Income Statement

1849 Greenfield Avenue Owners Association

From 01/01/2026 - 12/31/2026

Name	Balance
Revenue	
Revenues	
7000 - Assessment: Regular	70,400.00
7080 - Assessment: Returned Check	30.00
7120 - Late Fee	30.00
7130 - Late Interest	25.66
7220 - Facility Income	632.74
Total: Revenues	**71,118.40**
Total: Revenue	**71,118.40**
Expense	
Expenses	
8000 - Utility: Electricity	1,269.50
8010 - Utility: Gas	2,476.33
8020 - Utility: Trash	5,637.87
8030 - Utility: Phone	1,100.41
8060 - Utility: Water	3,196.95
8070 - Utility: Sanitation	2,425.60
8100 - Insurance: Master Policy	7,878.44
8200 - Gardening: Contracted	2,000.00
8220 - Gardening: Extras	3,500.00
8300 - Janitorial: Contracted	1,400.00
8360 - Pest Control: Contracted	1,168.86
8370 - Pest Control: Contracted Termite	1,133.50
8390 - Pest Control: Extras	35.70
8480 - Security: Gate/Door/Lock Extras	365.00
8520 - Fire: Contracted Fire Extinguisher	371.11
8620 - Lighting: Extras	950.00
8800 - Plumbing: General	700.00
9100 - Admin: Contracted Management	7,250.00
9120 - Admin: Management Extras	725.00
9130 - Admin: Printing and Postage	361.60
9160 - Admin: Tax Preparation	395.00
9170 - Admin: Audit/Review	1,335.00
9250 - Legal: General Advice	800.00
9360 - Taxes: Licenses Fees and Permits	263.00
9600 - Contingency: Maintenance	575.00
9740 - General: Electrical	250.00
Total: Expenses	**47,563.87**
Total: Expense	**47,563.87**
Net Income	**23,554.53**

Balance Sheet

1849 Greenfield Avenue Owners Association

As Of 9/21/2026

Name	Total
Asset	
Assets	
Operating	
2100 - Accounts Receivable	440.00
219999 - A/R Clearing	(440.00)
2199999 - A/R Clearing - eUnifyPay	440.00
2300 - Sunwest: Checking	116,332.87
Total: Operating	**116,772.87**
Total: Assets	**116,772.87**
Total: Asset	**116,772.87**
Liability	
Liabilities	
40000 - Accounts Payable	(519.91)
Total: Liabilities	**(519.91)**
Total: Liability	**(519.91)**
Equity	
Net Worth	
5000 - Retained Earnings	100,053.25
Total: Net Worth	**100,053.25**
Total: Equity	**100,053.25**
Net Income	**17,239.53**
Total Liabilities and Equity	**116,772.87**

Annual Budget

1849 Greenfield Avenue Owners Association

Year 2026

Allstate HOA Management

	Amount
2026 Budget	
Revenue	
Revenues	
7000 - Assessment: Regular	84,480.00
7220 - Facility Income	2,028.75
Total: Revenues	**86,508.75**
Total: Revenue	**86,508.75**
Expense	
Expenses	
8000 - Utility: Electricity	4,375.49
8010 - Utility: Gas	4,193.21
8020 - Utility: Trash	7,459.89
8030 - Utility: Phone	1,172.62
8060 - Utility: Water	5,621.07
8070 - Utility: Sanitation	3,715.73
8100 - Insurance: Master Policy	11,521.00
8200 - Gardening: Contracted	2,625.00
8260 - Tree Trimming: Contracted	3,000.00
8300 - Janitorial: Contracted	2,700.00
8360 - Pest Control: Contracted	1,957.50
8470 - Security: Gate/Door/Lock Supplies	289.34
8480 - Security: Gate/Door/Lock Extras	637.50
8800 - Plumbing: General	4,500.00
9100 - Admin: Contracted Management	8,700.00
9130 - Admin: Printing and Postage	250.00
9160 - Admin: Tax Preparation	445.00
9170 - Admin: Audit/Review	1,300.00
9360 - Taxes: Licenses Fees and Permits	138.00
9520 - Community: Meeting Expense	637.50
9999 - Reserve Allocation	21,269.90
Total: Expenses	**86,508.75**
Total: Expense	**86,508.75**

ALLSTATE HOA MANAGEMENT
HOMEOWNER ASSOCIATION MANAGEMENT SERVICES

11030 SANTA MONICA BOULEVARD SUITE 100 LOS ANGELES CA 90025
T: 310.444.7444 F: 310.496.3168

HOA Name: 1849 Greenfield Avenue Owners Association
Property Address: 1849 Greenfield Ave. APT 106
Los Angeles, CA 90025
Is this Part of a Master Association: n/a

Date: 9/21/26
Escrow Company: A&A Escrow
Escrow No.:
Seller: Laila Ingemansson

Amount of Dues: $440.00
Payable: ☑ Monthly ☐ Quarterly ☐ Yearly
Dues are currently paid to: September 30th, 2026
Next Due Date: October 1st, 2026
Current balance as of 9/21/26 is: $0.00
Late Fee: $44.00 If Received After: 15th

Make Checks for Dues Payable to:
1849 Greenfield Avenue Owners Association

ALL CHECKS NEED TO BE SENT TO ALLSTATE'S OFFICE

Special Assessments: n/a
Pending Litigation: n/a

Move In Fee: $150.00
Move Out Fee: n/a
Move In Refundable Security Deposit: n/a
Move Out Refundable Security Deposit: n/a
Other Fees: $500.00 - Transfer Fee
Insurance Agent: Kelly Duong
Address: 14256 Beach Blvd
Westminster, CA 92683-4562

Payable to: 1849 Greenfield Avenue Owners Association
Payable to:
Payable to:
Payable to:
Payable to: Allstate HOA Management
Phone: (714) 891-5500

Completed By: Kylie Yablonski
Phone: (310)444-7444 ext 605
Signature: Kylie Yablonski
Cordially,

Allstate HOA Management

Information provided to the best of my knowledge.

THIS DEMAND IS SUBJECT TO CHANGE WITHOUT NOTICE

ESCROW MUST OBTAIN STATEMENT OF ACCOUNT IMMEDIATELY BEFORE CLOSING FOR THE MOST CURRENT FIGURES

1849 Greenfield Homeowners Association
Rules and Regulations

Each Violation of the following Rules and Regulations of the 1849 Greenfield Homeowners Association will result in a $100 fine after an initial warning.

1. NOISE. Residents must be considerate of others by keeping radios, TV's, stereos, musical instruments and guests at a moderate volume so as not to disturb neighbors. This rule will be strictly enforced after 11 pm.

2. SECURITY. No one is to be admitted through the front door using the intercom/buzzer system unless you know the person is coming to see you. Do not push the entrance buzzer for more than a count of 6 or 7 and do not yell into the intercom.

All doors in the common area should be securely closed and locked at all times. This includes ALL doors leading to and from the garages. If you need to keep the garage door or the front door open to load groceries or to admit other residents, please remember to CLOSE THE DOOR when you are finished.

3. EMERGENCY KEYS. Each owner is required to give a key to his/her apartment to a neighbor or Board member in case of fire or other emergency. The location of each owner's key needs to be submitted to the board. When leaving your unit overnight or longer, alert a neighbor of your choice, leaving a key to any auto left in the garage and advising them of your date of departure and date of return. It is important for someone on the Board to know who this person is, in the event of an emergency.

4. TRASH. All trash needs to be deposited in the South Garage bin. All trash bags need to be tied and placed in the bin, such that the lid of the bin can be closed. Under no circumstances should trash be left outside a unit's front door or in any common area for later deposit. This includes the laundry room trash bin, which is NOT under any circumstances to be used to deposit household trash.

BULKY ITEMS. Owners need to make special arrangements with the city of Los Angeles for the removal of large items. The Bureau of Sanitation (BOS) will pick-up large or bulky household items, such as mattresses, couches, and other furniture from residents serviced by the City of Los Angeles. To arrange for the removal of these items from your curbside, please call 1-800-773-2489. Post a notice on the item for everyone to see that it has a pick up scheduled.

5. PLUMBING. Avoid pouring excess grease down your sinks as this may result in costly plumbing bills. All leaking toilets, taps and pipes should be repaired immediately to avoid leaking and increasing water bills.

6. MAIL/ NEWSPAPERS. All mail, newspapers and Fed-ex packages should be picked up daily. If you are going to be away, make arrangements to have someone pick them up and hold them until you return.

7. MOVE-IN FEE. A one-time fee of $150.00 will be charged for anyone moving into a condominium unit. This is to cover damage, clean-up, mat and floor repair. It is the responsibility of the Unit owner to make sure this fee is paid, regardless of occupancy by owner or a tenant.

8. GAS GRILLS. Only gas or electric grills are allowed on balconies. No charcoal.

9. COMMON AREA. Owner is responsible for any damage to Common Areas committed by owner, guest, tenant, workmen/serviceman. These persons are the owner's responsibility as long as they are in the building or on the premises.

No articles of clothing, sporting items, or indoor household objects of any kind should be placed outside a unit's front door. No signs, window art or other alterations of the façade facing the common area is permitted unless you bring it to vote with the homeowners.

10. PETS. Pets are permitted only if they do not create a disturbance that is annoying to other residents. No animal or fowl will be permitted to remain in a unit if, in the good faith judgment of the Board, its presence is an annoyance or is obnoxious to other residents. All animals anywhere on the premises except within a unit, are to be kept on a leash at all times. This will be strictly enforced in accordance with the above schedule of penalties.

11. GARAGES. Park only in the spaces assigned to you. Do not park in the aisles or in a space belonging to another unit - even if it is only for a few minutes.

It is the owner's responsibility to ensure that his/her parking space is free of oil or grease.

Garage space is not meant to be a storage area. PLEASE DO NOT STORE ITEMS IN YOUR PARKING SPOT(s).

12. LAUNDRY. All washing machine and dryer doors should be closed after use.

13. FLOOR COVERINGS. No flooring modifications are permitted in units without submission of a design review and approval. Design review is a simple, fast process. In

consideration of neighbors, underlayment is required in both upper and lower units. High quality soundproofing is required for 2nd story units. Construction rules and process are reviewed within the design review forms. Please feel free to reach out to a board member if you need any assistance.

14. WATER BEDS. Not allowed.

15. WASHER/DRYERS. No owner shall install or have installed in their individual units without express permission of the

16. AIR CONDITIONING. Additional Air Conditioners may not be installed without prior approval of the Board. A design review submission is required.

17. ANTENNAS/DISHES. No owner or resident shall install or have installed, anything of a mechanical or electronic nature on the roof or any other common area without the express consent and approval of the Board.

18. TENANTS. Tenants are to receive a copy of the Rules and Regulations and are expected to abide by them. It is the responsibility of Owners to make sure their tenants understand and respect all the Rules and Regulations.

19. BOARD OF DIRECTORS and MANAGEMENT. A list of the Board of Directors is posted on BASECAMP.

20. EMERGENCY PROCEDURES. In the event of an emergency regarding plumbing, gates, electric, please call Allstate HOA at 310-444-7444 (ext. 9 after-hours). Please feel free to contact a board member after you have alerted management.

RESERVE STUDIES INC.

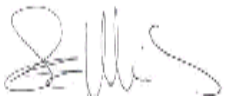
— ESTABLISHED 1991 —

RESERVE STUDY - APRIL 12, 2024

1849 Greenfield Avenue Owners Association

1849 Greenfield Avenue

Los Angeles, California

REVIEWED BY:		
Les Weinberg, MBA, RS DATE: April 12, 2024		

PLANNING A BRIGHT FUTURE

APRA

Association of Professional Reserve Analysts

California Association of Community Managers, Inc.

CACM

Affiliate Member

MEMBER OF

community

ASSOCIATIONS INSTITUTE

TABLE OF CONTENTS

I.	**OVERVIEW**	1
II.	**SUMMARY**	2
III.	**FINANCIAL ANALYSIS**	3
	Component Inventory	4
	Component Inventory Addendum	7
	Comparison of Funding Plans	8
	Graphs	9
	Funding Plans	11
	Reserve Expenditures by Year	15
	Component Depreciation Analysis	19
IV.	**CONDITION ASSESSMENT**	29
	Roof/Decks	30
	Structure	40
	Paint	45
	Mechanical	53
	Plumbing	56
	Electrical	61
	Landscape/Hardscape	64
	Miscellaneous	69
	Contingency Reserve	72
V.	**GLOSSARY OF TERMS AND ABBREVIATIONS**	73

OVERVIEW

This “Full” Reserve Study has been prepared for "1849 Greenfield Avenue Owners Association" in Los Angeles, California. It consists of three main divisions:

The **Summary** is a brief synopsis of the results of the Reserve Study for compliance with the Civil Code.

The **Financial Analysis** utilizes the data gathered from the Condition Assessment. Future expenditures by year over a 30-year period are then projected. Specific information regarding methods and assumptions are delineated in that section.

The **Condition Assessment** is both an inventory and examination of the major components that are subject to deterioration within the 30-year scope of this study. Specific information regarding survey methods and assumptions are delineated in that section.

Information contained in this report will assist in compliance with the provisions of California Civil Code, Sections 5300, 5570, and 5550 which require, among other items, that a pro forma operating budget (which should include a summary of the Reserve Study) be distributed between 30 and 90 days prior to the beginning of the calendar/fiscal year. The code requires that a Reserve Study with a visual inspection be performed at least once every 3 years, which must be updated annually. The summary of the Reserve Study must include:

1) An estimation of remaining life expectancy of those components.
2) A statement of annual contributions necessary to defray such costs.
3) Identification of common area components with less than a 30-year life.
4) A statement showing the current reserves available to defray such costs.
5) "Percent Funded" (i.e., item #4 above divided by item #3).
6) A statement as to whether the board has determined or anticipates any special assessments.
7) A statement regarding the procedures used for calculation and establishment of the reserves.

DOCUMENTS TO BE DISTRIBUTED (within 30 – 90 days prior to the fiscal year the study is for):

1) **Summary**
2) **Component Inventory**
3) **ARFDS (Assessment and Reserve Funding Disclosure Summary)**
4) **Copies of the full Reserve Study should be made available upon request.**

In addition to the legal objectives, the information contained in the study will provide a perpetual inventory of all common area components which can be expanded should the project undergo any future physical changes. Also, the detailed schedules will serve as an advance warning system with respect to major repair or replacement of the components. This will allow time for obtaining competitive bids, ultimately resulting in cost savings. As a planning tool, the study can be utilized as a "maintenance monitor", thus obtaining maximum life potential from the components and avoiding the "quick-fix" option that can occur due to a lack of funds.

One of the most important aspects of this report is that it will provide an educated estimate as to what the monthly reserve contribution realistically needs to be. This will ensure the physical well-being of the project while helping to avoid unexpected and costly special assessments.

It is important to note that the information contained herein includes estimates and assumptions based on various sources of information. While every effort has been made to ensure accurate results, this report reflects the judgment of Reserve Studies Inc. based on conditions present at the time of the study and should not be construed as a guarantee or assurance of future events. This study has been undertaken by an independent third party. RSI (Reserve Studies Inc.) has no involvement with the client outside of the scope of the services provided herein.

SUMMARY
1849 GREENFIELD AVENUE OWNERS ASSOCIATION

ASSUMPTIONS:			
(A) FISCAL (12 MONTH) PERIOD RESERVE STUDY IS TO COVER:	1/1/2025	through	12/31/2025
(B) INFLATION FACTOR (30 year average CPI per Bureau of Labor Statistics):			2.49%
(C) INTEREST % ON RESERVE FUNDS (unless provided, assumed to be 3%):			3.0000%
(D) BEGINNING RESERVE BALANCE PER ASSOCIATION AS OF:	1/1/2025		$81,050
(E) NUMBER OF UNITS:			16

ANALYSIS OF MONTHLY RESERVE CONTRIBUTION	PERIOD			TOTAL	PER UNIT[1]
(F) CURRENTLY BUDGETED PER ASSOCIATION:	1/1/2024	through	12/31/2024	$1,666.67	$104.17
(G) RECOMMENDED TO BUDGET (see Funding Plan #3[2]):	1/1/2025	through	12/31/2025	**$2,170.00**	**$135.63**
(H) DOLLAR INCREASE / (DECREASE) ("G" less "F"):	1/1/2025	through	12/31/2025	$503.33	$31.46
(I) % INCREASE / (DECREASE) ("H" divided by "F"):	1/1/2025	through	12/31/2025	30.20%	30.20%
(J) SPECIAL ASSESSMENT (ANNUAL) - IN ADDITION TO "G":	1/1/2025	through	12/31/2025	$0.00	$0.00
(K) FUTURE ANNUAL % INCREASES / (DECREASES):	1/1/2026	through	12/31/2027	30.20%	30.20%

ANALYSIS OF MONTHLY ASSESSMENT ("DUES"):	PERIOD			TOTAL	PER UNIT[1]
(L) CURRENTLY BUDGETED PER ASSOCIATION:	1/1/2024	through	12/31/2024	$6,400.00	$400.00
(M) RESERVE CONTRIBUTION % (item "F" divided by "L"):	1/1/2024	through	12/31/2024	26.04%	26.04%
(N) % CHANGE IN ASSESSMENT ("H" divided by "L") (if recommended reserve contribution implemented)	1/1/2025	through	12/31/2025	7.86%	7.86%

ACCUMULATED DEPRECIATION:	PERIOD			TOTAL	PER UNIT[1]
("ideal reserve balance" / funds in reserve accounts necessary to achieve 100% funding for the current year)	1/1/2025	through	12/31/2025	$310,014	$19,376

OVERAGE / (DEFICIT):	PERIOD			TOTAL	PER UNIT[1]
(between "actual" and "ideal" reserve balance)	1/1/2025	through	12/31/2025	($228,964)	($14,310)

PERCENT FUNDED[3]		
as of 1/1/2025		**26.14%**
as of 12/31/2025	(if Funding Plan #3[2] recommended above is followed)	**15.84%**

FOOTNOTES:

1. Per Unit amounts reflect "Total" amounts divided by units - no adjustments made for variable rate assessments.
2. Funding Plan #3 reflects minimum funding and may only marginally cover total annual expenditures in some years.
3. Actual reserve balance (item "D") divided by accumulated depreciation (per schedule).

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FINANCIAL ANALYSIS

This **Financial Analysis** reveals the financial ramifications over a 30-year projection resulting from the Condition Assessment, and consists of the following schedules:

1) **COMPONENT INVENTORY** - Lists all the components compiled from the Condition Assessment, including their quantity, typical useful lives, estimated remaining lives and average costs. Also provided for each component is an allocation of the beginning reserve balance, annual depreciation, accumulated depreciation, and monthly contributions.

2) **FUNDING PLANS / ILLUSTRATIONS** - Four funding plans / illustrations are provided to illustrate the effects of various levels of reserve contributions versus anticipated reserve expenditures. They include 30 years of activity, are detailed on an **annual** basis, and include interest income earned on reserve funds (net of taxes), which can offset the amount of contributions required.

3) **FUNDING ILLUSTRATION #1** - This illustration assumes that the current reserve contribution will remain the same throughout the 30-year projection. In most cases this will not be sufficient to cover future reserve expenditures over the 30-year period. **This is not a recommended funding plan**.

4) **FUNDING ILLUSTRATION #2** - This illustration also assumes that the current reserve contribution will remain the same throughout the 30-year projection. However, special assessments are generated for any year that the reserve balance would otherwise drop below $0.00. **This is not a recommended funding plan**

5) **FUNDING PLAN #3** - This plan increases (or sometimes decreases) current reserve contributions as necessary to cover all future expenditures and achieve 100% funding at least by the end of the 30-year projection. It most fairly matches the depreciation of the common components and the enjoyment of the benefits. **This is a recommended funding plan** and fulfills the requirement of the California Civil Code with respect to distribution of a full funding plan.

6) **FUNDING ILLUSTRATION #4** - This illustration dictates what the reserve contribution would need to be to achieve annual 100% funding.

7) **COMPARISON OF FUNDING PLANS / ILLUSTRATIONS** - Details comparison of the 4 funding plans / illustrations on an annual basis, including the **monthly** reserve contributions and the percent funded for each year.

8) **GRAPH: FUNDING PLANS / ILLUSTRATIONS 1-4 vs. RESERVE EXPENDITURES** - Shows the cash receipts (reserve contributions plus interest income) in each of the 4 funding plans / illustrations versus the total reserve expenditures on an annual basis.

9) **GRAPH: FUNDING PLANS / ILLUSTRATIONS 1-4 vs. ACCUMULATED DEPRECIATION** - Shows the cash receipts versus the accumulated depreciation on an annual basis.

10) **RESERVE EXPENDITURES BY YEAR** – Details the component expenditures for each year they come due.

11) **COMPONENT ACCUMULATED DEPRECIATION ANALYSIS** – Calculates the accumulated depreciation for each component at year-end. The total accumulated depreciation per year is ideally the amount that should be in reserves and represents 100% funded. For example, if a component cost is $1,000, has a useful life of 10 years and is 6 years old, then $600 should be in reserves: $1,000 divided by 10 years = $100 per year x 6 years of depreciation.

