DECLARATION, THE ARTICLES OF INCORPORATION, THE BY-LAWS OF THE ASSOCIATION, OR THE MASTER CONDOMINIUM SUBLEASE.

16.13. Assignment and Delegation.

Subject to the right of approval reserved by the County and Sublessor under the Master Condominium Sublease, Declarant shall have the right, without the consent of the Association or any other person or entity, to assign any or all of its rights and to delegate any or all of its duties under this Declaration.

16.14. Parking Spaces.

The six-hundred (600) parking spaces proposed for use in connection with the Project are identified on Exhibit G to the Master Condominium Sublease, and shall be allocated to and used in connection with the Project in accordance with the terms, provisions, restrictions and conditions set forth in the Master Condominium Sublease.

IN WITNESS WHERE-OF, the undersigned, being the Declarant herein, has executed this instrument as of this 5th day of January, 1988.

MARINA CITY CONDOMINIUMS, a
California limited partnership
Declarant

By _____

Lewis P. Geysler,
General Partner

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On January 5, 1988, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Lewis P. Geysler, known to me (or proved to me on the basis of satisfactory evidence) to be a general partner of Marina City Condominiums, a California limited partnership, the limited partnership that executed the within instrument, and acknowledged to me that he/she executed the same on behalf of such limited partnership and that such limited partnership executed the same.

WITNESS my hand and official seal.

Notary Public