COMPONENT INVENTORY

threshold = $1,000

1849 GREENFIELD AVENUE OWNERS ASSOCIATION

AS OF: 1/1/2025

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS USEFUL	LIFE IN YRS REMAIN	CURRENT COST	ANNUAL DEPRE	RESERVES ACTUAL	RESERVES ACCUM DEPRE	RESERVES SURPLUS/ (DEFICIT)	MONTHLY CONTRIBUTION CURRENT	MONTHLY CONTRIBUTION RECOMMEND
ROOF/DECKS											
cap sheet roof	0101	12,450 sq ft	**18**	**5**	**57,750** [1]	**3,208**	**10,904**	**41,708**	(30,804)	224.23	291.94
exterior elevated elements inspection	0102	1 inspection	**9**	**0**	**8,000** [1]	**889**	**2,092**	**8,000**	(5,908)	43.01	56.00
membrane decks-common (resurface)	0103	850 sq ft	**20**	**9**	**8,350** [1]	**418**	**1,201**	**4,593**	(3,392)	24.69	32.15
membrane decks-common (coating)	0104	850 sq ft	**5**	**0**	**3,100** [1]	**620**	**810**	**3,100**	(2,290)	16.67	21.70
membrane decks-unit (resurface)	0105	850 sq ft	**15**	**6**	**8,750** [1]	**583**	**1,373**	**5,250**	(3,877)	28.22	36.75
membrane decks-unit (coating)	0106	850 sq ft	**5**	**0**	**3,500** [1]	**700**	**915**	**3,500**	(2,585)	18.82	24.50
hard surface decks-resurface	0107	lifetime	**30+**	**30+**	**0**	**0**	**0**	**0**	0	0.00	0.00
hard surface decks-coating	0108	500 sq ft	**5**	**0**	**1,800** [1]	**360**	**471**	**1,800**	(1,329)	9.68	12.60
brick & membrane decks	0109	2,700 sq ft	**30**	**14**	**69,500** [4]	**2,317**	**9,691**	**37,067**	(27,376)	199.28	259.46
gutters & downspouts	0110	450 lin ft	**35**	**5**	**3,350** [4]	**96**	**751**	**2,871**	(2,120)	15.43	20.10
STRUCTURE											
structures	0201	1 building	**30+**	**30+**	**0**	**0**	**0**	**0**	0	0.00	0.00
fumigation	0202	316,250 cu ft	**15**	**0**	**19,000** [1]	**1,267**	**4,967**	**19,000**	(14,033)	102.15	132.99
siding	0203	200 sq ft	**25**	**4**	**2,600** [4]	**104**	**571**	**2,184**	(1,613)	11.74	15.29
wood railing	0204	400 sq ft	**20**	**4**	**7,400** [4]	**370**	**1,548**	**5,920**	(4,372)	31.83	41.44
brick/stone veneer	0205	2,200 sq ft	**30+**	**30+**	**0**	**0**	**0**	**0**	0	0.00	0.00
PAINT											
stucco	0301	9,800 sq ft	**15**	**2**	**17,650** [1]	**1,177**	**3,999**	**15,297**	(11,298)	82.24	107.07
wood siding & trim	0302	700 sq ft	**4**	**0**	**2,000** [1]	**500**	**523**	**2,000**	(1,477)	10.75	14.00
doors-paint	0303	8 sides	**6**	**2**	**700** [1]	**117**	**122**	**467**	(345)	2.51	3.27
doors-lacquer	0304	16 sides	**8**	**0**	**1,950** [1]	**244**	**510**	**1,950**	(1,440)	10.48	13.65
interior flatwork	0305	1,400 sq ft	**10**	**0**	**2,150** [1]	**215**	**562**	**2,150**	(1,588)	11.56	15.05
garages interior	0306	6,350 sq ft	**15**	**2**	**5,250** [1]	**350**	**1,190**	**4,550**	(3,360)	24.46	31.85
metal	0307	1,700 sq ft	**5**	**2**	**4,850** [1]	**970**	**761**	**2,910**	(2,149)	15.64	20.37
parking stripes	0308	40 spaces	**10**	**4**	**650** [1]	**65**	**102**	**390**	(288)	2.10	2.73

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COMPONENT INVENTORY

threshold = $1,000

1849 GREENFIELD AVENUE OWNERS ASSOCIATION

AS OF: 1/1/2025

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS		CURRENT COST	ANNUAL DEPRE	RESERVES			MONTHLY CONTRIBUTION	
			USEFUL	REMAIN			ACTUAL	ACCUM DEPRE	SURPLUS/ (DEFICIT)	CURRENT	RECOMMEND
MECHANICAL											
gate operator-sliding (replace)	0401	1 @ ½ horsepower	**16**	**3**	**3,350** [1]	**209**	**712**	**2,722**	(2,010)	14.63	19.05
gate operator-sliding (overhaul)	0402	1 @ ½ horsepower	**16**	**11**	**1,300** [1]	**81**	**106**	**406**	(300)	2.18	2.84
gate operator-overhead	0403	1 operator	**10**	**0**	**3,400** [1]	**340**	**889**	**3,400**	(2,511)	18.28	23.80
PLUMBING											
distribution piping	0501	16 units	**60**	**7**	**110,000** [1]	**1,833**	**25,403**	**97,167**	(71,764)	522.38	680.14
drainage/sewer piping	0502	operating budget	**n/a**	**n/a**	**0**	**0**	**0**	**0**	0	0.00	0.00
circulation pump	0503	1 @ ½ horsepower	**5**	**0**	**1,400** [4]	**280**	**366**	**1,400**	(1,034)	7.53	9.80
water heaters	0504	2 @ 100 gallons	**10**	**0**	**10,300** [1]	**1,030**	**2,693**	**10,300**	(7,607)	55.37	72.10
sump pumps	0505	2 @ 1 horsepower	**5**	**1**	**5,050** [1]	**1,010**	**1,056**	**4,040**	(2,984)	21.72	28.28
ELECTRICAL											
intercom	0601	1 intercom	**12**	**0**	**2,450** [1]	**204**	**641**	**2,450**	(1,809)	13.17	17.15
lighting-building	0602	15 fixtures	**15**	**4**	**1,500** [4]	**100**	**288**	**1,100**	(812)	5.91	7.70
lighting-landscape	0603	10 fixtures	**10**	**2**	**1,200** [4]	**120**	**251**	**960**	(709)	5.16	6.72
LANDSCAPE/ HARDSCAPE											
concrete flatwork/block walls	0701	operating budget	**30+**	**30+**	**0**	**0**	**0**	**0**	0	0.00	0.00
irrigation controller	0702	1 @ 12 stations	**10**	**0**	**1,250** [4]	**125**	**327**	**1,250**	(923)	6.72	8.75
back flow preventers	0703	1 @ 2 inches	**15**	**6**	**1,150** [1]	**77**	**180**	**690**	(510)	3.71	4.83
wrought iron	0704	350 lin ft @ 4’	**30**	**14**	**14,500** [4]	**483**	**2,022**	**7,733**	(5,711)	41.57	54.13
gates	0705	4 gates	**25**	**11**	**11,850** [4]	**474**	**1,735**	**6,636**	(4,901)	35.68	46.45

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COMPONENT INVENTORY

threshold = $1,000

1849 GREENFIELD AVENUE OWNERS ASSOCIATION **AS OF: 1/1/2025**

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS USEFUL	LIFE IN YRS REMAIN	CURRENT COST	ANNUAL DEPRE	RESERVES ACTUAL	RESERVES ACCUM DEPRE	RESERVES SURPLUS/ (DEFICIT)	MONTHLY CONTRIBUTION CURRENT	MONTHLY CONTRIBUTION RECOMMEND
MISCELLANEOUS											
fire extinguishers	0801	operating budget	**n/a**	**n/a**	**0**	**0**	**0**	**0**	0	0.00	0.00
mailboxes	0802	18 mailboxes	**20**	**0**	**1,600** [4]	**80**	**418**	**1,600**	(1,182)	8.60	11.20
directory board	0803	1 directory board	**20**	**9**	**650** [4]	**33**	**94**	**358**	(264)	1.92	2.51
CONTINGENCY RESERVE	0901	5% of total annual expenditures - see "Reserve Expenditures by Year" schedule for details			**3,095**	**3,095**	**809**	**3,095**	(2,286)	16.64	21.66
TOTALS					**402,345**	**24,143**	**81,050**	**310,014**	(228,964)	1,666.67	2,170.00

COST SOURCES

1) In-house database. Developed from experience of costs for recent repairs, replacements, or restoration of components in similar properties.
2) Based on contractor proposal provided by association and/or information from association's vendors.
3) Based on actual cost of recent repair, replacement, or restoration of component - information provided by association.
4) National cost guide (National Construction Estimator, R.S. Means, LSI, etc.)
5) Per Mechanical Engineering Evaluation
6) Per information in previous non-RSI study

Percent Funded: ratio of the actual reserve balance to the component accumulated depreciation **26.14%**

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COMPONENT INVENTORY ADDENDUM

1849 GREENFIELD AVENUE OWNERS ASSOCIATION

CATEGORY / COMPONENT	ID#	APPROXIMATE QUANTITY	LIFE IN YRS USEFUL	LIFE IN YRS REMAIN	CURRENT COST
COMPONENTS WITH 0 YEARS REMAINING LIFE:					
exterior elevated elements inspection	0102	1 inspection	9	0	8,000
membrane decks-common (coating)	0104	850 sq ft	5	0	3,100
membrane decks-unit (coating)	0106	850 sq ft	5	0	3,500
hard surface decks-coating	0108	500 sq ft	5	0	1,800
fumigation	0202	316,250 cu ft	15	0	19,000
wood siding & trim	0302	700 sq ft	4	0	2,000
doors-lacquer	0304	16 sides	8	0	1,950
interior flatwork	0305	1,400 sq ft	10	0	2,150
gate operator-overhead	0403	1 operator	10	0	3,400
circulation pump	0503	1 @ ½ horsepower	5	0	1,400
water heaters	0504	2 @ 100 gallons	10	0	10,300
intercom	0601	1 intercom	12	0	2,450
irrigation controller	0702	1 @ 12 stations	10	0	1,250
mailboxes	0802	18 mailboxes	20	0	1,600
TOTAL					**61,900**
COMPONENTS WITH 1 YEAR REMAINING LIFE:					
sump pumps	0505	2 @ 1 horsepower	5	1	5,050
TOTAL					**5,050**
COMPONENTS WITH 2 YEARS REMAINING LIFE:					
stucco	0301	9,800 sq ft	15	2	17,650
doors-paint	0303	8 sides	6	2	700
garages interior	0306	6,350 sq ft	15	2	5,250
metal	0307	1,700 sq ft	5	2	4,850
lighting-landscape	0603	10 fixtures	10	2	1,200
TOTAL					**29,650**

COMPARISON OF FUNDING PLANS / ILLUSTRATIONS
1849 GREENFIELD AVENUE OWNERS ASSOCIATION

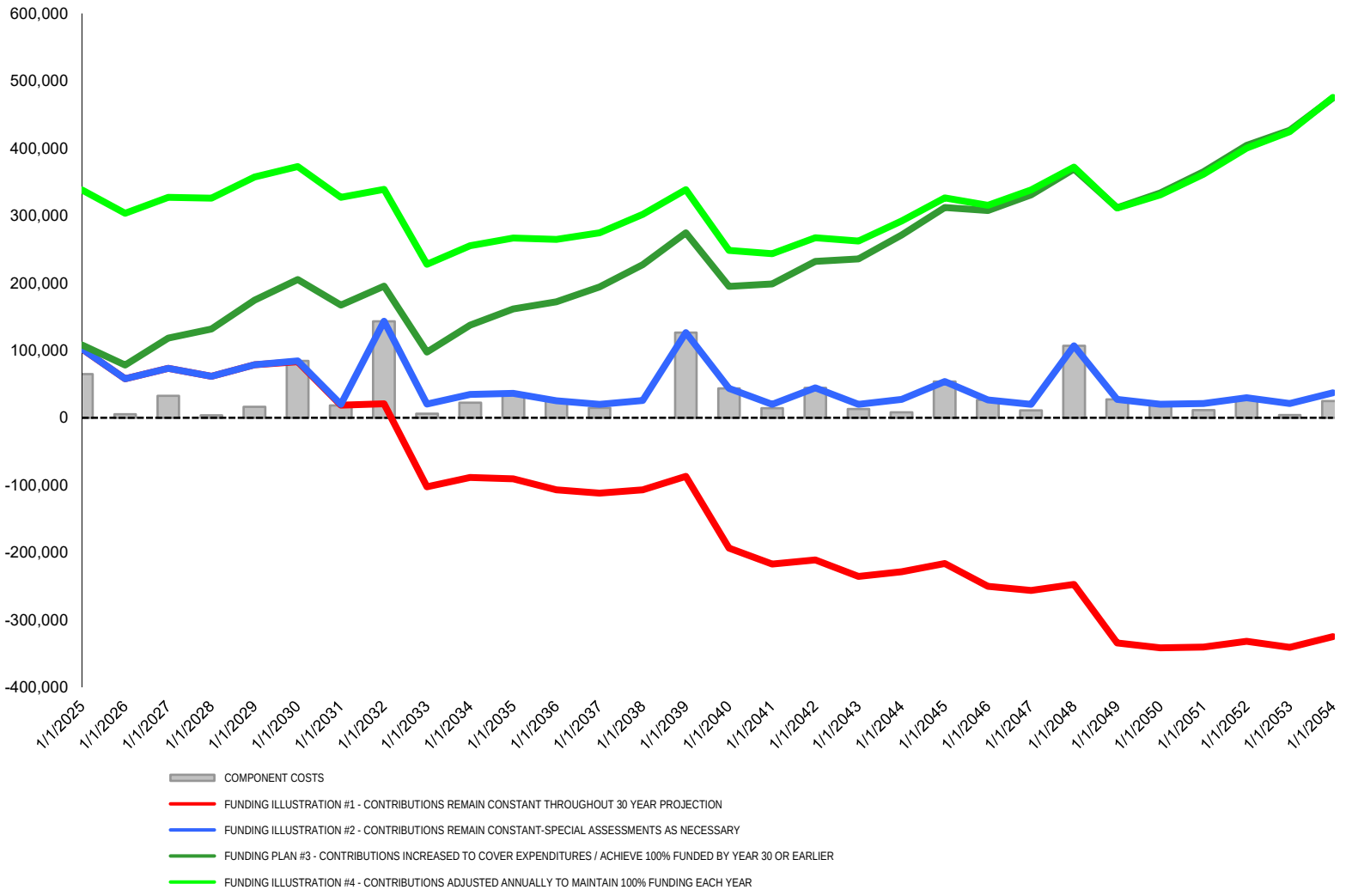
	FUNDING ILLUSTRATION #1		FUNDING ILLUSTRATION #2			FUNDING PLAN #3			FUNDING ILLUSTRATION #4		
YEAR	Monthly Contribution	Percent Funded	Monthly Contribution	Annual % Change	Percent Funded	Monthly Contribution	Annual % Change	Percent Funded	Monthly Contribution	Annual % Change	Percent Funded
1/1/2025	1,667	26.14%	1,667	0.00%	26.14%	2,170	30.20%	26.14%	21,137	1168.23%	26.14%
1/1/2026	1,667	13.60%	1,667	0.00%	13.60%	2,825	30.20%	15.84%	2,091	-90.11%	100.00%
1/1/2027	1,667	17.63%	1,667	0.00%	17.63%	3,679	30.20%	24.43%	2,001	-4.29%	100.00%
1/1/2028	1,667	13.80%	1,667	0.00%	13.80%	3,679	0.00%	29.07%	2,132	6.57%	100.00%
1/1/2029	1,667	17.94%	1,667	0.00%	17.94%	3,679	0.00%	39.72%	2,445	14.67%	100.00%
1/1/2030	1,667	18.31%	1,767	6.00%	18.31%	3,679	0.00%	46.41%	2,156	-11.81%	100.00%
1/1/2031	1,667	-0.40%	1,667	-5.66%	0.02%	3,679	0.00%	41.86%	2,756	27.81%	100.00%
1/1/2032	1,667	0.21%	11,783	607.00%	0.61%	3,679	0.00%	48.29%	2,117	-23.18%	100.00%
1/1/2033	1,667	-62.66%	1,667	-85.86%	0.02%	3,679	0.00%	26.52%	2,352	11.09%	100.00%
1/1/2034	1,667	-48.94%	1,667	0.00%	6.41%	3,679	0.00%	41.21%	2,452	4.27%	100.00%
1/1/2035	1,667	-47.54%	1,992	19.50%	5.23%	3,679	0.00%	49.39%	2,453	0.02%	100.00%
1/1/2036	1,667	-55.03%	2,083	4.60%	0.04%	3,679	0.00%	54.34%	2,482	1.18%	100.00%
1/1/2037	1,667	-55.06%	1,667	-20.00%	0.01%	3,679	0.00%	61.29%	2,500	0.74%	100.00%
1/1/2038	1,667	-48.86%	1,667	0.00%	2.03%	3,679	0.00%	69.06%	3,086	23.45%	100.00%
1/1/2039	1,667	-35.40%	8,392	403.50%	8.47%	3,679	0.00%	75.26%	2,681	-13.14%	100.00%
1/1/2040	1,667	-100.54%	3,642	-56.60%	0.02%	3,679	0.00%	69.85%	2,686	0.21%	100.00%
1/1/2041	1,667	-115.92%	1,667	-54.23%	0.00%	3,679	0.00%	74.01%	2,903	8.09%	100.00%
1/1/2042	1,667	-100.76%	3,183	91.00%	2.64%	3,679	0.00%	80.47%	2,821	-2.85%	100.00%
1/1/2043	1,667	-114.47%	1,667	-47.64%	0.02%	3,679	0.00%	84.20%	2,906	3.02%	100.00%
1/1/2044	1,667	-99.69%	1,667	0.00%	2.82%	3,679	0.00%	89.34%	3,174	9.22%	100.00%
1/1/2045	1,667	-83.27%	2,858	71.50%	6.74%	3,679	0.00%	92.61%	3,096	-2.44%	100.00%
1/1/2046	1,667	-99.04%	2,192	-23.32%	0.02%	3,679	0.00%	94.73%	3,138	1.35%	100.00%
1/1/2047	1,667	-95.57%	1,667	-23.95%	0.01%	3,679	0.00%	97.19%	3,618	15.29%	100.00%
1/1/2048	1,667	-81.65%	8,125	387.50%	2.81%	3,679	0.00%	97.68%	3,278	-9.40%	100.00%
1/1/2049	1,667	-133.43%	2,283	-71.90%	0.01%	3,679	0.00%	98.89%	3,393	3.51%	100.00%
1/1/2050	1,667	-127.39%	1,667	-27.01%	0.01%	3,679	0.00%	100.15%	3,464	2.09%	100.00%
1/1/2051	1,667	-115.63%	1,667	0.00%	0.33%	3,679	0.00%	100.95%	3,639	5.06%	100.00%
1/1/2052	1,667	-100.53%	1,667	0.00%	2.77%	3,679	0.00%	100.98%	3,623	-0.44%	100.00%
1/1/2053	1,667	-97.17%	1,667	0.00%	0.25%	3,679	0.00%	101.11%	3,834	5.82%	100.00%
1/1/2054	1,667	-82.06%	1,667	0.00%	4.02%	3,679	0.00%	100.53%	3,924	2.34%	100.00%
AVERAGE:		**-62.74%**			**4.36%**			**69.15%**			**100.00%**

FOOTNOTES: (1) If there are special assessments, they are prorated on a monthly basis

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1849 GREENFIELD AVENUE OWNERS ASSOCIATION

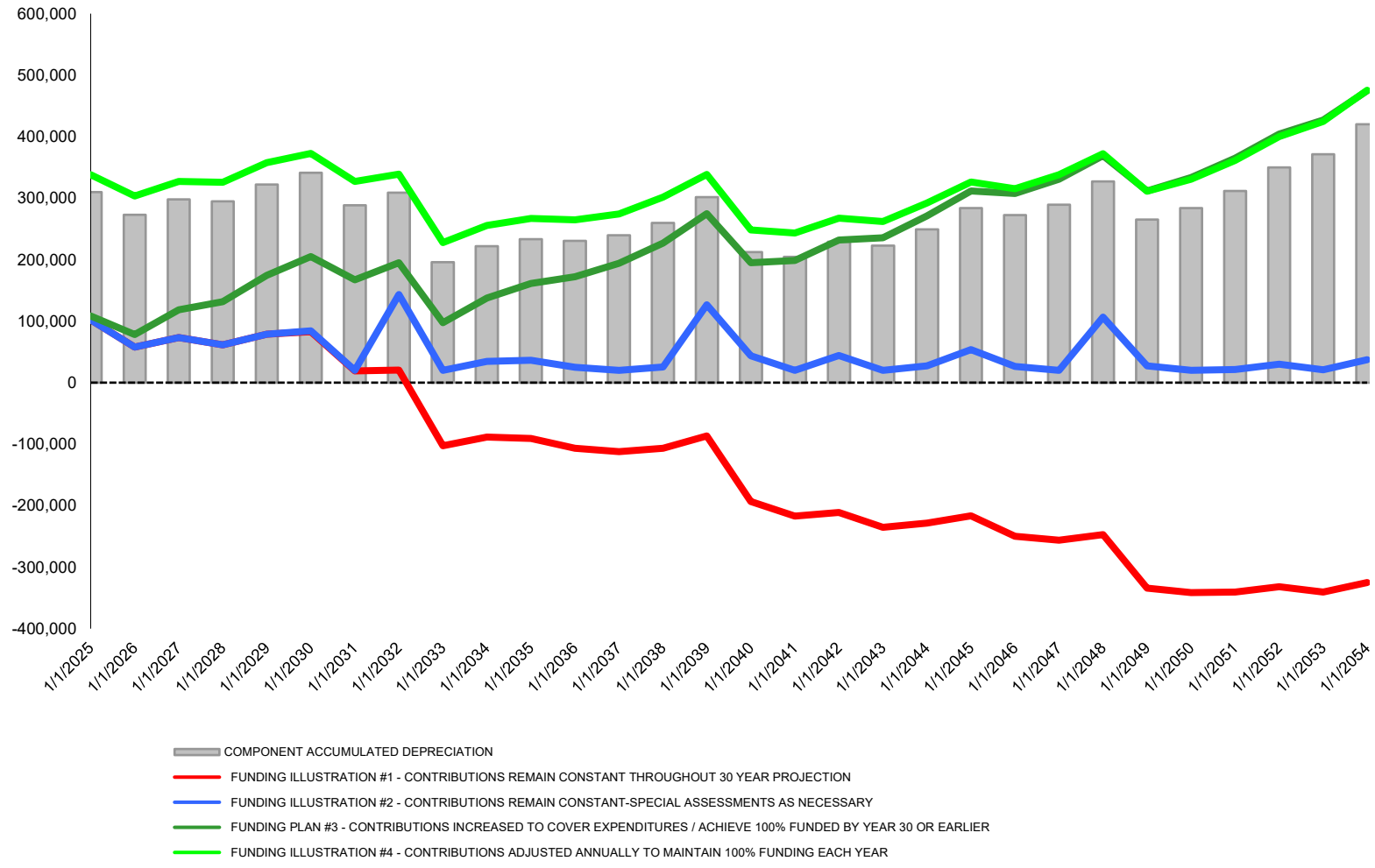
GRAPH 1: FUNDING PLAN / ILLUSTRATIONS 1-4 vs COMPONENT COSTS



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1849 GREENFIELD AVENUE OWNERS ASSOCIATION

GRAPH 2: FUNDING PLAN / ILLUSTRATIONS 1-4 vs COMPONENT DEPRECIATION



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FUNDING ILLUSTRATION #1 (assumption: current contribution remains constant throughout 30 year projection) **ILLUSTRATION ONLY / NOT RECOMMENDED**

1849 GREENFIELD AVENUE OWNERS ASSOCIATION **ANNUAL BASIS**

DESCRIPTION	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039
RESERVE CONTRIBUTION	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	1,074	815	847	895	1,093	557	0	0	0	0	0	0	0	0	0
COMPONENT COSTS (b)	(64,995)	(5,435)	(32,702)	(3,786)	(16,393)	(84,186)	(18,193)	(143,249)	(5,945)	(22,272)	(36,121)	(25,047)	(14,810)	0	(126,454)
NET RECEIPTS/(DISBURSE)	(43,921)	15,380	(11,855)	17,108	4,700	(63,629)	1,807	(123,249)	14,055	(2,272)	(16,121)	(5,047)	5,190	20,000	(106,454)
CASH BALANCE: begin year	81,050	37,129	52,509	40,654	57,763	62,463	(1,166)	641	(122,608)	(108,553)	(110,825)	(126,946)	(131,993)	(126,803)	(106,803)
CASH BALANCE: end year	37,129	52,509	40,654	57,763	62,463	(1,166)	641	(122,608)	(108,553)	(110,825)	(126,946)	(131,993)	(126,803)	(106,803)	(213,256)
COMPONENT ACCUMULATED DEPRECIATION (c)	310,014	272,950	297,839	294,582	322,042	341,074	288,540	308,900	195,685	221,793	233,121	230,688	239,736	259,507	301,691
less: beginning cash balance	81,050	37,129	52,509	40,654	57,763	62,463	(1,166)	641	(122,608)	(108,553)	(110,825)	(126,946)	(131,993)	(126,803)	(106,803)
over/(under) funded-total	(228,964)	(235,820)	(245,330)	(253,928)	(264,279)	(278,611)	(289,706)	(308,259)	(318,293)	(330,346)	(343,946)	(357,634)	(371,729)	(386,310)	(408,493)
" " " per unit	(14,310)	(14,739)	(15,333)	(15,871)	(16,517)	(17,413)	(18,107)	(19,266)	(19,893)	(20,647)	(21,497)	(22,352)	(23,233)	(24,144)	(25,531)

DESCRIPTION	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053	1/1/2054
RESERVE CONTRIBUTION	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
COMPONENT COSTS (b)	(43,729)	(14,009)	(44,260)	(13,079)	(8,125)	(53,577)	(26,312)	(10,910)	(106,763)	(27,384)	(19,027)	(11,443)	(28,860)	(4,184)	(24,851)
NET RECEIPTS/(DISBURSE)	(23,729)	5,991	(24,260)	6,921	11,875	(33,577)	(6,312)	9,091	(86,763)	(7,384)	973	8,557	(8,860)	15,816	(4,851)
CASH BALANCE: begin year	(213,256)	(236,986)	(230,995)	(255,254)	(248,333)	(236,458)	(270,035)	(276,347)	(267,256)	(354,019)	(361,403)	(360,430)	(351,873)	(360,733)	(344,918)
CASH BALANCE: end year	(236,986)	(230,995)	(255,254)	(248,333)	(236,458)	(270,035)	(276,347)	(267,256)	(354,019)	(361,403)	(360,430)	(351,873)	(360,733)	(344,918)	(349,769)
COMPONENT ACCUMULATED DEPRECIATION (c)	212,118	204,446	229,258	222,995	249,117	283,968	272,654	289,155	327,318	265,330	283,701	311,704	350,003	371,241	420,330
less: beginning cash balance	(213,256)	(236,986)	(230,995)	(255,254)	(248,333)	(236,458)	(270,035)	(276,347)	(267,256)	(354,019)	(361,403)	(360,430)	(351,873)	(360,733)	(344,918)
over/(under) funded-total	(425,375)	(441,432)	(460,252)	(478,249)	(497,450)	(520,426)	(542,689)	(565,501)	(594,574)	(619,349)	(645,104)	(672,134)	(701,876)	(731,975)	(765,248)
" " " per unit	(26,586)	(27,589)	(28,766)	(29,891)	(31,091)	(32,527)	(33,918)	(35,344)	(37,161)	(38,709)	(40,319)	(42,008)	(43,867)	(45,748)	(47,828)

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.3% Rate: 3.0000%

(b) See "Reserve Expenditures By Year Schedule"

(c) See "Component Accumulated Depreciation Analysis"

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FUNDING ILLUSTRATION #2 (assumption: current contribution constant - special assess as necessary) ILLUSTRATION ONLY / NOT RECOMMENDED

1849 GREENFIELD AVENUE OWNERS ASSOCIATION

ANNUAL BASIS

DESCRIPTION	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039
RESERVE CONTRIBUTION	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
SPECIAL ASSESSMENT	0	0	0	0	0	1,200	0	121,400	0	0	3,900	5,000	0	0	80,700
INTEREST INCOME (a)	1,074	815	847	895	1,093	568	17	17	130	240	112	1	48	280	233
COMPONENT COSTS (b)	(64,995)	(5,435)	(32,702)	(3,786)	(16,393)	(84,186)	(18,193)	(143,249)	(5,945)	(22,272)	(36,121)	(25,047)	(14,810)	0	(126,454)
NET RECEIPTS/(DISBURSE)	(43,921)	15,380	(11,855)	17,108	4,700	(62,418)	1,824	(1,832)	14,185	(2,031)	(12,109)	(46)	5,238	20,280	(25,521)
CASH BALANCE: begin year	81,050	37,129	52,509	40,654	57,763	62,463	45	1,869	37	14,222	12,191	81	36	5,274	25,554
CASH BALANCE: end year	37,129	52,509	40,654	57,763	62,463	45	1,869	37	14,222	12,191	81	36	5,274	25,554	33
COMPONENT ACCUMULATED DEPRECIATION (c)	310,014	272,950	297,839	294,582	322,042	341,074	288,540	308,900	195,685	221,793	233,121	230,688	239,736	259,507	301,691
less: beginning cash balance	81,050	37,129	52,509	40,654	57,763	62,463	45	1,869	37	14,222	12,191	81	36	5,274	25,554
over/(under) funded-total	(228,964)	(235,820)	(245,330)	(253,928)	(264,279)	(278,611)	(288,495)	(307,031)	(195,648)	(207,571)	(220,930)	(230,607)	(239,701)	(254,233)	(276,137)
" " " per unit	(14,310)	(14,739)	(15,333)	(15,871)	(16,517)	(17,413)	(18,031)	(19,189)	(12,228)	(12,973)	(13,808)	(14,413)	(14,981)	(15,890)	(17,259)

DESCRIPTION	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053	1/1/2054
RESERVE CONTRIBUTION	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
SPECIAL ASSESSMENT	23,700	0	18,200	0	0	14,300	6,300	0	77,500	7,400	0	0	0	0	0
INTEREST INCOME (a)	0	55	55	64	238	174	1	84	84	1	10	97	96	162	265
COMPONENT COSTS (b)	(43,729)	(14,009)	(44,260)	(13,079)	(8,125)	(53,577)	(26,312)	(10,910)	(106,763)	(27,384)	(19,027)	(11,443)	(28,860)	(4,184)	(24,851)
NET RECEIPTS/(DISBURSE)	(29)	6,046	(6,004)	6,986	12,113	(19,103)	(11)	9,174	(9,179)	17	983	8,654	(8,764)	15,978	(4,586)
CASH BALANCE: begin year	33	4	6,050	46	7,031	19,144	42	30	9,205	26	43	1,025	9,680	916	16,893
CASH BALANCE: end year	4	6,050	46	7,031	19,144	42	30	9,205	26	43	1,025	9,680	916	16,893	12,307
COMPONENT ACCUMULATED DEPRECIATION (c)	212,118	204,446	229,258	222,995	249,117	283,968	272,654	289,155	327,318	265,330	283,701	311,704	350,003	371,241	420,330
less: beginning cash balance	33	4	6,050	46	7,031	19,144	42	30	9,205	26	43	1,025	9,680	916	16,893
over/(under) funded-total	(212,085)	(204,442)	(223,208)	(222,949)	(242,086)	(264,824)	(272,612)	(289,124)	(318,113)	(265,304)	(283,659)	(310,679)	(340,324)	(370,326)	(403,437)
" " " per unit	(13,255)	(12,778)	(13,950)	(13,934)	(15,130)	(16,551)	(17,038)	(18,070)	(19,882)	(16,582)	(17,729)	(19,417)	(21,270)	(23,145)	(25,215)

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.3% Rate: 3.0000%
(b) See "Reserve Expenditures By Year Schedule"
(c) See "Component Accumulated Depreciation Analysis"

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FUNDING PLAN #3 (assumption: current contribution increased as necessary to cover all expenditures) **RECOMMENDED TO BE ADOPTED**

1849 GREENFIELD AVENUE OWNERS ASSOCIATION **ANNUAL BASIS**

DESCRIPTION	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039
RESERVE CONTRIBUTION	26,040	33,904	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	1,130	1,054	1,440	1,941	2,602	2,537	2,454	1,828	1,303	1,878	2,186	2,475	2,965	3,693	3,411
COMPONENT COSTS (b)	(64,995)	(5,435)	(32,702)	(3,786)	(16,393)	(84,186)	(18,193)	(143,249)	(5,945)	(22,272)	(36,121)	(25,047)	(14,810)	0	(126,454)
NET RECEIPTS/(DISBURSE)	(37,825)	29,524	12,881	42,298	30,352	(37,506)	28,404	(97,278)	39,501	23,749	10,209	21,572	32,298	47,837	(78,899)
CASH BALANCE: begin year	81,050	43,225	72,748	85,629	127,927	158,280	120,774	149,178	51,899	91,400	115,150	125,358	146,930	179,228	227,064
CASH BALANCE: end year	43,225	72,748	85,629	127,927	158,280	120,774	149,178	51,899	91,400	115,150	125,358	146,930	179,228	227,064	148,165
COMPONENT ACCUMULATED DEPRECIATION (c)	310,014	272,950	297,839	294,582	322,042	341,074	288,540	308,900	195,685	221,793	233,121	230,688	239,736	259,507	301,691
less: beginning cash balance	81,050	43,225	72,748	85,629	127,927	158,280	120,774	149,178	51,899	91,400	115,150	125,358	146,930	179,228	227,064
over/(under) funded-total	(228,964)	(229,725)	(225,091)	(208,953)	(194,114)	(182,794)	(167,766)	(159,723)	(143,786)	(130,392)	(117,972)	(105,330)	(92,806)	(80,279)	(74,626)
" " " per unit	(14,310)	(14,358)	(14,068)	(13,060)	(12,132)	(11,425)	(10,485)	(9,983)	(8,987)	(8,150)	(7,373)	(6,583)	(5,800)	(5,017)	(4,664)

DESCRIPTION	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053	1/1/2054
RESERVE CONTRIBUTION	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143	44,143
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	2,722	3,053	3,384	3,730	4,414	4,739	4,903	5,461	5,292	4,968	5,443	6,074	6,625	7,254	7,930
COMPONENT COSTS (b)	(43,729)	(14,009)	(44,260)	(13,079)	(8,125)	(53,577)	(26,312)	(10,910)	(106,763)	(27,384)	(19,027)	(11,443)	(28,860)	(4,184)	(24,851)
NET RECEIPTS/(DISBURSE)	3,136	33,187	3,268	34,794	40,432	(4,695)	22,734	38,695	(57,328)	21,727	30,559	38,774	21,908	47,213	27,222
CASH BALANCE: begin year	148,165	151,301	184,488	187,755	222,550	262,982	258,286	281,020	319,715	262,387	284,114	314,674	353,447	375,356	422,568
CASH BALANCE: end year	151,301	184,488	187,755	222,550	262,982	258,286	281,020	319,715	262,387	284,114	314,674	353,447	375,356	422,568	449,790
COMPONENT ACCUMULATED DEPRECIATION (c)	212,118	204,446	229,258	222,995	249,117	283,968	272,654	289,155	327,318	265,330	283,701	311,704	350,003	371,241	420,330
less: beginning cash balance	148,165	151,301	184,488	187,755	222,550	262,982	258,286	281,020	319,715	262,387	284,114	314,674	353,447	375,356	422,568
over/(under) funded-total	(63,953)	(53,145)	(44,770)	(35,239)	(26,567)	(20,987)	(14,368)	(8,134)	(7,603)	(2,943)	413	2,970	3,444	4,114	2,238
" " " per unit	(3,997)	(3,322)	(2,798)	(2,202)	(1,660)	(1,312)	(898)	(508)	(475)	(184)	26	186	215	257	140

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.3% Rate: 3.0000%

(b) See "Reserve Expenditures By Year Schedule"

(c) See "Component Accumulated Depreciation Analysis"

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FUNDING ILLUSTRATION #4 (assumption: contributions as necessary for 100% funding annually) **ILLUSTRATION ONLY - NOT RECOMMENDED**

1849 GREENFIELD AVENUE OWNERS ASSOCIATION **ANNUAL BASIS**

DESCRIPTION	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039
RESERVE CONTRIBUTION	253,647	25,088	24,010	25,589	29,341	25,876	33,072	25,405	28,223	29,427	29,433	29,780	30,001	37,035	32,168
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	3,248	5,236	5,435	5,657	6,083	5,776	5,481	4,629	3,830	4,173	4,255	4,316	4,580	5,148	4,714
COMPONENT COSTS (b)	(64,995)	(5,435)	(32,702)	(3,786)	(16,393)	(84,186)	(18,193)	(143,249)	(5,945)	(22,272)	(36,121)	(25,047)	(14,810)	0	(126,454)
NET RECEIPTS/(DISBURSE)	191,900	24,889	(3,257)	27,459	19,032	(52,534)	20,360	(113,215)	26,107	11,329	(2,433)	9,049	19,771	42,184	(89,572)
CASH BALANCE: begin year	81,050	272,950	297,839	294,582	322,042	341,074	288,540	308,900	195,685	221,793	233,121	230,688	239,736	259,507	301,691
CASH BALANCE: end year	272,950	297,839	294,582	322,042	341,074	288,540	308,900	195,685	221,793	233,121	230,688	239,736	259,507	301,691	212,118
COMPONENT ACCUMULATED DEPRECIATION (c)	310,014	272,950	297,839	294,582	322,042	341,074	288,540	308,900	195,685	221,793	233,121	230,688	239,736	259,507	301,691
less: beginning cash balance	81,050	272,950	297,839	294,582	322,042	341,074	288,540	308,900	195,685	221,793	233,121	230,688	239,736	259,507	301,691
over/(under) funded-total	(228,964)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
" " " per unit	(14,310)	0	0	0	0	0	0	0	0	0	0	0	0	0	0

DESCRIPTION	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053	1/1/2054
RESERVE CONTRIBUTION	32,236	34,842	33,848	34,870	38,086	37,156	37,658	43,417	39,338	40,718	41,568	43,672	43,482	46,012	47,090
SPECIAL ASSESSMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST INCOME (a)	3,822	3,979	4,149	4,331	4,891	5,106	5,154	5,656	5,437	5,037	5,462	6,071	6,617	7,262	7,990
COMPONENT COSTS (b)	(43,729)	(14,009)	(44,260)	(13,079)	(8,125)	(53,577)	(26,312)	(10,910)	(106,763)	(27,384)	(19,027)	(11,443)	(28,860)	(4,184)	(24,851)
NET RECEIPTS/(DISBURSE)	(7,672)	24,812	(6,263)	26,122	34,851	(11,314)	16,501	38,163	(61,988)	18,371	28,003	38,299	21,238	49,089	30,229
CASH BALANCE: begin year	212,118	204,446	229,258	222,995	249,117	283,968	272,654	289,155	327,318	265,330	283,701	311,704	350,003	371,241	420,330
CASH BALANCE: end year	204,446	229,258	222,995	249,117	283,968	272,654	289,155	327,318	265,330	283,701	311,704	350,003	371,241	420,330	450,559
COMPONENT ACCUMULATED DEPRECIATION (c)	212,118	204,446	229,258	222,995	249,117	283,968	272,654	289,155	327,318	265,330	283,701	311,704	350,003	371,241	420,330
less: beginning cash balance	212,118	204,446	229,258	222,995	249,117	283,968	272,654	289,155	327,318	265,330	283,701	311,704	350,003	371,241	420,330
over/(under) funded-total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
" " " per unit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

FOOTNOTES: (a) Interest income calculated on average balance less Federal & State income taxes of 39.3% Rate: 3.0000%

(b) See "Reserve Expenditures By Year Schedule"

(c) See "Component Accumulated Depreciation Analysis"

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RESERVE EXPENDITURES BY YEAR
1849 GREENFIELD AVENUE OWNERS ASSOCIATION **1/1/2025 through 1/1/2039**

EXPENDITURES	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039
ROOF/DECKS															
cap sheet roof	0	0	0	0	0	65,307	0	0	0	0	0	0	0	0	0
exterior elevated elements inspection	8,000	0	0	0	0	0	0	0	0	9,982	0	0	0	0	0
membrane decks-common (resurface)	0	0	0	0	0	0	0	0	0	10,418	0	0	0	0	0
membrane decks-common (coating)	3,100	0	0	0	0	3,505	0	0	0	0	3,963	0	0	0	0
membrane decks-unit (resurface)	0	0	0	0	0	0	10,141	0	0	0	0	0	0	0	0
membrane decks-unit (coating)	3,500	0	0	0	0	3,958	0	0	0	0	4,477	0	0	0	0
hard surface decks-resurface	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
hard surface decks-coating	1,800	0	0	0	0	2,035	0	0	0	0	2,302	0	0	0	0
brick & membrane decks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	98,069
gutters & downspouts	0	0	0	0	0	3,788	0	0	0	0	0	0	0	0	0
STRUCTURE															
structures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
fumigation	19,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
siding	0	0	0	0	2,869	0	0	0	0	0	0	0	0	0	0
wood railing	0	0	0	0	8,165	0	0	0	0	0	0	0	0	0	0
brick/stone veneer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PAINT															
stucco	0	0	18,539	0	0	0	0	0	0	0	0	0	0	0	0
wood siding & trim	2,000	0	0	0	2,207	0	0	0	2,435	0	0	0	2,687	0	0
doors-paint	0	0	735	0	0	0	0	0	852	0	0	0	0	0	987
doors-lacquer	1,950	0	0	0	0	0	0	0	2,375	0	0	0	0	0	0
interior flatwork	2,150	0	0	0	0	0	0	0	0	0	2,751	0	0	0	0
garages interior	0	0	5,515	0	0	0	0	0	0	0	0	0	0	0	0
metal	0	0	5,095	0	0	0	0	5,762	0	0	0	0	6,515	0	0
parking stripes	0	0	0	0	717	0	0	0	0	0	0	0	0	0	917
MECHANICAL															
gate operator-sliding (replace)	0	0	0	3,606	0	0	0	0	0	0	0	0	0	0	0
gate operator-sliding (overhaul)	0	0	0	0	0	0	0	0	0	0	0	1,703	0	0	0
gate operator-overhead	3,400	0	0	0	0	0	0	0	0	0	4,349	0	0	0	0

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RESERVE EXPENDITURES BY YEAR
1849 GREENFIELD AVENUE OWNERS ASSOCIATION **1/1/2025 through 1/1/2039**

EXPENDITURES	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039
PLUMBING															
distribution piping	0	0	0	0	0	0	0	130,666	0	0	0	0	0	0	0
drainage/sewer piping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
circulation pump	1,400	0	0	0	0	1,584	0	0	0	0	1,789	0	0	0	0
water heaters	10,300	0	0	0	0	0	0	0	0	0	13,171	0	0	0	0
sump pumps	0	5,176	0	0	0	0	5,853	0	0	0	0	6,619	0	0	0
ELECTRICAL															
intercom	2,450	0	0	0	0	0	0	0	0	0	0	0	3,291	0	0
lighting-building	0	0	0	0	1,654	0	0	0	0	0	0	0	0	0	0
lighting-landscape	0	0	1,261	0	0	0	0	0	0	0	0	0	1,612	0	0
LANDSCAPE/ HARDSCAPE															
concrete flatwork/block walls	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
irrigation controller	1,250	0	0	0	0	0	0	0	0	0	1,599	0	0	0	0
back flow preventers	0	0	0	0	0	0	1,333	0	0	0	0	0	0	0	0
wrought iron	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20,459
gates	0	0	0	0	0	0	0	0	0	0	0	15,532	0	0	0
MISCELLANEOUS															
fire extinguishers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
mailboxes	1,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0
directory board	0	0	0	0	0	0	0	0	0	811	0	0	0	0	0
CONTINGENCY RESERVE	**3,095**	**259**	**1,557**	**180**	**781**	**4,009**	**866**	**6,821**	**283**	**1,061**	**1,720**	**1,193**	**705**	**0**	**6,022**
(5% / year of annual expenditures)															
TOTAL	**64,995**	**5,435**	**32,702**	**3,786**	**16,393**	**84,186**	**18,193**	**143,249**	**5,945**	**22,272**	**36,121**	**25,047**	**14,810**	**0**	**126,454**

RESERVE EXPENDITURES BY YEAR
1849 GREENFIELD AVENUE OWNERS ASSOCIATION **1/1/2040 through 1/1/2054**

EXPENDITURES	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053	1/1/2054	TOTAL
ROOF/DECKS																
cap sheet roof	0	0	0	0	0	0	0	0	101,679	0	0	0	0	0	0	166,986
exterior elevated elements inspection	0	0	0	12,456	0	0	0	0	0	0	0	0	15,542	0	0	45,980
membrane decks-common (resurface)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	17,036	27,454
membrane decks-common (coating)	4,482	0	0	0	0	5,068	0	0	0	0	5,731	0	0	0	0	25,849
membrane decks-unit (resurface)	0	0	0	0	0	0	14,667	0	0	0	0	0	0	0	0	24,808
membrane decks-unit (coating)	5,062	0	0	0	0	5,724	0	0	0	0	6,473	0	0	0	0	29,194
hard surface decks-resurface	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
hard surface decks-coating	2,603	0	0	0	0	2,944	0	0	0	0	3,329	0	0	0	0	15,013
brick & membrane decks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	98,069
gutters & downspouts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,788
STRUCTURE																
structures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
fumigation	27,476	0	0	0	0	0	0	0	0	0	0	0	0	0	0	46,476
siding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,307	8,176
wood railing	0	0	0	0	0	0	0	0	0	13,355	0	0	0	0	0	21,520
brick/stone veneer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PAINT																
stucco	0	0	26,810	0	0	0	0	0	0	0	0	0	0	0	0	45,349
wood siding & trim	0	2,965	0	0	0	3,273	0	0	0	3,612	0	0	0	3,985	0	23,164
doors-paint	0	0	0	0	0	1,144	0	0	0	0	0	1,325	0	0	0	5,043
doors-lacquer	0	2,892	0	0	0	0	0	0	0	3,521	0	0	0	0	0	10,738
interior flatwork	0	0	0	0	0	3,516	0	0	0	0	0	0	0	0	0	8,417
garages interior	0	0	7,975	0	0	0	0	0	0	0	0	0	0	0	0	13,490
metal	0	0	7,367	0	0	0	0	8,330	0	0	0	0	9,420	0	0	42,489
parking stripes	0	0	0	0	0	0	0	0	0	1,172	0	0	0	0	0	2,806
MECHANICAL																
gate operator-sliding (replace)	0	0	0	0	5,347	0	0	0	0	0	0	0	0	0	0	8,953
gate operator-sliding (overhaul)	0	0	0	0	0	0	0	0	0	0	0	0	2,524	0	0	4,227
gate operator-overhead	0	0	0	0	0	5,561	0	0	0	0	0	0	0	0	0	13,310

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RESERVE EXPENDITURES BY YEAR
1849 GREENFIELD AVENUE OWNERS ASSOCIATION **1/1/2040 through 1/1/2054**

EXPENDITURES	1/1/2040	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053	1/1/2054	TOTAL
PLUMBING																
distribution piping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	130,666
drainage/sewer piping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
circulation pump	2,024	0	0	0	0	2,289	0	0	0	0	2,588	0	0	0	0	11,674
water heaters	0	0	0	0	0	16,843	0	0	0	0	0	0	0	0	0	40,314
sump pumps	0	7,485	0	0	0	0	8,465	0	0	0	0	9,573	0	0	0	43,171
ELECTRICAL																
intercom	0	0	0	0	0	0	0	0	0	4,420	0	0	0	0	0	10,161
lighting-building	0	0	0	0	2,391	0	0	0	0	0	0	0	0	0	0	4,045
lighting-landscape	0	0	0	0	0	0	0	2,060	0	0	0	0	0	0	0	4,933
LANDSCAPE/ HARDSCAPE																
concrete flatwork/block walls	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
irrigation controller	0	0	0	0	0	2,045	0	0	0	0	0	0	0	0	0	4,894
back flow preventers	0	0	0	0	0	0	1,927	0	0	0	0	0	0	0	0	3,260
wrought iron	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20,459
gates	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15,532
MISCELLANEOUS																
fire extinguishers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
mailboxes	0	0	0	0	0	2,619	0	0	0	0	0	0	0	0	0	4,219
directory board	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,325	2,136
CONTINGENCY RESERVE	**2,082**	**667**	**2,108**	**623**	**387**	**2,551**	**1,253**	**520**	**5,084**	**1,304**	**906**	**545**	**1,374**	**199**	**1,183**	**49,338**
(5% / year of annual expenditures)																
TOTAL	**43,729**	**14,009**	**44,260**	**13,079**	**8,125**	**53,577**	**26,312**	**10,910**	**106,763**	**27,384**	**19,027**	**11,443**	**28,860**	**4,184**	**24,851**	**1,036,101**

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COMPONENT ACCUMULATED DEPRECIATION ANALYSIS **1/1/2025 through 1/1/2039 COMPONE**
1849 GREENFIELD AVENUE OWNERS ASSOCIATION **1849 GREE**

COMPONENT	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040
cap sheet roof																
Useful life	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Remaining life	5	4	3	2	1	0	17	16	15	14	13	12	11	10	9	8
Replacement cost	57,750	59,188	60,662	62,172	63,720	65,307	66,933	68,600	70,308	72,059	73,853	75,692	77,577	79,509	81,489	83,518
Accumulated depreciation	41,708	46,035	50,552	55,264	60,180	65,307	3,719	7,622	11,718	16,013	20,515	25,231	30,169	35,337	40,745	46,399
exterior elevated elements inspection																
Useful life	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
Remaining life	0	8	7	6	5	4	3	2	1	0	8	7	6	5	4	3
Replacement cost	8,000	8,199	8,403	8,612	8,826	9,046	9,271	9,502	9,739	9,982	10,231	10,486	10,747	11,015	11,289	11,570
Accumulated depreciation	8,000	911	1,867	2,871	3,923	5,026	6,181	7,390	8,657	9,982	1,137	2,330	3,582	4,896	6,272	7,713
membrane decks-common (resurface)																
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	9	8	7	6	5	4	3	2	1	0	19	18	17	16	15	14
Replacement cost	8,350	8,558	8,771	8,989	9,213	9,442	9,677	9,918	10,165	10,418	10,677	10,943	11,215	11,494	11,780	12,073
Accumulated depreciation	4,593	5,135	5,701	6,292	6,910	7,554	8,225	8,926	9,657	10,418	534	1,094	1,682	2,299	2,945	3,622
membrane decks-common (coating)																
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1	0
Replacement cost	3,100	3,177	3,256	3,337	3,420	3,505	3,592	3,681	3,773	3,867	3,963	4,062	4,163	4,267	4,373	4,482
Accumulated depreciation	3,100	635	1,302	2,002	2,736	3,505	718	1,472	2,264	3,094	3,963	812	1,665	2,560	3,498	4,482
membrane decks-unit (resurface)																
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	6	5	4	3	2	1	0	14	13	12	11	10	9	8	7	6
Replacement cost	8,750	8,968	9,191	9,420	9,655	9,895	10,141	10,394	10,653	10,918	11,190	11,469	11,755	12,048	12,348	12,655
Accumulated depreciation	5,250	5,979	6,740	7,536	8,368	9,235	10,141	693	1,420	2,184	2,984	3,823	4,702	5,622	6,586	7,593
membrane decks-unit (coating)																
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1	0
Replacement cost	3,500	3,587	3,676	3,768	3,862	3,958	4,057	4,158	4,262	4,368	4,477	4,588	4,702	4,819	4,939	5,062
Accumulated depreciation	3,500	717	1,470	2,261	3,090	3,958	811	1,663	2,557	3,494	4,477	918	1,881	2,891	3,951	5,062
hard surface decks-resurface																
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
hard surface decks-coating																
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1	0
Replacement cost	1,800	1,845	1,891	1,938	1,986	2,035	2,086	2,138	2,191	2,246	2,302	2,359	2,418	2,478	2,540	2,603
Accumulated depreciation	1,800	369	756	1,163	1,589	2,035	417	855	1,315	1,797	2,302	472	967	1,487	2,032	2,603
brick & membrane decks																
Useful life	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Remaining life	14	13	12	11	10	9	8	7	6	5	4	3	2	1	0	29
Replacement cost	69,500	71,231	73,005	74,823	76,686	78,595	80,552	82,558	84,614	86,721	88,880	91,093	93,361	95,686	98,069	100,511
Accumulated depreciation	37,067	40,364	43,803	47,388	51,124	55,017	59,071	63,294	67,691	72,268	77,029	81,984	87,137	92,496	98,069	3,350

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COMPONENT ACCUMULATED DEPRECIATION ANALYSIS 1/1/2025 through 1/1/2039 COMPONE
1849 GREENFIELD AVENUE OWNERS ASSOCIATION 1849 GREE

COMPONENT	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040
gutters & downspouts																
Useful life	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Remaining life	5	4	3	2	1	0	34	33	32	31	30	29	28	27	26	25
Replacement cost	3,350	3,433	3,518	3,606	3,696	3,788	3,882	3,979	4,078	4,180	4,284	4,391	4,500	4,612	4,727	4,845
Accumulated depreciation	2,871	3,041	3,216	3,400	3,590	3,788	111	227	350	478	612	753	900	1,054	1,216	1,384
structures																
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
fumigation																
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	0	14	13	12	11	10	9	8	7	6	5	4	3	2	1	0
Replacement cost	19,000	19,473	19,958	20,455	20,964	21,486	22,021	22,569	23,131	23,707	24,297	24,902	25,522	26,157	26,808	27,476
Accumulated depreciation	19,000	1,298	2,661	4,091	5,590	7,162	8,808	10,532	12,337	14,224	16,198	18,261	20,418	22,669	25,021	27,476
siding																
Useful life	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Remaining life	4	3	2	1	0	24	23	22	21	20	19	18	17	16	15	14
Replacement cost	2,600	2,665	2,731	2,799	2,869	2,940	3,013	3,088	3,165	3,244	3,325	3,408	3,493	3,580	3,669	3,760
Accumulated depreciation	2,184	2,345	2,513	2,687	2,869	118	241	371	506	649	798	954	1,118	1,289	1,468	1,654
wood railing																
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	4	3	2	1	0	19	18	17	16	15	14	13	12	11	10	9
Replacement cost	7,400	7,584	7,773	7,967	8,165	8,368	8,576	8,790	9,009	9,233	9,463	9,699	9,941	10,189	10,443	10,703
Accumulated depreciation	5,920	6,446	6,996	7,569	8,165	418	858	1,319	1,802	2,308	2,839	3,395	3,976	4,585	5,222	5,887
brick/stone veneer																
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
stucco																
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	2	1	0	14	13	12	11	10	9	8	7	6	5	4	3	2
Replacement cost	17,650	18,089	18,539	19,001	19,474	19,959	20,456	20,965	21,487	22,022	22,570	23,132	23,708	24,298	24,903	25,523
Accumulated depreciation	15,297	16,883	18,539	1,267	2,597	3,992	5,455	6,988	8,595	10,277	12,037	13,879	15,805	17,819	19,922	22,120
wood siding & trim																
Useful life	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Remaining life	0	3	2	1	0	3	2	1	0	3	2	1	0	3	2	1
Replacement cost	2,000	2,050	2,101	2,153	2,207	2,262	2,318	2,376	2,435	2,496	2,558	2,622	2,687	2,754	2,823	2,893
Accumulated depreciation	2,000	513	1,051	1,615	2,207	566	1,159	1,782	2,435	624	1,279	1,967	2,687	689	1,412	2,170
doors-paint																
Useful life	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Remaining life	2	1	0	5	4	3	2	1	0	5	4	3	2	1	0	5
Replacement cost	700	717	735	753	772	791	811	831	852	873	895	917	940	963	987	1,012
Accumulated depreciation	467	598	735	126	257	396	541	693	852	146	298	459	627	803	987	169
doors-lacquer																
Useful life	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Remaining life	0	7	6	5	4	3	2	1	0	7	6	5	4	3	2	1
Replacement cost	1,950	1,999	2,049	2,100	2,152	2,206	2,261	2,317	2,375	2,434	2,495	2,557	2,621	2,686	2,753	2,822
Accumulated depreciation	1,950	250	512	788	1,076	1,379	1,696	2,027	2,375	304	624	959	1,311	1,679	2,065	2,469

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COMPONENT	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040
interior flatwork																
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	0	9	8	7	6	5	4	3	2	1	0	9	8	7	6	5
Replacement cost	2,150	2,204	2,259	2,315	2,373	2,432	2,493	2,555	2,619	2,684	2,751	2,819	2,889	2,961	3,035	3,111
Accumulated depreciation	2,150	220	452	695	949	1,216	1,496	1,789	2,095	2,416	2,751	282	578	888	1,214	1,556
garages interior																
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	2	1	0	14	13	12	11	10	9	8	7	6	5	4	3	2
Replacement cost	5,250	5,381	5,515	5,652	5,793	5,937	6,085	6,237	6,392	6,551	6,714	6,881	7,052	7,228	7,408	7,592
Accumulated depreciation	4,550	5,022	5,515	377	772	1,187	1,623	2,079	2,557	3,057	3,581	4,129	4,701	5,301	5,926	6,580
metal																
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	2	1	0	4	3	2	1	0	4	3	2	1	0	4	3	2
Replacement cost	4,850	4,971	5,095	5,222	5,352	5,485	5,622	5,762	5,905	6,052	6,203	6,357	6,515	6,677	6,843	7,013
Accumulated depreciation	2,910	3,977	5,095	1,044	2,141	3,291	4,498	5,762	1,181	2,421	3,722	5,086	6,515	1,335	2,737	4,208
parking stripes																
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	4	3	2	1	0	9	8	7	6	5	4	3	2	1	0	9
Replacement cost	650	666	683	700	717	735	753	772	791	811	831	852	873	895	917	940
Accumulated depreciation	390	466	546	630	717	74	151	232	316	406	499	596	698	806	917	94
gate operator-sliding (replace)																
Useful life	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Remaining life	3	2	1	0	15	14	13	12	11	10	9	8	7	6	5	4
Replacement cost	3,350	3,433	3,518	3,606	3,696	3,788	3,882	3,979	4,078	4,180	4,284	4,391	4,500	4,612	4,727	4,845
Accumulated depreciation	2,722	3,004	3,298	3,606	231	474	728	995	1,274	1,568	1,874	2,196	2,531	2,883	3,250	3,634
gate operator-sliding (overhaul)																
Useful life	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Remaining life	11	10	9	8	7	6	5	4	3	2	1	0	15	14	13	12
Replacement cost	1,300	1,332	1,365	1,399	1,434	1,470	1,507	1,545	1,583	1,622	1,662	1,703	1,745	1,788	1,833	1,879
Accumulated depreciation	406	500	597	700	807	919	1,036	1,159	1,286	1,419	1,558	1,703	109	224	344	470
gate operator-overhead																
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	0	9	8	7	6	5	4	3	2	1	0	9	8	7	6	5
Replacement cost	3,400	3,485	3,572	3,661	3,752	3,845	3,941	4,039	4,140	4,243	4,349	4,457	4,568	4,682	4,799	4,918
Accumulated depreciation	3,400	349	714	1,098	1,501	1,923	2,365	2,827	3,312	3,819	4,349	446	914	1,405	1,920	2,459
distribution piping																
Useful life	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60
Remaining life	7	6	5	4	3	2	1	0	59	58	57	56	55	54	53	52
Replacement cost	110,000	112,739	115,546	118,423	121,372	124,394	127,491	130,666	133,920	137,255	140,673	144,176	147,766	151,445	155,216	159,081
Accumulated depreciation	97,167	101,465	105,917	110,528	115,303	120,248	125,366	130,666	2,232	4,575	7,034	9,612	12,314	15,145	18,109	21,211
drainage/sewer piping																
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
circulation pump																
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1	0
Replacement cost	1,400	1,435	1,471	1,508	1,546	1,584	1,623	1,663	1,704	1,746	1,789	1,834	1,880	1,927	1,975	2,024
Accumulated depreciation	1,400	287	588	905	1,237	1,584	325	665	1,022	1,397	1,789	367	752	1,156	1,580	2,024

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COMPONENT ACCUMULATED DEPRECIATION ANALYSIS **1/1/2025 through 1/1/2039 COMPONE**
1849 GREENFIELD AVENUE OWNERS ASSOCIATION **1849 GREE**

COMPONENT	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040
water heaters																
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	0	9	8	7	6	5	4	3	2	1	0	9	8	7	6	5
Replacement cost	10,300	10,556	10,819	11,088	11,364	11,647	11,937	12,234	12,539	12,851	13,171	13,499	13,835	14,179	14,532	14,894
Accumulated depreciation	10,300	1,056	2,164	3,326	4,546	5,824	7,162	8,564	10,031	11,566	13,171	1,350	2,767	4,254	5,813	7,447
sump pumps																
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	1	0	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	5,050	5,176	5,305	5,437	5,572	5,711	5,853	5,999	6,148	6,301	6,458	6,619	6,784	6,953	7,126	7,303
Accumulated depreciation	4,040	5,176	1,061	2,175	3,343	4,569	5,853	1,200	2,459	3,781	5,166	6,619	1,357	2,781	4,276	5,842
intercom																
Useful life	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Remaining life	0	11	10	9	8	7	6	5	4	3	2	1	0	11	10	9
Replacement cost	2,450	2,511	2,574	2,638	2,704	2,771	2,840	2,911	2,983	3,057	3,133	3,211	3,291	3,373	3,457	3,543
Accumulated depreciation	2,450	209	429	660	901	1,155	1,420	1,698	1,989	2,293	2,611	2,943	3,291	281	576	886
lighting-building																
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	4	3	2	1	0	14	13	12	11	10	9	8	7	6	5	4
Replacement cost	1,500	1,537	1,575	1,614	1,654	1,695	1,737	1,780	1,824	1,869	1,916	1,964	2,013	2,063	2,114	2,167
Accumulated depreciation	1,100	1,230	1,365	1,506	1,654	113	232	356	486	623	766	917	1,074	1,238	1,409	1,589
lighting-landscape																
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	2	1	0	9	8	7	6	5	4	3	2	1	0	9	8	7
Replacement cost	1,200	1,230	1,261	1,292	1,324	1,357	1,391	1,426	1,462	1,498	1,535	1,573	1,612	1,652	1,693	1,735
Accumulated depreciation	960	1,107	1,261	129	265	407	556	713	877	1,049	1,228	1,416	1,612	165	339	521
concrete flatwork/block walls																
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
irrigation controller																
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	0	9	8	7	6	5	4	3	2	1	0	9	8	7	6	5
Replacement cost	1,250	1,281	1,313	1,346	1,380	1,414	1,449	1,485	1,522	1,560	1,599	1,639	1,680	1,722	1,765	1,809
Accumulated depreciation	1,250	128	263	404	552	707	869	1,040	1,218	1,404	1,599	164	336	517	706	905
back flow preventers																
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	6	5	4	3	2	1	0	14	13	12	11	10	9	8	7	6
Replacement cost	1,150	1,179	1,208	1,238	1,269	1,301	1,333	1,366	1,400	1,435	1,471	1,508	1,546	1,584	1,623	1,663
Accumulated depreciation	690	786	886	990	1,100	1,214	1,333	91	187	287	392	503	618	739	866	998
wrought iron																
Useful life	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Remaining life	14	13	12	11	10	9	8	7	6	5	4	3	2	1	0	29
Replacement cost	14,500	14,861	15,231	15,610	15,999	16,397	16,805	17,223	17,652	18,092	18,542	19,004	19,477	19,962	20,459	20,968
Accumulated depreciation	7,733	8,421	9,139	9,886	10,666	11,478	12,324	13,204	14,122	15,077	16,070	17,104	18,179	19,297	20,459	699
gates																
Useful life	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Remaining life	11	10	9	8	7	6	5	4	3	2	1	0	24	23	22	21
Replacement cost	11,850	12,145	12,447	12,757	13,075	13,401	13,735	14,077	14,428	14,787	15,155	15,532	15,919	16,315	16,721	17,137
Accumulated depreciation	6,636	7,287	7,966	8,675	9,414	10,185	10,988	11,825	12,697	13,604	14,549	15,532	637	1,305	2,007	2,742

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COMPONENT ACCUMULATED DEPRECIATION ANALYSIS **1/1/2025 through 1/1/2039 COMPONE**
1849 GREENFIELD AVENUE OWNERS ASSOCIATION **1849 GREE**

COMPONENT	1/1/2025	1/1/2026	1/1/2027	1/1/2028	1/1/2029	1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040
fire extinguishers																
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
mailboxes																
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	0	19	18	17	16	15	14	13	12	11	10	9	8	7	6	5
Replacement cost	1,600	1,640	1,681	1,723	1,766	1,810	1,855	1,901	1,948	1,997	2,047	2,098	2,150	2,204	2,259	2,315
Accumulated depreciation	1,600	82	168	258	353	453	557	665	779	899	1,024	1,154	1,290	1,433	1,581	1,736
directory board																
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	9	8	7	6	5	4	3	2	1	0	19	18	17	16	15	14
Replacement cost	650	666	683	700	717	735	753	772	791	811	831	852	873	895	917	940
Accumulated depreciation	358	400	444	490	538	588	640	695	751	811	42	85	131	179	229	282
Contingency - 5%	3,095	259	1,557	180	781	4,009	866	6,821	283	1,061	1,720	1,193	705	0	6,022	2,082
TOTAL Accumulated depreciation	**310,014**	**272,950**	**297,839**	**294,582**	**322,042**	**341,074**	**288,540**	**308,900**	**195,685**	**221,793**	**233,121**	**230,688**	**239,736**	**259,507**	**301,691**	**212,118**

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ENT ACCUMULATED DEPRECIATION ANALYSIS
ENFIELD AVENUE OWNERS ASSOCIATION

1/1/2040 through 1/1/2054

COMPONENT	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053	1/1/2054
cap sheet roof														
Useful life	18	18	18	18	18	18	18	18	18	18	18	18	18	18
Remaining life	7	6	5	4	3	2	1	0	17	16	15	14	13	12
Replacement cost	85,598	87,729	89,913	92,152	94,447	96,799	99,209	101,679	104,211	106,806	109,465	112,191	114,985	117,848
Accumulated depreciation	52,310	58,486	64,937	71,674	78,706	86,044	93,697	101,679	5,790	11,867	18,244	24,931	31,940	39,283
exterior elevated elements inspection														
Useful life	9	9	9	9	9	9	9	9	9	9	9	9	9	9
Remaining life	2	1	0	8	7	6	5	4	3	2	1	0	8	7
Replacement cost	11,858	12,153	12,456	12,766	13,084	13,410	13,744	14,086	14,437	14,796	15,164	15,542	15,929	16,326
Accumulated depreciation	9,223	10,803	12,456	1,418	2,908	4,470	6,108	7,826	9,625	11,508	13,479	15,542	1,770	3,628
membrane decks-common (resurface)														
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	13	12	11	10	9	8	7	6	5	4	3	2	1	0
Replacement cost	12,374	12,682	12,998	13,322	13,654	13,994	14,342	14,699	15,065	15,440	15,824	16,218	16,622	17,036
Accumulated depreciation	4,331	5,073	5,849	6,661	7,510	8,396	9,322	10,289	11,299	12,352	13,450	14,596	15,791	17,036
membrane decks-common (coating)														
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	4,594	4,708	4,825	4,945	5,068	5,194	5,323	5,456	5,592	5,731	5,874	6,020	6,170	6,324
Accumulated depreciation	919	1,883	2,895	3,956	5,068	1,039	2,129	3,274	4,474	5,731	1,175	2,408	3,702	5,059
membrane decks-unit (resurface)														
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	5	4	3	2	1	0	14	13	12	11	10	9	8	7
Replacement cost	12,970	13,293	13,624	13,963	14,311	14,667	15,032	15,406	15,790	16,183	16,586	16,999	17,422	17,856
Accumulated depreciation	8,647	9,748	10,899	12,101	13,357	14,667	1,002	2,054	3,158	4,315	5,529	6,800	8,130	9,523
membrane decks-unit (coating)														
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	5,188	5,317	5,449	5,585	5,724	5,867	6,013	6,163	6,316	6,473	6,634	6,799	6,968	7,142
Accumulated depreciation	1,038	2,127	3,269	4,468	5,724	1,173	2,405	3,698	5,053	6,473	1,327	2,720	4,181	5,714
hard surface decks-resurface														
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
hard surface decks-coating														
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	2,668	2,734	2,802	2,872	2,944	3,017	3,092	3,169	3,248	3,329	3,412	3,497	3,584	3,673
Accumulated depreciation	534	1,094	1,681	2,298	2,944	603	1,237	1,901	2,598	3,329	682	1,399	2,150	2,938
brick & membrane decks														
Useful life	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Remaining life	28	27	26	25	24	23	22	21	20	19	18	17	16	15
Replacement cost	103,014	105,579	108,208	110,902	113,663	116,493	119,394	122,367	125,414	128,537	131,738	135,018	138,380	141,826
Accumulated depreciation	6,868	10,558	14,428	18,484	22,733	27,182	31,838	36,710	41,805	47,130	52,695	58,508	64,577	70,913

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ENT ACCUMULATED DEPRECIATION ANALYSIS 1/1/2040 through 1/1/2054
ENFIELD AVENUE OWNERS ASSOCIATION

COMPONENT	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053	1/1/2054
gutters & downspouts														
Useful life	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Remaining life	24	23	22	21	20	19	18	17	16	15	14	13	12	11
Replacement cost	4,966	5,090	5,217	5,347	5,480	5,616	5,756	5,899	6,046	6,197	6,351	6,509	6,671	6,837
Accumulated depreciation	1,561	1,745	1,938	2,139	2,349	2,567	2,796	3,034	3,282	3,541	3,811	4,091	4,384	4,688
structures														
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
fumigation														
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	14	13	12	11	10	9	8	7	6	5	4	3	2	1
Replacement cost	28,160	28,861	29,580	30,317	31,072	31,846	32,639	33,452	34,285	35,139	36,014	36,911	37,830	38,772
Accumulated depreciation	1,877	3,848	5,916	8,085	10,357	12,738	15,232	17,841	20,571	23,426	26,410	29,529	32,786	36,187
siding														
Useful life	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Remaining life	13	12	11	10	9	8	7	6	5	4	3	2	1	0
Replacement cost	3,854	3,950	4,048	4,149	4,252	4,358	4,467	4,578	4,692	4,809	4,929	5,052	5,178	5,307
Accumulated depreciation	1,850	2,054	2,267	2,489	2,721	2,963	3,216	3,479	3,754	4,040	4,338	4,648	4,971	5,307
wood railing														
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	8	7	6	5	4	3	2	1	0	19	18	17	16	15
Replacement cost	10,970	11,243	11,523	11,810	12,104	12,405	12,714	13,031	13,355	13,688	14,029	14,378	14,736	15,103
Accumulated depreciation	6,582	7,308	8,066	8,858	9,683	10,544	11,443	12,379	13,355	684	1,403	2,157	2,947	3,776
brick/stone veneer														
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
stucco														
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	1	0	14	13	12	11	10	9	8	7	6	5	4	3
Replacement cost	26,159	26,810	27,478	28,162	28,863	29,582	30,319	31,074	31,848	32,641	33,454	34,287	35,141	36,016
Accumulated depreciation	24,415	26,810	1,832	3,755	5,773	7,889	10,106	12,430	14,862	17,409	20,072	22,858	25,770	28,813
wood siding & trim														
Useful life	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Remaining life	0	3	2	1	0	3	2	1	0	3	2	1	0	3
Replacement cost	2,965	3,039	3,115	3,193	3,273	3,354	3,438	3,524	3,612	3,702	3,794	3,888	3,985	4,084
Accumulated depreciation	2,965	760	1,558	2,395	3,273	839	1,719	2,643	3,612	926	1,897	2,916	3,985	1,021
doors-paint														
Useful life	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Remaining life	4	3	2	1	0	5	4	3	2	1	0	5	4	3
Replacement cost	1,037	1,063	1,089	1,116	1,144	1,172	1,201	1,231	1,262	1,293	1,325	1,358	1,392	1,427
Accumulated depreciation	346	532	726	930	1,144	195	400	616	841	1,078	1,325	226	464	714
doors-lacquer														
Useful life	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Remaining life	0	7	6	5	4	3	2	1	0	7	6	5	4	3
Replacement cost	2,892	2,964	3,038	3,114	3,192	3,271	3,352	3,435	3,521	3,609	3,699	3,791	3,885	3,982
Accumulated depreciation	2,892	371	760	1,168	1,596	2,044	2,514	3,006	3,521	451	925	1,422	1,943	2,489

ENT ACCUMULATED DEPRECIATION ANALYSIS 1/1/2040 through 1/1/2054
ENFIELD AVENUE OWNERS ASSOCIATION

COMPONENT	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053	1/1/2054
interior flatwork														
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	4	3	2	1	0	9	8	7	6	5	4	3	2	1
Replacement cost	3,188	3,267	3,348	3,431	3,516	3,604	3,694	3,786	3,880	3,977	4,076	4,177	4,281	4,388
Accumulated depreciation	1,913	2,287	2,678	3,088	3,516	360	739	1,136	1,552	1,989	2,446	2,924	3,425	3,949
garages interior														
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	1	0	14	13	12	11	10	9	8	7	6	5	4	3
Replacement cost	7,781	7,975	8,174	8,378	8,587	8,801	9,020	9,245	9,475	9,711	9,953	10,201	10,455	10,715
Accumulated depreciation	7,262	7,975	545	1,117	1,717	2,347	3,007	3,698	4,422	5,179	5,972	6,801	7,667	8,572
metal														
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	1	0	4	3	2	1	0	4	3	2	1	0	4	3
Replacement cost	7,188	7,367	7,550	7,738	7,931	8,128	8,330	8,537	8,750	8,968	9,191	9,420	9,655	9,895
Accumulated depreciation	5,750	7,367	1,510	3,095	4,759	6,502	8,330	1,707	3,500	5,381	7,353	9,420	1,931	3,958
parking stripes														
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	8	7	6	5	4	3	2	1	0	9	8	7	6	5
Replacement cost	963	987	1,012	1,037	1,063	1,089	1,116	1,144	1,172	1,201	1,231	1,262	1,293	1,325
Accumulated depreciation	193	296	405	519	638	762	893	1,030	1,172	120	246	379	517	663
gate operator-sliding (replace)														
Useful life	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Remaining life	3	2	1	0	15	14	13	12	11	10	9	8	7	6
Replacement cost	4,966	5,090	5,217	5,347	5,480	5,616	5,756	5,899	6,046	6,197	6,351	6,509	6,671	6,837
Accumulated depreciation	4,035	4,454	4,891	5,347	343	702	1,079	1,475	1,889	2,324	2,779	3,255	3,752	4,273
gate operator-sliding (overhaul)														
Useful life	16	16	16	16	16	16	16	16	16	16	16	16	16	16
Remaining life	11	10	9	8	7	6	5	4	3	2	1	0	15	14
Replacement cost	1,926	1,974	2,023	2,073	2,125	2,178	2,232	2,288	2,345	2,403	2,463	2,524	2,587	2,651
Accumulated depreciation	602	740	885	1,037	1,195	1,361	1,535	1,716	1,905	2,103	2,309	2,524	162	331
gate operator-overhead														
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	4	3	2	1	0	9	8	7	6	5	4	3	2	1
Replacement cost	5,040	5,165	5,294	5,426	5,561	5,699	5,841	5,986	6,135	6,288	6,445	6,605	6,769	6,938
Accumulated depreciation	3,024	3,616	4,235	4,883	5,561	570	1,168	1,796	2,454	3,144	3,867	4,624	5,415	6,244
distribution piping														
Useful life	60	60	60	60	60	60	60	60	60	60	60	60	60	60
Remaining life	51	50	49	48	47	46	45	44	43	42	41	40	39	38
Replacement cost	163,042	167,102	171,263	175,527	179,898	184,377	188,968	193,673	198,495	203,438	208,504	213,696	219,017	224,471
Accumulated depreciation	24,456	27,850	31,398	35,105	38,978	43,021	47,242	51,646	56,240	61,031	66,026	71,232	76,656	82,306
drainage/sewer piping														
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
circulation pump														
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	4	3	2	1	0	4	3	2	1	0	4	3	2	1
Replacement cost	2,074	2,126	2,179	2,233	2,289	2,346	2,404	2,464	2,525	2,588	2,652	2,718	2,786	2,855
Accumulated depreciation	415	850	1,307	1,786	2,289	469	962	1,478	2,020	2,588	530	1,087	1,672	2,284

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ENT ACCUMULATED DEPRECIATION ANALYSIS 1/1/2040 through 1/1/2054
ENFIELD AVENUE OWNERS ASSOCIATION

COMPONENT	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053	1/1/2054
water heaters														
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	4	3	2	1	0	9	8	7	6	5	4	3	2	1
Replacement cost	15,265	15,645	16,035	16,434	16,843	17,262	17,692	18,133	18,585	19,048	19,522	20,008	20,506	21,017
Accumulated depreciation	9,159	10,952	12,828	14,791	16,843	1,726	3,538	5,440	7,434	9,524	11,713	14,006	16,405	18,915
sump pumps														
Useful life	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Remaining life	0	4	3	2	1	0	4	3	2	1	0	4	3	2
Replacement cost	7,485	7,671	7,862	8,058	8,259	8,465	8,676	8,892	9,113	9,340	9,573	9,811	10,055	10,305
Accumulated depreciation	7,485	1,534	3,145	4,835	6,607	8,465	1,735	3,557	5,468	7,472	9,573	1,962	4,022	6,183
intercom														
Useful life	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Remaining life	8	7	6	5	4	3	2	1	0	11	10	9	8	7
Replacement cost	3,631	3,721	3,814	3,909	4,006	4,106	4,208	4,313	4,420	4,530	4,643	4,759	4,877	4,998
Accumulated depreciation	1,210	1,550	1,907	2,280	2,671	3,080	3,507	3,954	4,420	378	774	1,190	1,626	2,083
lighting-building														
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	3	2	1	0	14	13	12	11	10	9	8	7	6	5
Replacement cost	2,221	2,276	2,333	2,391	2,451	2,512	2,575	2,639	2,705	2,772	2,841	2,912	2,985	3,059
Accumulated depreciation	1,777	1,973	2,177	2,391	163	335	515	704	902	1,109	1,326	1,553	1,791	2,039
lighting-landscape														
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	6	5	4	3	2	1	0	9	8	7	6	5	4	3
Replacement cost	1,778	1,822	1,867	1,913	1,961	2,010	2,060	2,111	2,164	2,218	2,273	2,330	2,388	2,447
Accumulated depreciation	711	911	1,120	1,339	1,569	1,809	2,060	211	433	665	909	1,165	1,433	1,713
concrete flatwork/block walls														
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
irrigation controller														
Useful life	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Remaining life	4	3	2	1	0	9	8	7	6	5	4	3	2	1
Replacement cost	1,854	1,900	1,947	1,995	2,045	2,096	2,148	2,201	2,256	2,312	2,370	2,429	2,489	2,551
Accumulated depreciation	1,112	1,330	1,558	1,796	2,045	210	430	660	902	1,156	1,422	1,700	1,991	2,296
back flow preventers														
Useful life	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Remaining life	5	4	3	2	1	0	14	13	12	11	10	9	8	7
Replacement cost	1,704	1,746	1,789	1,834	1,880	1,927	1,975	2,024	2,074	2,126	2,179	2,233	2,289	2,346
Accumulated depreciation	1,136	1,280	1,431	1,589	1,755	1,927	132	270	415	567	726	893	1,068	1,251
wrought iron														
Useful life	30	30	30	30	30	30	30	30	30	30	30	30	30	30
Remaining life	28	27	26	25	24	23	22	21	20	19	18	17	16	15
Replacement cost	21,490	22,025	22,573	23,135	23,711	24,301	24,906	25,526	26,162	26,813	27,481	28,165	28,866	29,585
Accumulated depreciation	1,433	2,203	3,010	3,856	4,742	5,670	6,642	7,658	8,721	9,831	10,992	12,205	13,471	14,793
gates														
Useful life	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Remaining life	20	19	18	17	16	15	14	13	12	11	10	9	8	7
Replacement cost	17,564	18,001	18,449	18,908	19,379	19,862	20,357	20,864	21,384	21,916	22,462	23,021	23,594	24,181
Accumulated depreciation	3,513	4,320	5,166	6,051	6,976	7,945	8,957	10,015	11,120	12,273	13,477	14,733	16,044	17,410

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ENT ACCUMULATED DEPRECIATION ANALYSIS **1/1/2040 through 1/1/2054**
ENFIELD AVENUE OWNERS ASSOCIATION

COMPONENT	1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047	1/1/2048	1/1/2049	1/1/2050	1/1/2051	1/1/2052	1/1/2053	1/1/2054
fire extinguishers														
Useful life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Remaining life	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Replacement cost	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
mailboxes														
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	4	3	2	1	0	19	18	17	16	15	14	13	12	11
Replacement cost	2,373	2,432	2,493	2,555	2,619	2,684	2,751	2,819	2,889	2,961	3,035	3,111	3,188	3,267
Accumulated depreciation	1,898	2,067	2,244	2,427	2,619	134	275	423	578	740	911	1,089	1,275	1,470
directory board														
Useful life	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Remaining life	13	12	11	10	9	8	7	6	5	4	3	2	1	0
Replacement cost	963	987	1,012	1,037	1,063	1,089	1,116	1,144	1,172	1,201	1,231	1,262	1,293	1,325
Accumulated depreciation	337	395	455	519	585	653	725	801	879	961	1,046	1,136	1,228	1,325
Contingency - 5%	667	2,108	623	387	2,551	1,253	520	5,084	1,304	906	545	1,374	199	1,183
TOTAL Accumulated depreciation	**204,446**	**229,258**	**222,995**	**249,117**	**283,968**	**272,654**	**289,155**	**327,318**	**265,330**	**283,701**	**311,704**	**350,003**	**371,241**	**420,330**

CONDITION ASSESSMENT

This **Condition Assessment** is an evaluation of the major components that are subject to deterioration at a predictable rate and within a thirty (30) year projection of the study. A threshold of $1000 has been established, and therefore any component with an average cost of less than that would be presumed to be funded from the operating account. Those elements with anticipated life expectancies of more than thirty (30) years (i.e., concrete surfaces, building superstructures, sewers, main electrical systems etc.) have, for the purposes of this study been defined as "lifetime components".

Estimated life expectancies and life cycles are based upon conditions that were readily visible and accessible at the time of the survey (which involved no destructive or intrusive methods of examination). Field personnel access as many areas as practicable. However, some random evaluation procedures are inevitable (i.e., not every square foot of roofing was inspected, and in the case of multiplicity of components, at least 25% were randomly observed). Only limited evaluations (i.e., less than 10% of exclusive use common areas, as these could only be properly accessed via the “separate interests”). All quantities, types, and descriptions of components, where practical, were verified by field observation. Although the survey may identify design and/or installation deficiencies with certain components, this is done so in a limited manner. It is not the intent of this report to provide a comprehensive listing of construction deficiencies. If there are concerns with regards to such matters, the advice of appropriately qualified specialists should be sought. The survey also relies upon CC & R's (if available) and information supplied by other parties, which may have included one or more of the following: community manager; board of directors; owners/occupants; contractors; and specialist consultants. The results are based upon the experience of the field personnel, contractor bids and published cost estimating information (with local adjustment factors).

Invariably some assumptions must be made in the compilation of this type of report. Anticipated events may not materialize, and unpredictable circumstances could occur. This report should only be considered as a tool for assistance in compilation of the budget and not as an all-encompassing prediction of future events. Rates of deterioration and repair/replacement costs frequently vary, which could significantly affect the content of the study. It is therefore imperative that the study be updated on a yearly basis, including a Condition Assessment every 3 years.

DATE OF SURVEY: December 21, 2023

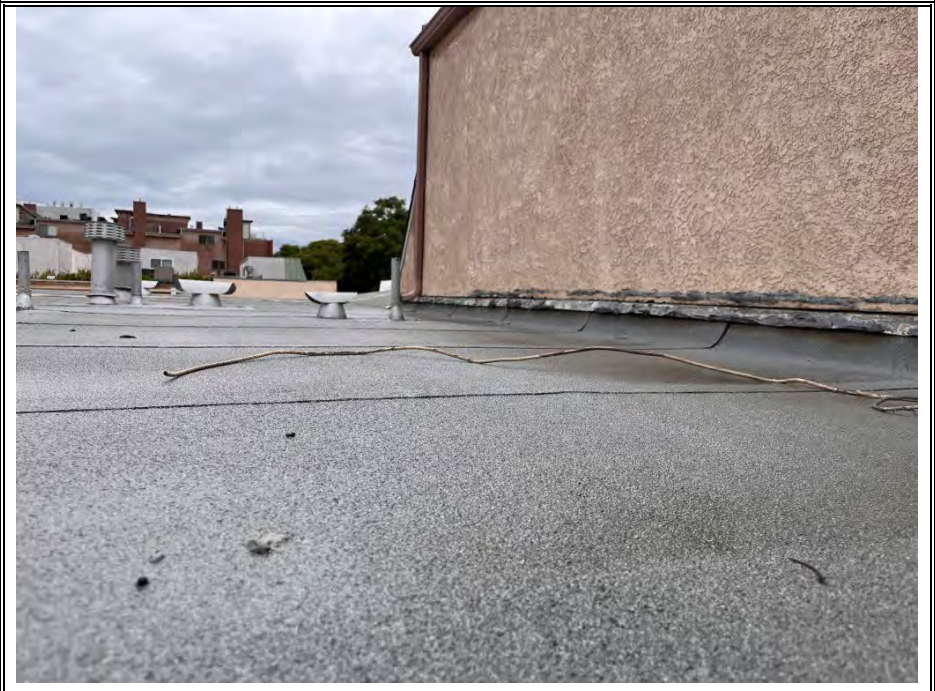
INSPECTOR(S): Chase Garcia

OTHERS PRESENT: None



1849 GREENFIELD AVENUE OWNERS ASSOCIATION

CATEGORY:	*ROOF/DECKS*
COMPONENT(S):	*CAP SHEET ROOF* **ID#(S)** *0101*



CAP SHEET ROOF (TYPICAL)

OBSERVATIONS: *This component includes the cap-sheet roofing (flat). We were informed of maintenance done in 2020, and it appeared to be in an average condition for its age. On this type of structure, 2 layers are generally permitted. However, if it is decided to re-roof over the existing roofing, experience dictates that the typical useful life of the new materials would be reduced by approximately one third (33%). The average component cost and typical useful life reflects removal of the existing roofing prior to the installation of the new roofing.*

TYPICAL USEFUL LIFE:	*18 YEAR(S)*
ESTIMATED REMAINING LIFE:	*5 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 57,750*

TO PROTECT YOUR INVESTMENT: *Reseal separated laps and seams. Reseal flashings as necessary. Roof drains should be maintained in a clean and operational condition to prevent damming, water retention and associated leakage. A maintenance contract with a qualified roofing contractor is recommended.*

CATEGORY:	*ROOF/DECKS*
COMPONENT(S):	*EXTERIOR ELEVATED ELEMENTS INSPECTION* **ID#(S)** *0102*



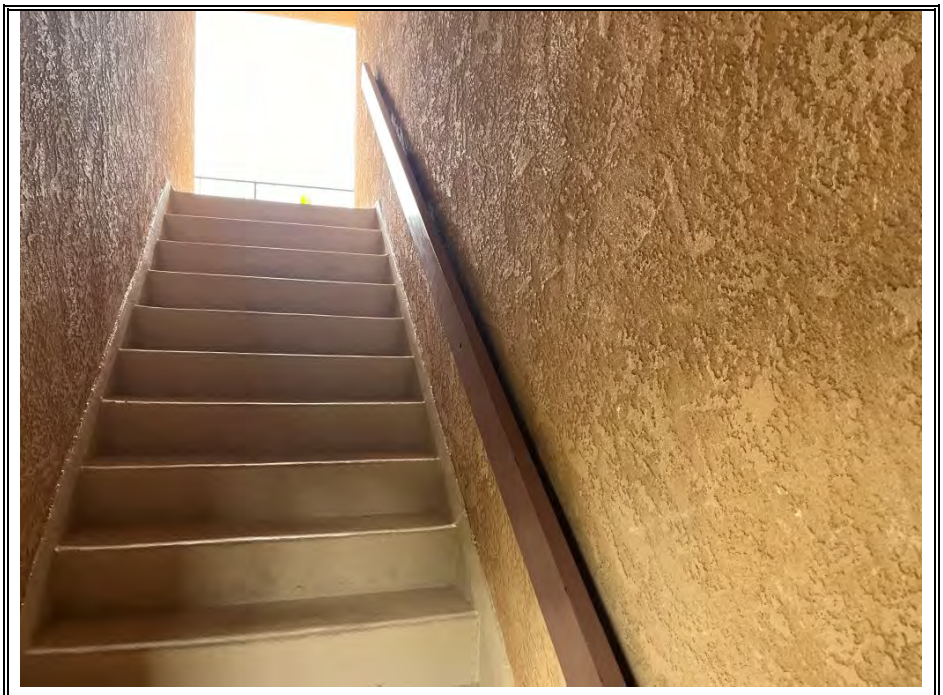
EXTERIOR ELEVATED ELEMENTS INSPECTION (TYPICAL)

OBSERVATIONS: *This component provides a rough allowance for the structural inspections that must be done for the exterior elevated elements per California Civil Code § 5551, which states, in part; (b) (1) At least once every nine years, the board of an association of a condominium project shall cause a reasonably competent and diligent visual inspection to be conducted by a licensed structural engineer or architect of a random and statistically significant sample of exterior elevated elements for which the association has maintenance or repair responsibility. (2) The inspection shall determine whether the exterior elevated elements are in a generally safe condition and performing in accordance with applicable standards. (f) The report issued pursuant to subdivision (e) shall be stamped or signed by the inspector, presented to the board, and incorporated into the study required by Section 5550. (i) The first inspection shall be completed by January 1, 2025, and then every nine years thereafter in coordination with the Reserve Study inspection pursuant to Section 5550. All written reports shall be maintained for two inspection cycles as records of the association.*

TYPICAL USEFUL LIFE:	*9 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 8,000*

TO PROTECT YOUR INVESTMENT: *N/A.*

CATEGORY:	*ROOF/DECKS*
COMPONENT(S):	*MEMBRANE DECKS-COMMON (RESURFACE)* **ID#(S)** *0103*



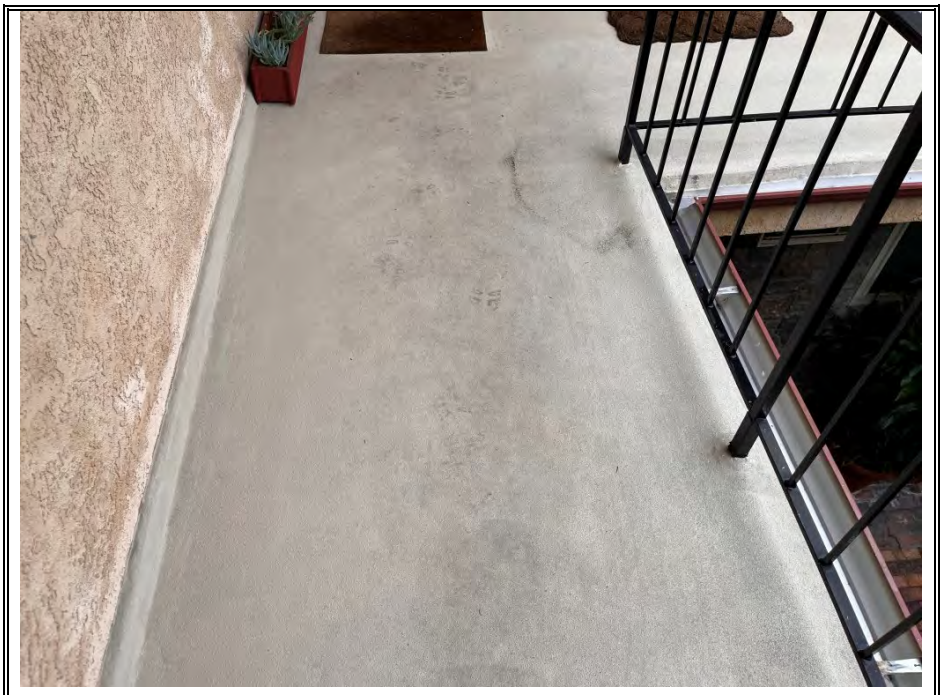
MEMBRANE DECKS-COMMON (RESURFACE) (TYPICAL)

OBSERVATIONS: *This component includes the membrane surfaces of the stairs and other common surfaces. They appeared to be in an average condition. Resurfacing of these areas is critical to prevent internal damage to the structural elements and possible leakage into areas adjacent to, or beneath these decks. The average component cost does not provide for any possible repairs/replacement of substrate damage that is sometimes discovered upon future removal of the deck surfacing.*

TYPICAL USEFUL LIFE:	*20 YEAR(S)*
ESTIMATED REMAINING LIFE:	*9 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 8,350*

TO PROTECT YOUR INVESTMENT: *Repair cracks and deterioration, and reseal the surface every 3-5 years. Carpeting or tile should be discouraged as they can impair the waterproofing and change drainage patterns. Patio furniture feet should be protected and potted plants should be elevated on suitable drained platforms.*

CATEGORY:	*ROOF/DECKS*	
COMPONENT(S):	*MEMBRANE DECKS-COMMON (COATING)*	**ID#(S)** *0104*



MEMBRANE DECKS-COMMON (COATING) (TYPICAL)

OBSERVATIONS: *This component includes the coating for the membrane surfaces of the stairs and other common surfaces. It appeared to be in an aged condition.*

TYPICAL USEFUL LIFE:	*5 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 3,100*

TO PROTECT YOUR INVESTMENT: *Repair cracks and deterioration, and reseal the surface every 3-5 years. Carpeting or tile should be discouraged as they can impair the waterproofing and change drainage patterns. Patio furniture feet should be protected and potted plants should be elevated on suitable drained platforms.*

CATEGORY:	*ROOF/DECKS*	
COMPONENT(S):	*MEMBRANE DECKS-UNIT (RESURFACE)*	**ID#(S)** *0105*



MEMBRANE DECKS-UNIT (RESURFACE) (TYPICAL)

OBSERVATIONS: *This component includes the membrane deck surfaces of the individual balconies. They were inaccessible for inspection (unit access required); therefore, for the purposes of reporting the remaining life has been estimated. Resurfacing of these areas is critical to prevent internal damage to the structural elements and possible leakage into areas adjacent to, or beneath these decks. The average component cost does not provide for any possible repairs/replacement of substrate damage that is sometimes discovered upon future removal of the deck surfacing.*

TYPICAL USEFUL LIFE:	*15 YEAR(S)*
ESTIMATED REMAINING LIFE:	*6 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 8,750*

TO PROTECT YOUR INVESTMENT: *Repair cracks and deterioration, and reseal the surface every 3-5 years. Carpeting or tile should be discouraged as they can impair the waterproofing and change drainage patterns. Patio furniture feet should be protected and potted plants should be elevated on suitable drained platforms.*

CATEGORY:	*ROOF/DECKS*	
COMPONENT(S):	*MEMBRANE DECKS-UNIT (COATING)*	**ID#(S)** *0106*



MEMBRANE DECKS-UNIT (COATING) (TYPICAL)

OBSERVATIONS: *This component includes the coating for the membrane deck surfaces of the individual balconies. It was inaccessible for inspection (unit access required); therefore, for the purposes of reporting the remaining life has been estimated.*

TYPICAL USEFUL LIFE:	*5 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 3,500*

TO PROTECT YOUR INVESTMENT: *Repair cracks and deterioration, and reseal the surface every 3-5 years. Carpeting or tile should be discouraged as they can impair the waterproofing and change drainage patterns. Patio furniture feet should be protected and potted plants should be elevated on suitable drained platforms.*

CATEGORY:	*ROOF/DECKS*	
COMPONENT(S):	*HARD SURFACE DECKS-RESURFACE*	**ID#(S)** *0107*



HARD SURFACE DECKS-RESURFACE (TYPICAL)

OBSERVATIONS: *This component includes the hard deck surfaces of the laundry room. They appeared to be in an average condition. As they were in interior locations (i.e. limited exposure to the elements) they would have an anticipated useful life expectancy well beyond the scope of this report (30 years). It is recommended that maintenance be provided for in the operating budget.*

TYPICAL USEFUL LIFE:	*30+ YEAR(S)*
ESTIMATED REMAINING LIFE:	*30+ YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Repair cracks and deterioration, and reseal the surface every 3-5 years. Carpeting or tile should be discouraged as they can impair the waterproofing and change drainage patterns. Patio furniture feet should be protected and potted plants should be elevated on suitable drained platforms.*

CATEGORY:	*ROOF/DECKS*
COMPONENT(S):	*HARD SURFACE DECKS-COATING* **ID#(S)** *0108*



HARD SURFACE DECKS-COATING (TYPICAL)

OBSERVATIONS: *This component includes the coating for the hard deck surfaces of the laundry room. It appeared to be in an aged condition.*

TYPICAL USEFUL LIFE:	*5 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 1,800*

TO PROTECT YOUR INVESTMENT: *Repair cracks and deterioration, and reseal the surface every 3-5 years. Carpeting or tile should be discouraged as they can impair the waterproofing and change drainage patterns. Patio furniture feet should be protected and potted plants should be elevated on suitable drained platforms.*

CATEGORY:	*ROOF/DECKS*
COMPONENT(S):	*BRICK & MEMBRANE DECKS* **ID#(S)** *0109*



BRICK & MEMBRANE DECKS (TYPICAL)

OBSERVATIONS: *This component includes the brick & membrane deck surfaces of the front entrance walkway through the courtyard. We were informed of brick landing repairs done in 2023. There were surface drains which should allow for drainage of these areas, however, if the drains become clogged or standing water occurs, this may lead to moisture permeating through the concrete surface into the garage below. Excessive moisture penetration may also lead to deterioration of the structural steel supports (which should be installed with the slab). We suggest monitoring the surfaces from above and below the slab, for signs of any excessive moisture. Should this occur, it is recommended that appropriate waterproofing specialists be consulted for further review and recommendations.*

TYPICAL USEFUL LIFE:	*30 YEAR(S)*
ESTIMATED REMAINING LIFE:	*14 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 69,500*

TO PROTECT YOUR INVESTMENT: *Grout should be resealed as necessary.*

CATEGORY:	*ROOF/DECKS*
COMPONENT(S):	*GUTTERS & DOWNSPOUTS* **ID#(S)** *0110*



GUTTERS & DOWNSPOUTS (TYPICAL)

OBSERVATIONS: *The aluminum gutters and downspouts appeared to be in an average condition and for the purposes of reporting, the remaining life has been adjusted to coincide with roof replacement. The importance of a properly functioning water removal system lies in the fact that other components can be affected considerably (i.e. integrity of the roof, siding, paint, termite infestation, etc.). Therefore, proper maintenance is imperative.*

TYPICAL USEFUL LIFE:	*35 YEAR(S)*
ESTIMATED REMAINING LIFE:	*5 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 3,350*

TO PROTECT YOUR INVESTMENT: *Clean, level and re-secure if necessary. Seal joints as required. Drainage should be directed away from the structure.*

CATEGORY:	*STRUCTURE*	
COMPONENT(S):	*STRUCTURES*	**ID#(S)** *0201*



STRUCTURES (TYPICAL)

OBSERVATIONS: *This component includes the foundations and structural frame, along with the internal weather-shell components and essential structure elements of the building common area property. Provided there are no major catastrophes, the proper drainage principles are maintained and that structural pest control procedures are adhered to, the structures themselves and associated infrastructure would be considered lifetime components. Additionally, there would be infrastructure within structures, such as water piping systems, electrical panels, service lines, outlets, and switches. And, in some instances, natural gas piping systems, heating, air-conditioning, and ventilation ducting systems would be included. Components that have predictable life expectancies and a remaining life expectancy of less than 30 years will be outlined elsewhere in this report.*

TYPICAL USEFUL LIFE:	*30+ YEAR(S)*
ESTIMATED REMAINING LIFE:	*30+ YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Maintained grade levels 4-6 inches below the lowest edge of the structural frame. Grading should be sloped away from the structures for drainage, and downspouts should discharge onto hardscape areas or splash blocks and directed away from the structures. Annual inspections of the buildings and the essential systems by qualified maintenance personal is recommended.*

CATEGORY:	*STRUCTURE*
COMPONENT(S):	*FUMIGATION* **ID#(S)** *0202*



FUMIGATION (TYPICAL)

OBSERVATIONS: *This component addresses the potential fumigation of the building. Prudent property maintenance suggests that annual inspections be performed to discover any infestation in its early stages before it becomes a serious problem. It would be advantageous to budget for future fumigation in the event it becomes necessary. The frequency for fumigation tends to be greater in ocean environments, while decreasing further inland, especially in desert environments. Further evaluation and recommendations should be obtained from a licensed pest control operator.*

TYPICAL USEFUL LIFE:	*15 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 19,000*

TO PROTECT YOUR INVESTMENT: *A maintenance contract with a qualified pest control contractor is recommended, which can minimize the necessity for fumigation. Repair loose or cracked siding or stucco, peeling paint and gaps at trim around windows and doors to prevent moisture getting into the framing leading to termite infestation, fungus, and/or mold. Low foundation walls, cracks in foundation walls, leaking pipes, over-watered landscape surrounding the structure, and damaged or nonexistent gutters and downspouts that discharge near the perimeter of the structures should be monitored and repaired as necessary.*

CATEGORY:	*STRUCTURE*
COMPONENT(S):	*SIDING* **ID#(S)** *0203*

COMPONENT NOT PHOTOGRAPHED

SIDING (TYPICAL)

OBSERVATIONS: *This component includes the wood siding on the front exteriors of the building. It appeared to be in an average condition. The other trim, including the wood fascia, is not included here, as it would be replaced as necessary on an on-going basis.*

TYPICAL USEFUL LIFE:	*25 YEAR(S)*
ESTIMATED REMAINING LIFE:	*4 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 2,600*

TO PROTECT YOUR INVESTMENT: *Regular painting and repair of any cracks and splits should be performed to protect the siding and prevent termite infestation. Any protruding nails should also be re-driven and sealed.*

CATEGORY:	*STRUCTURE*
COMPONENT(S):	*WOOD RAILING* **ID#(S)** *0204*



WOOD RAILING (TYPICAL)

OBSERVATIONS: *This component includes the wood railing at the front balconies. It appeared to be in various conditions, and for the purposes of reporting the remaining life has been averaged.*

TYPICAL USEFUL LIFE:	*20 YEAR(S)*
ESTIMATED REMAINING LIFE:	*4 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 7,400*

TO PROTECT YOUR INVESTMENT: *Rotting often occurs at places where water can seep into the wood, thus it is imperative to check the entire length of the railing, especially where nails or screws penetrate the wood. Deterioration can also occur from the inside out, and it would be prudent to knock on the railings – a hollow sound indicates that the wood may be weak inside due to rot, termites, carpenter ants, etc. All damaged areas and loose boards should be repaired. In addition, the bolts that attach the railing to the wall and/or floor should be solid and show no signs of rust. Re-painting/staining is advocated for longevity of this component.*

CATEGORY:	*STRUCTURE*
COMPONENT(S):	*BRICK/STONE VENEER* **ID#(S)** *0205*



BRICK/STONE VENEER (TYPICAL)

OBSERVATIONS: *This component includes the stone veneer, which is a non-structural surface component, and in this locale, it should generally have a life expectancy that is beyond the projection of this report.*

TYPICAL USEFUL LIFE:	*30+ YEAR(S)*
ESTIMATED REMAINING LIFE:	*30+ YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Repair cracks or deterioration of the mortar ("tuck-point").*

CATEGORY:	*PAINT*	
COMPONENT(S):	*STUCCO*	**ID#(S)** *0301*



STUCCO (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the stucco and masonry walls. They appeared to be in an average to aging condition.*

TYPICAL USEFUL LIFE:	*15 YEAR(S)*
ESTIMATED REMAINING LIFE:	*2 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 17,650*

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component as well as prevention of termite infestation. Peeling paint should be sanded / scraped and bare areas primed prior to painting. Splits / cracks should be sealed, and openings of windows and doors should be re-caulked if required.*

CATEGORY:	*PAINT*
COMPONENT(S):	*WOOD SIDING & TRIM* **ID#(S)** *0302*



WOOD SIDING & TRIM (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the wood siding and trim. They appeared to be in an aged condition.*

TYPICAL USEFUL LIFE:	*4 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 2,000*

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component as well as prevention of termite infestation. Peeling paint should be sanded / scraped and bare areas primed prior to painting. Splits / cracks should be sealed, and openings of windows and doors should be re-caulked if required.*

CATEGORY:	*PAINT*	
COMPONENT(S):	*DOORS-PAINT*	**ID#(S)** *0303*



DOORS-PAINT (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the exteriors of both sides of the common area doors. They appeared to be in an average condition.*

TYPICAL USEFUL LIFE:	*6 YEAR(S)*
ESTIMATED REMAINING LIFE:	*2 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 700*

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component as well as prevention of termite infestation. Peeling paint should be sanded / scraped and bare areas primed prior to painting. Splits / cracks should be sealed, and openings of windows and doors should be re-caulked if required.*

CATEGORY:	*PAINT*
COMPONENT(S):	*DOORS-LACQUER* **ID#(S)** *0304*



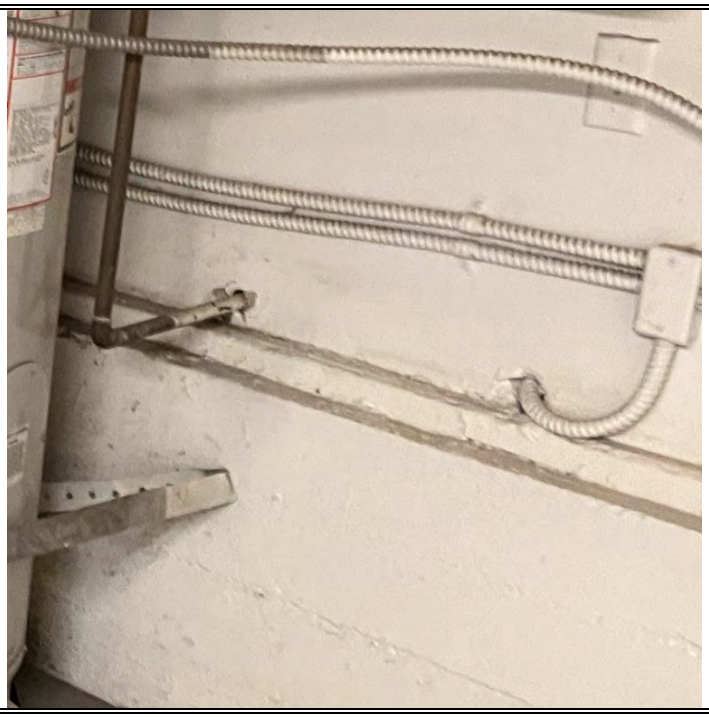
DOORS-LACQUER (TYPICAL)

OBSERVATIONS: *This component includes the lacquered surfaces of the exteriors of the individual unit doors. They appeared to be in an aged condition.*

TYPICAL USEFUL LIFE:	*8 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 1,950*

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component as well as prevention of termite infestation. Peeling paint should be sanded / scraped and bare areas primed prior to painting. Splits / cracks should be sealed, and openings of windows and doors should be re-caulked if required.*

CATEGORY:	*PAINT*
COMPONENT(S):	*INTERIOR FLATWORK* **ID#(S)** *0305*



INTERIOR FLATWORK (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the laundry room. They appeared to be in an aged condition.*

TYPICAL USEFUL LIFE:	*10 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 2,150*

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component as well as prevention of termite infestation. Peeling paint should be sanded / scraped and bare areas primed prior to painting. Splits / cracks should be sealed, and openings of windows and doors should be re-caulked if required.*

CATEGORY:	*PAINT*
COMPONENT(S):	*GARAGES INTERIOR* **ID#(S)** *0306*



GARAGES INTERIOR (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of both garages. They appeared to be in various conditions and for the purposes of reporting, the remaining life has been averaged.*

TYPICAL USEFUL LIFE:	*15 YEAR(S)*
ESTIMATED REMAINING LIFE:	*2 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 5,250*

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component. Peeling paint should be sanded / scraped and bare areas primed prior to painting.*

CATEGORY:	*PAINT*	
COMPONENT(S):	*METAL*	**ID#(S)** *0307*



METAL (TYPICAL)

OBSERVATIONS: *This component includes the painted surfaces of the metal fencing, gates, and rails. They appeared to be in an aged condition.*

TYPICAL USEFUL LIFE:	*5 YEAR(S)*
ESTIMATED REMAINING LIFE:	*2 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 4,850*

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component. Peeling paint should be sanded / scraped and bare areas primed prior to painting.*

CATEGORY:	*PAINT*
COMPONENT(S):	*PARKING STRIPES* **ID#(S)** *0308*



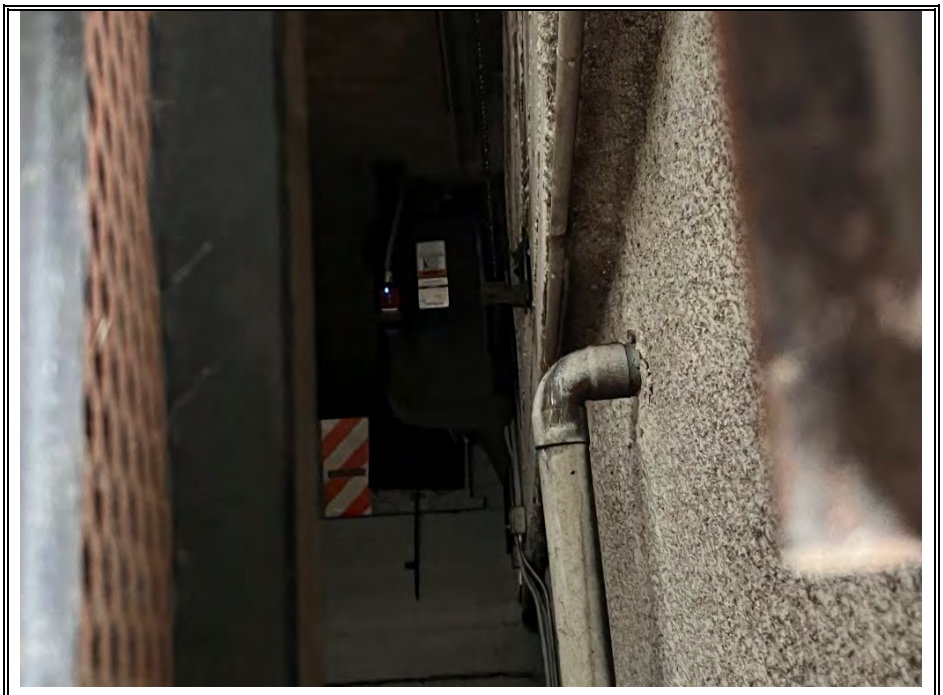
PARKING STRIPES (TYPICAL)

OBSERVATIONS: *This component includes the painted parking stripes that delineate the individual parking spaces. They appeared to be in an average condition.*

TYPICAL USEFUL LIFE:	*10 YEAR(S)*
ESTIMATED REMAINING LIFE:	*4 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 650*

TO PROTECT YOUR INVESTMENT: *Clean / touch-up painted surfaces for protection of the underlying component. Peeling paint should be sanded / scraped and bare areas primed prior to painting.*

CATEGORY:	*MECHANICAL*	
COMPONENT(S):	*GATE OPERATOR-SLIDING (REPLACE)*	**ID#(S)** *0401*



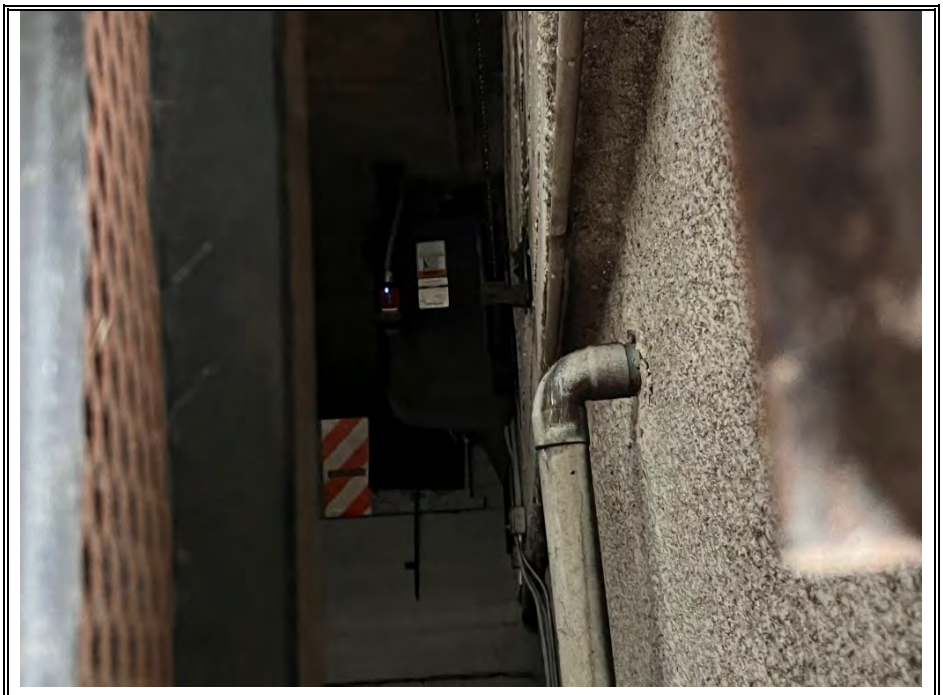
GATE OPERATOR-SLIDING (REPLACE) (TYPICAL)

OBSERVATIONS: *This component includes a sliding-type vehicle gate operator in the smaller garage. It was inaccessible for inspection (locked area); therefore, for the purposes of reporting the remaining life has been estimated.*

TYPICAL USEFUL LIFE:	*16 YEAR(S)*
ESTIMATED REMAINING LIFE:	*3 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 3,350*

TO PROTECT YOUR INVESTMENT: *Lubricate moving parts. A maintenance contract should be obtained with a qualified specialist.*

CATEGORY:	*MECHANICAL*
COMPONENT(S):	*GATE OPERATOR-SLIDING (OVERHAUL)* **ID#(S)** *0402*



GATE OPERATOR-SLIDING (OVERHAUL) (TYPICAL)

OBSERVATIONS: *This component provides for the overhaul of the sliding-type gate operator, including replacement of the motor, gear drive, and chain. It usually becomes necessary at approximately halfway through the life of the operator in order to achieve full life expectancy. If the operator is past the halfway point in its service life, then this overhaul would apply to the next operator installed.*

TYPICAL USEFUL LIFE:	*16 YEAR(S)*
ESTIMATED REMAINING LIFE:	*11 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 1,300*

TO PROTECT YOUR INVESTMENT: *Lubricate moving parts. A maintenance contract should be obtained with a qualified specialist.*

CATEGORY:	*MECHANICAL*
COMPONENT(S):	*GATE OPERATOR-OVERHEAD* **ID#(S)** *0403*



GATE OPERATOR-OVERHEAD (TYPICAL)

OBSERVATIONS: *This component includes a "Elite" overhead-type vehicle gate operator in the larger garage. It appeared to be in functional condition; however, past its anticipated lifespan.*

TYPICAL USEFUL LIFE:	*10 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 3,400*

TO PROTECT YOUR INVESTMENT: *Lubricate moving parts. A maintenance contract should be obtained with a qualified specialist.*

CATEGORY:	*PLUMBING*
COMPONENT(S):	*DISTRIBUTION PIPING* **ID#(S)** *0501*



DISTRIBUTION PIPING (TYPICAL)

OBSERVATIONS: *This component includes the copper distribution piping. The visible portions appeared to be in an average condition and no problems were observed or reported. The typical useful life is approximately 40 years; however, it can fail as early as 15 years after installation. This is suspected to be primarily caused by changes in the chemical makeup of potable water. A rough cost estimate, based on the number of units, has been provided. It is recommended that further evaluation be obtained from a licensed plumbing consultant / contractor.*

TYPICAL USEFUL LIFE:	*60 YEAR(S)*
ESTIMATED REMAINING LIFE:	*7 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 110,000*

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance is needed other than examination for leaking, especially in the garage area. Leaks should be repaired upon discovery, as wood or soil kept constantly moist provides ideal conditions for termites.*

CATEGORY:	*PLUMBING*
COMPONENT(S):	*DRAINAGE/SEWER PIPING* **ID#(S)** *0502*



DRAINAGE/SEWER PIPING (TYPICAL)

OBSERVATIONS: *This component addresses the sewer and drainage piping. The visible portions appeared to be in an average condition and no problems were observed or reported. It is recommended that repair or replacement be done on an as needed basis and funded from the operating account. No amount has been provided for complete replacement as the piping would typically have a life well in excess of the scope of this projection.*

TYPICAL USEFUL LIFE:	*N/A YEAR(S)*
ESTIMATED REMAINING LIFE:	*n/a YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Occasional routing should be performed to ensure that the drainage system is free flowing.*

CATEGORY:	*PLUMBING*
COMPONENT(S):	*CIRCULATION PUMP* **ID#(S)** *0503*



CIRCULATION PUMP (TYPICAL)

OBSERVATIONS: *This component includes a circulation pump at the water heaters in the laundry room. It appeared to be in functional condition; however, past its anticipated lifespan.*

TYPICAL USEFUL LIFE:	*5 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 1,400*

TO PROTECT YOUR INVESTMENT: *Lubricate moving parts.*

CATEGORY:	*PLUMBING*	
COMPONENT(S):	*WATER HEATERS*	**ID#(S)** *0504*



WATER HEATERS (TYPICAL)

OBSERVATIONS: *This component includes 2 "Bradford White" water heaters in the laundry room. They appeared to be in various conditions and for the purposes of reporting, the remaining life has been averaged. However, it should be noted that a visual examination cannot make predictions as to future performance (i.e. even with correct maintenance, these units can fail without warning).*

TYPICAL USEFUL LIFE:	*10 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 10,300*

TO PROTECT YOUR INVESTMENT: *Drain a few gallons of water from the drain cock to relieve sediment build-up. Obtain a regular safety check-up by the local utility company or licensed plumbing contractor.*

CATEGORY:	*PLUMBING*
COMPONENT(S):	*SUMP PUMPS* **ID#(S)** *0504*



SUMP PUMPS (TYPICAL)

OBSERVATIONS: *This component includes the sump pumps in each garage. They were inaccessible for inspection (encased, locked); therefore, for the purposes of reporting the remaining life has been estimated. The pump serves the purpose of preventing flooding by pumping water out to the street. This type of pump is designed to operate automatically and is imperative for water removal during rainstorms. Failure of the pumps can also lead to over-saturation of the sub-surface soils and associated foundation and concrete slab settlement/cracking.*

TYPICAL USEFUL LIFE:	*5 YEAR(S)*
ESTIMATED REMAINING LIFE:	*1 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 5,050*

TO PROTECT YOUR INVESTMENT: *Clean the sump and verify operation.*

CATEGORY:	*ELECTRICAL*
COMPONENT(S):	*INTERCOM* **ID#(S)** *0601*



INTERCOM (TYPICAL)

OBSERVATIONS: *This component includes a "DKS" intercom at the front entrance. It appeared to be in functional condition; however, past its anticipated lifespan.*

TYPICAL USEFUL LIFE:	*12 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 2,450*

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component, although minor operational issues are typically encountered.*

CATEGORY:	*ELECTRICAL*
COMPONENT(S):	*LIGHTING-BUILDING* **ID#(S)** *0602*



LIGHTING-BUILDING (TYPICAL)

OBSERVATIONS: *This component includes the coach and globe-type light fixtures at the exteriors of the building. They appeared to be in an average to aging condition.*

TYPICAL USEFUL LIFE:	*15 YEAR(S)*
ESTIMATED REMAINING LIFE:	*4 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 1,500*

TO PROTECT YOUR INVESTMENT: *Ensure the fixtures are secure.*

CATEGORY:	*ELECTRICAL*
COMPONENT(S):	*LIGHTING-LANDSCAPE* **ID#(S)** *0603*



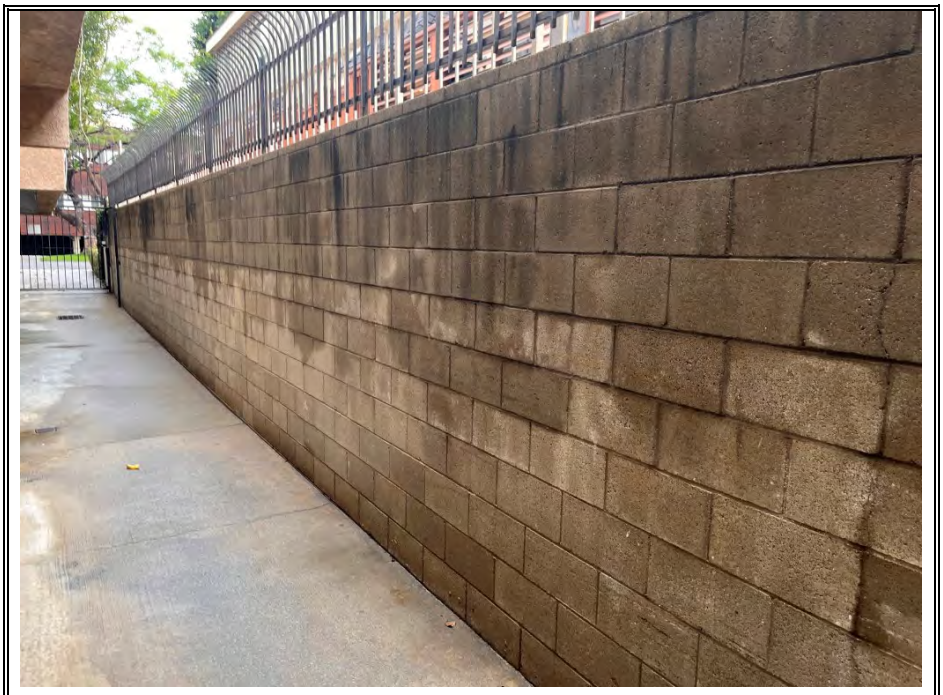
LIGHTING-LANDSCAPE (TYPICAL)

OBSERVATIONS: *This component includes the light fixtures in the landscaped areas. They appeared to be in an average to aging condition.*

TYPICAL USEFUL LIFE:	*10 YEAR(S)*
ESTIMATED REMAINING LIFE:	*2 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 1,200*

TO PROTECT YOUR INVESTMENT: *Ensure the fixtures are secure.*

CATEGORY:	*LANDSCAPE/HARDSCAPE*	
COMPONENT(S):	*CONCRETE FLATWORK/BLOCK WALLS*	**ID#(S)** *0701*



CONCRETE FLATWORK/BLOCK WALLS (TYPICAL)

OBSERVATIONS: *This component includes the concrete driveways, walkways, and block walls. Although they appeared to be in average condition, they should be regularly monitored for cracking and vertical displacement, which can create potential trip hazards (and liability for the association). Occasional repairs would typically be funded from the operating account. No amount has been provided for complete replacement as they would typically have a life well in excess of the scope of this projection.*

TYPICAL USEFUL LIFE:	*30+ YEAR(S)*
ESTIMATED REMAINING LIFE:	*30+ YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed.*

CATEGORY:	*LANDSCAPE/HARDSCAPE*	
COMPONENT(S):	*IRRIGATION CONTROLLER*	**ID#(S)** *0702*



IRRIGATION CONTROLLER (TYPICAL)

OBSERVATIONS: *This component includes an irrigation controller. It was inaccessible for inspection (locked); therefore, for the purposes of reporting the remaining life has been averaged. The average component cost provides for its replacement. However, average life expectancies cannot be predicted for the other sprinkler components or automatic valve actuation systems. Repairs/replacements of such systems usually occur on an ongoing basis and should be covered under the operating account.*

TYPICAL USEFUL LIFE:	*10 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 1,250*

TO PROTECT YOUR INVESTMENT: *Prevent overspray onto, and water accumulations adjacent to the structures. Remove and clean clogged sprinkler heads.*

CATEGORY:	*LANDSCAPE/HARDSCAPE*	
COMPONENT(S):	*BACK FLOW PREVENTERS*	**ID#(S)** *0703*



BACK FLOW PREVENTERS (TYPICAL)

OBSERVATIONS: *This component includes the back-flow preventers, which are part of the irrigation system.*

TYPICAL USEFUL LIFE:	*15 YEAR(S)*
ESTIMATED REMAINING LIFE:	*6 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 1,150*

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component.*

CATEGORY:	*LANDSCAPE/HARDSCAPE*
COMPONENT(S):	*WROUGHT IRON* **ID#(S)** *0704*



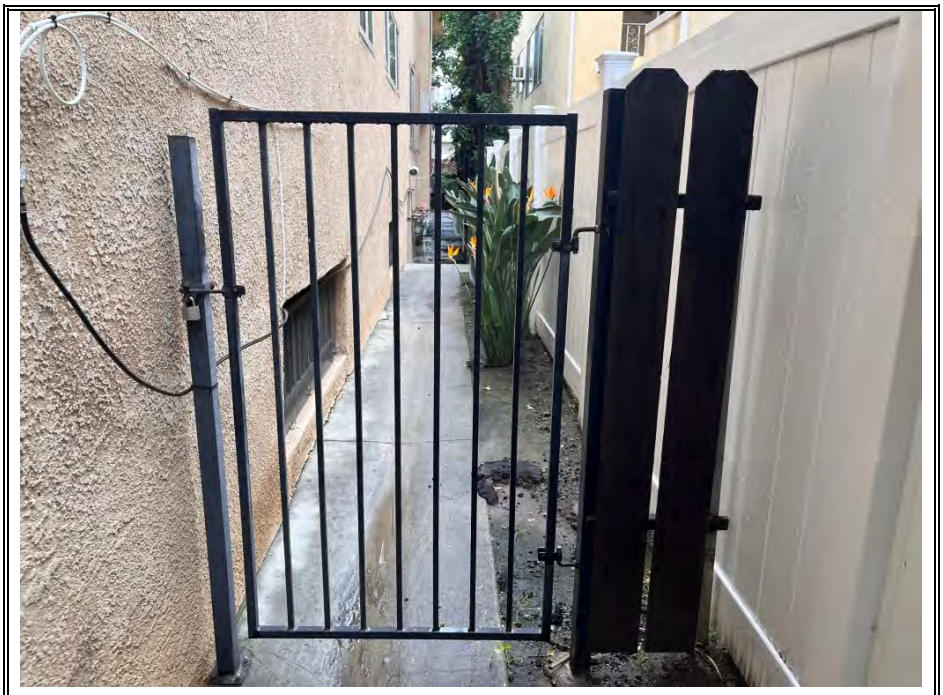
WROUGHT IRON (TYPICAL)

OBSERVATIONS: *This component includes the wrought iron fencing and railing. It appeared to be in various conditions and for the purposes of reporting, the remaining life has been averaged. If it is regularly painted and exposure to moisture kept to a minimum, most of the iron should have a life well in excess of 30 years. However, based upon our opinion and prior experience, repair, and replacement of a portion of the wrought iron, particularly vehicle and pedestrian gates, should be anticipated due to inevitable corrosion from wear and exposure of some sections to constant sprinkler spray as well as proximity to the ground.*

TYPICAL USEFUL LIFE:	*30 YEAR(S)*
ESTIMATED REMAINING LIFE:	*14 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 14,500*

TO PROTECT YOUR INVESTMENT: *Inspect at least once per year, emphasizing welds, where it meets the spacers or walls. Paint as necessary to ensure the maximum life potential. Wrought iron can deteriorate from the inside out, thus it is recommended to bend or squeeze the metal and repair or replace if it gives. Where possible, direct exposure to the ground and sprinkler spray should be minimized.*

CATEGORY:	*LANDSCAPE/HARDSCAPE*
COMPONENT(S):	*GATES* **ID#(S)** *0705*



GATES (TYPICAL)

OBSERVATIONS: *This component includes the iron pedestrian and vehicle gates. They appeared to be in an average condition. If it is regularly painted and exposure to moisture kept to a minimum, most of the wrought iron should have a life well in excess of 30 years. However, based upon our opinion and prior experience, repair / replacement should be anticipated due to inevitable corrosion from wear and exposure of some sections to constant sprinkler spray as well as proximity to the ground.*

TYPICAL USEFUL LIFE:	*25 YEAR(S)*
ESTIMATED REMAINING LIFE:	*11 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 11,850*

TO PROTECT YOUR INVESTMENT: *Inspect at least once per year, emphasizing welds, where it meets the spacers or walls. Paint as necessary to ensure the maximum life potential. Wrought iron can deteriorate from the inside out, thus it is recommended to bend or squeeze the metal and repair or replace if it gives. Where possible, direct exposure to the ground and sprinkler spray should be minimized.*

CATEGORY:	*MISCELLANEOUS*	
COMPONENT(S):	*FIRE EXTINGUISHERS*	**ID#(S)** *0801*



FIRE EXTINGUISHERS (TYPICAL)

OBSERVATIONS: *This component includes the fire extinguishers. It was noted that they were last serviced on April 17th, 2023, and they appeared to be in an average condition. Due to the limited quantity, it is recommended that repair or replacement be done on an as needed basis and funded from the operating account.*

TYPICAL USEFUL LIFE:	*N/A YEAR(S)*
ESTIMATED REMAINING LIFE:	*n/a YEAR(S)*
AVERAGE COMPONENT COST:	*$ 0*

TO PROTECT YOUR INVESTMENT: *The extinguishers should be inspected and re-charged by a State Fire Marshall approved company at 1-year intervals (or as required by law).*

CATEGORY:	*MISCELLANEOUS*	
COMPONENT(S):	*MAILBOXES*	**ID#(S)** *0802*



MAILBOXES (TYPICAL)

OBSERVATIONS: *This component includes the cluster of individual mailboxes. They appeared to be in an aging condition.*

TYPICAL USEFUL LIFE:	*20 YEAR(S)*
ESTIMATED REMAINING LIFE:	*0 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 1,600*

TO PROTECT YOUR INVESTMENT: *Lubricate the locks. Clean and protect the finishes.*

CATEGORY:	*MISCELLANEOUS*
COMPONENT(S):	*DIRECTORY BOARD* **ID#(S)** *0803*



DIRECTORY BOARD (TYPICAL)

OBSERVATIONS: *This component includes the glass faced aluminum case directory board above the mailboxes. It appeared to be in average condition.*

TYPICAL USEFUL LIFE:	*20 YEAR(S)*
ESTIMATED REMAINING LIFE:	*9 YEAR(S)*
AVERAGE COMPONENT COST:	*$ 650*

TO PROTECT YOUR INVESTMENT: *Little by way of maintenance can be performed for this component.*

CATEGORY:	*CONTINGENCY RESERVE*
COMPONENT(S):	*GENERAL-5%* **ID#(S)** *0901*

COMPONENT NOT PHOTOGRAPHED

GENERAL-5% (TYPICAL)

OBSERVATIONS: *It is difficult to anticipate every expense / replacement as well as accurately predict the cost of some items that are anticipated, due to unforeseen circumstances with respect to removal/installation, replacement with a different material than originally budgeted for, economic factors, etc. The Department of Real Estate (DRE) suggests a contingency equal to 3% of the annual budget (5% for a conversion from an apartment complex and 10% for a high-rise building over 70 feet). It is our opinion that a 5% contingency factor would be appropriate.*

TYPICAL USEFUL LIFE:	*N/A YEAR(S)*
ESTIMATED REMAINING LIFE:	*N/A YEAR(S)*
AVERAGE COMPONENT COST:	*$ SEE PG 4*

TO PROTECT YOUR INVESTMENT: *N/A*

GLOSSARY

ACCUMULATED DEPRECIATION	Amount of each component that has been used up at a point in time. The total accumulated depreciation equates to a "fully funded balance" (per CAI Standards definition).
ANNUAL DEPRECIATION	The current cost of a component divided by its typical life expectancy.
CASH FLOW METHOD	A method of developing a reserve funding plan where contributions to the reserve fund are designed to offset the variable annual expenditures. Different reserve funding plans are tested against the anticipated reserve expenses to achieve a desired funding goal.
CASH RESERVES	Funds available for major repair, restoration, replacement, or maintenance of the common components.
CC&R's	The covenants, conditions and restrictions, which govern the day to day operations of a facility.
COMPONENTS	The common area assets that require major repair, restoration, replacement, or maintenance. Typically: 1) Association responsibility, 2) with limited useful life expectancies, 3) predictable remaining useful life expectancies, 4) above a minimum threshold cost, and 5) as required by local codes.
COMPONENT INVENTORY	A list of components subject to degradation at a somewhat predictable rate within the projection period.
CONDITION ASSESSMENT	The evaluation of the current condition of the components based on observed or reported characteristics.
CONTINGENCY RESERVE ALLOWANCE	Additional funds set aside to allow for unforeseeable situations or variations. It is a percentage based on total expenditures anticipated each year.
CU. FT.	Measured in cubic feet.
CURRENT COST	Average cost for major repair, restoration, replacement, or maintenance of a component.
CURRENT RESERVE BALANCE	Amount of funds in reserve accounts estimated as of the beginning of the Reserve Study.
DEFICIT	The amount that the fully funded balance exceeds the actual (or projected) reserve balance.
EXCLUSIVE USE COMMON AREA	That part of a common area that has been designated for the individual use by a single interest.
FINANCIAL ANALYSIS	The portion of a Reserve Study (one of two parts) where current status of the reserves (measured as cash or Percent Funded) and a recommended reserve contribution rate (reserve funding plan) are derived, and the projected reserve income and expenditures over time are presented. It should illustrate the financial ability to fund future major repair or replacement of those common components that are subject to degradation within a specified period.
FISCAL YEAR	The twelve-month financial reporting period, which may not necessarily be a calendar year. Example: July 1, 2022 through June 30, 2023.
INFLATION FACTOR	An allowance for anticipated price increases based upon a 30-year average of the Consumer Price Index published by the U.S. Department of Labor. It is set at the beginning of each year.
INTEREST RATE ASSUMPTIONS	Average interest rate currently being earned from financial institutions where reserve funds are held.
LIFE CYCLE	The normal lifetime of a component, assuming it is properly installed / constructed and maintained.
LIFETIME COMPONENT	An element with a life expectancy that extends beyond the projection period of the study.
LIN. FT.	Measured in linear feet.
PERCENT FUNDED	The ratio, at a point of time (typically the beginning of the fiscal fear), of the actual (or projected) reserve balance to the accumulated depreciation of all the components (i.e. amount that ideally should be in reserves), expressed as a percentage.
PHYSICAL INSPECTION	A visual examination of accessible common components subject to degradation within the projection period.
PRO FORMA OPERATING BUDGET	A projection of operating expenditures for the year.
PROJECTION PERIOD	The span (in years) over which the study forecasts potential reserve expenditures and liabilities.
REGULAR ASSESSMENT	Budgeted amounts assessed to all owners (oftentimes referred to as "Dues"), including the reserve contribution – typically assessed monthly, quarterly, or annually.
REMAINING LIFE	The number of remaining years of a components' anticipated life expectancy based upon current condition and degradation factors.
REPLACEMENT CYCLE	See "Life Cycle" (i.e., frequency of repair/replacement within forecast).
RESERVE CONTRIBUTION	That portion of the "regular" assessment allocated to the reserve fund.
RESERVE STATUS	The present ability to fund future major repair or replacement of its common components.
SPECIAL ASSESSMENT	An assessment levied in addition to regular assessments, often regulated by governing documents or local statutes.
SQ. FT.	Measured in square feet.
SURPLUS	An actual (or projected) reserve balance greater than the fully funded balance.
USEFUL LIFE (UL)	The estimated time in years that a component is expected to serve its intended function if properly constructed in its present application or installation.

1849 GREENFIELD AVENUE OWNERS ASSOCIATION

MEMBERSHIP ELECTION RULES

Adopted _____, 202___

TABLE OF CONTENTS

MISCELLANEOUS – ALL MEMBERSHIP VOTES

1. Application
2. Email Ballots or Mail Ballots
3. No Email Votes on Assessments
4. Membership Voting Rights
5. Voter List
6. Proxies
7. Definitions
8. Amendments
9. Campaigning - Equal Access to Media
10. Campaigning - Equal Access to Meeting Space
11. Campaigning - Use of Association Funds
12. Candidate Qualifications
13. Appoint Inspector of Election
14. Inspector of Election's Duties

PRE-BALLOT PROCEDURES
DIRECTOR ELECTIONS AND VOTES TO RECALL DIRECTORS

15. 60 Days Before Call for Nominations – Optional Procedures to Preserve Vote by Acclamation
16. 60 Days Before Ballots are Distributed – Members' Choice of Voting Method
17. 60 Days Before Ballots are Distributed – Call for Nominations
18. After Close of Nominations – Uncontested Election
19. 30 Days Before Ballots are Distributed – Pre-Ballot Notice
20. 30 Days Before Ballots are Distributed – Verification of Member Information

PRE-BALLOT PROCEDURES
ALL OTHER VOTES

21. 60 Days Before Ballots are Distributed – Members' Choice of Voting Method
22. 30 Days Before Ballots are Distributed – Verification of Member Information
23. Before Ballots are Distributed – Use of Email Voting System

BALLOTING PROCEDURES – ALL VOTES

24. No Assessment Votes by Email
25. 30 Days Before Ballot Due Date – Election Rules
26. 30 Days Before Ballot Due Date – Ballot Package
27. The Ballot
28. Ballots are Irrevocable
29. Non-Members
30. Quorum
31. Extending Ballot Deadline
32. Meeting to Count the Ballots
33. Approval Requirement

POST-VOTING PROCEDURES
34. Voting Results
35. Storage and Access to Election Materials
36. Termination of Inspector's Duties

EXHIBIT A - OPTIONAL PROCEDURE TO PRESERVE RIGHT TO ELECTION OF DIRECTORS BY ACCLAMATION

EXHIBIT B – TIMELINES FOR MEMBERSHIP VOTES

MEMBERSHIP ELECTION RULES

Miscellaneous
All Membership Votes

1. **Application**. These Election Rules apply to all membership votes on the following:

   A. Assessments.
   B. Election or removal of directors.
   C. Amendments to the Association's governing documents.
   D. Grants of the exclusive use of common area, as described in California Civil Code Section 4600.

2. **Email Ballots or Mail Ballots.** The Board may decide to conduct a membership vote entirely by mail ("Mail Ballots"), by electronic secret ballot ("Email Ballots") sent out by the Inspector of Election, or by a combination of the two, as set out in these Election Rules.

3. **No Email Votes on Assessments**. However, votes on assessments must be taken by Mail Ballots unless otherwise allowed by law.

4. **Membership Voting Rights**. Each member's voting power is one vote per Unit owned. In any Board election, each Unit shall have one vote for each director to be elected.

5. **Voter List**. The Association shall maintain a voter list that includes:
   (1) The members' names.
   (2) The members' voting power, which is one vote per membership.
   (3) Either the Unit's physical address, its parcel number, or both.
   (4) Whether each member will vote by Email Ballot or by Mail Ballot.
   (5) The procedure to opt into or out of voting by Email Ballot.
   (6) The members' mailing address for the Mail Ballot, if it differs from the physical address of the Unit or if only the parcel number is used.
   (7) Valid email addresses for members voting by Email Ballot.

6. **Proxies.** The authenticity, validity, and effect of proxies is as follows: Proxies are not allowed for any membership votes

7. **Definitions**.

   A. "Individual Delivery" means delivery by the delivery method specified by the member, which may be by email. Or if the member hasn't specified, "Individual Delivery" shall be made by prepaid first-class mail or overnight delivery service.

   B. "General Delivery" means delivery by "Individual Delivery" or by posting the document in a prominent location that is accessible to all the members, if the location has been

designated for the posting of general notices by the Association in its annual policy statement.

8. **Amendments**. These Election Rules may not be amended during the 90-day period before a vote is counted.

9. **Campaigning - Equal Access to Media**. If any candidate or member advocating a point of view is provided access to Association media, newsletters, or internet websites during a campaign, for purposes that are reasonably related to that election, equal access shall be provided to all candidates and members advocating a point of view, including those not endorsed by the Board, for purposes that are reasonably related to the election. The Association shall not edit or redact any content from these communications, but may include a statement specifying that the candidate or member, and not the Association, is responsible for that content.

10. **Campaigning - Equal Access to Meeting Space**. Access to the common area meeting space, if any exists, during a campaign, is granted at no cost, to all candidates, including those who are not incumbents, and to all members advocating a point of view, including those not endorsed by the Board, for purposes reasonably related to the election.

11. **Campaigning - Use of Association Funds**.

    A. Association funds shall not be used for campaign purposes in connection with any Board election. Association funds shall not be used for campaign purposes in connection with any other type of vote except to the extent necessary to comply with duties of the Association imposed by law.

    B. "Campaign purposes" include, but are not limited to, expressly advocating the election or defeat or any candidate, or including the photograph or prominently featuring the name of any candidate on a communication from the Association or its Board, excepting the ballot and ballot materials, within 30 days of an election. "Campaign purposes" do not include communications for which Rule 9, above, requires equal access.

12. **Candidate Qualifications**. The qualifications for candidates for the Board are as follows. During their tenure, directors must meet these qualifications as well and are subject to the same procedures for removal from the Board as set out herein for the disqualification of candidates. As set out in California Civil Code Sections 5103(b) and 5105, this overrides anything to the contrary in the Bylaws.

    A. If title to a Unit is held by a legal entity that is not a natural person, the governing authority of that legal entity shall have the power to appoint a natural person to be a member for purposes of qualification to serve on the Board.

    B. Any person is automatically disqualified from a nomination as a candidate if, as of the close of nominations:

        (1) That person is not a member of the Association; or

        (2) The person has been declared of unsound mind by a final order of court.

C. The Board may disqualify members from nomination as a candidate for the following reasons if any of these factors exist as of the date of close of nominations, but only if the member has first been provided the opportunity to engage in a "meet and confer" (internal dispute resolution) as defined in Civil Code Section 5900 *et seq*.

(1) The member is not current in the payment of regular and special assessments. However, a member cannot be disqualified (i) for nonpayment of fines, fines renamed as assessments, collection charges, late charges, or costs levied by a third party, or (ii) for delinquent assessments if the person has entered into a payment plan pursuant to Civil Code Section 5665 and is in compliance with that plan.

(2) The member, if elected, would be serving on the Board at the same time as a co-owner of the same Unit, and the co-owner is either properly nominated for the current election or an incumbent director.

(3) The member discloses, or the Association is aware or becomes aware of, a past criminal conviction that would, if the member was elected, disqualify the Association from maintaining the fidelity insurance coverage required by Civil Code Section 5806.

(4) The member has been convicted of a felony.

13. **Appoint Inspector of Election**. Before starting the nomination process (for director elections or votes to recall directors) or voting process (all other membership votes), the Board shall appoint one or three independent third parties to serve as inspector(s) of election.

A. The inspector(s) may be Association members or non-members.

B. The inspector(s) may not be directors or candidates for election, family members of a director or candidate, the Association's manager, its accountant, its attorney, or any other person who is employed by the Association or otherwise under contract to provide services to the Association other than serving as the inspector of election.

C. The inspector(s) may appoint and oversee additional persons to verify signatures and to count and tabulate votes as the inspector(s) deem appropriate, provided that the persons are independent third parties.

14. **Inspector of Election's Duties**. The inspector of election shall do all of the following:

A. Determine the number of memberships entitled to vote and the voting power of each.

B. Determine the authenticity, validity, and effect of proxies, if any.

C. Receive ballots.

D. If authorized by the Board, the inspector of election may conduct a vote, except for a vote on assessments, by Email Ballot. If so, s/he shall provide each member voting by Email Ballot with all of the following:

(1) A method to authenticate the member's identity to the internet-based voting system.
(2) A method to transmit an Email Ballot to the internet-based voting system that ensures the secrecy and integrity of each ballot.
(3) A method to confirm at least 30 days before the voting deadline that the member's electronic device can successfully communicate with the internet-based voting system.

E. If the vote is taken by Email Ballot, the internet-based voting system used by the inspector of election shall be able to do all of the following:

(1) Authenticate the member's identity.
(2) Authenticate the validity of each Email Ballot to ensure that it is not altered in transit.
(3) Transmit a receipt from the internet-based voting system to each member who casts an Email Ballot.
(4) Permanently separate any authenticating or identifying information from the Email Ballot, rendering it impossible to connect an election ballot to a specific member.
(5) Store and keep Email Ballots accessible to elections officials or their authorized representatives for recount, inspection, and review purposes.

Pre-Ballot Procedures
Director Elections and Votes to Recall Directors

15. **60 Days Before Call for Nominations**
Optional Procedure to Preserve Acclamation. If the Association chooses to preserve the ability to declare an election by acclamation, it shall follow other process given in Exhibit A to these Election Rules. Acclamation can be used as explained in Exhibit A if at the close of nominations there are no more candidates for election to the Board than there are open Board positions. In that case, the Board can declare the candidates elected without having to distribute ballots.

16. **60 Days Before Ballots are Distributed**
Members' Choice of Voting Method. If the Association is making available the ability to vote by Email Ballot, members may change their preferred method of voting, either Email Ballot or Mail Ballot. Any change in a member's preferred method must be communicated to the Association at least 90 days before the votes are counted, along with a valid email address if the member is selecting an Email Ballot.

17. **60 Days Before Ballots are Distributed**
Call for Nominations. For the election of directors, the procedures for the nomination of candidates, consistent with the governing documents, are as follows:

A. At least 30 days before the deadline for submitting a nomination, the Association shall provide General Delivery (*see* Rule 6) of the procedure and deadline for submitting a nomination. If any member asks for Individual Delivery (*see* Rule 6) of the procedure, the Association shall provide it.

B. Nominations must be submitted in writing. Candidates may not be nominated from the floor of a membership meeting.

C. Members may nominate themselves for election to the Board. Only members may nominate candidates.

D. Write-in candidates are not allowed on ballots for the election of directors.

18. **After Close of Nominations**
Uncontested Election. The election may be canceled for any year in which both of the following occur, even if the Board has not followed the procedure for declaring an election by acclamation. However, the Association must hold an election at least once every four years:

A. At the close of nominations there are not more candidates than there are Board positions to be filled, and

B. At least 30 days later, as of the date by which ballots were to be mailed out, the Board consists of the same directors as if the nominees were all elected.

If the election is canceled, the current directors will stay in office until the next annual election is concluded.

19. **30 Days Before Ballots are Distributed**
Pre-Ballot Notice. At least 30 days before the ballots are distributed, the Association shall deliver to the members by General Delivery (*see* Rule 6) a Pre-Ballot Notice containing all of the following:

A. The due date and time for return of Mail Ballots.

B. If voting is by Email Ballot, the date and time by which Email Ballots are to be transmitted to the internet-based voting system and preliminary instructions on how to vote by Email Ballot once the voting period starts.

C. If voting is by Email Ballot, instructions on how to access to the internet-based voting system and how to vote by Email Ballot. This notice may be sent by email to an email address designated by the member.

D. The physical address where Mail Ballots are to be returned by mail or handed to the inspector(s) of election.

E. The date, time, and location of the meeting at which ballots will be counted.

F. A candidate registration list containing the names and addresses of all candidates nominated for election to the Board.

G. The following statement: "As provided by Section 3.4(h) of our Bylaws, each member has the right to verify the accuracy of their individual information on the Voter List and Candidate Registration List created for this election pursuant to Sections 3.4(e), 3.4(f), and 5.4(d) of our Bylaws."

H. The following statement: "The Board reserves the right to extend the voting deadline for additional periods in order to allow for additional solicitation of members who have not yet cast a ballot."

20. **30 Days Before Ballots are Distributed**
Verification of Member Information. Members may verify the accuracy of their individual information on the Association's voter list. The Association or member shall report to the inspector of election any errors or omissions to the list at least 30 days before the ballots are distributed to the inspector of election. The inspector of election shall make the corrections within two business days.

Pre-Balloting Procedures
All Other Votes

21. **60 Days Before Ballots are Distributed**
Members' Choice of Voting Method. Members may change their preferred method of voting to either Email Ballot or Mail Ballot. Any change in a member's preferred method must be communicated to the Association at least 90 days before the votes are counted, along with a valid email address if the member is selecting an Email Ballot.

22. **30 Days Before Ballots are Distributed**
Verification of Member Information. Members may verify the accuracy of their individual information on the Association's voter list. The Association or member shall report to the inspector of election any errors or omissions to the list at least 30 days before the ballots are distributed to the inspector of election. The inspector of election shall make the corrections within two business days.

23. **Before Ballots are Distributed (Email Ballots Only)**
Use of Email Voting System. The inspector of election shall provide each member voting by Email Ballot with all of the following:

A. A method to authenticate the member's identity to the internet-based voting system.
B. A method to transmit an Email Ballot to the internet-based voting system that ensures the secrecy and integrity of each ballot.
C. A method to confirm at least 30 days before the voting deadline that the member's electronic device can successfully communicate with the internet-based voting system.

24. **No Assessment Votes by Email.** As of the date of these Election Rules, statute prohibits membership votes on large special assessments or large increases of regular assessments by Email Ballot. All such votes must be taken by Mail Ballot. If statute is subsequently revised, membership assessment votes may be taken by any means allowed by law.

25. **30 Days Before Ballot Due Date**
Election Rules. The Election Rules must be delivered to members by Individual Delivery (*see* Rule 6) at least 30 days before the ballot due date. Or instead they may be delivered by posting them on an internet website and including the website's address on the ballot with the phrase in at least 12-point font: "The rules governing this election may be found here." Or the Election Rules may be delivered to the members by Individual Delivery. As of the date of these Election Rules, the Association's website is www.condomanager.com.

26. **30 Days Before Ballot Due Date**
Ballot Package. At least 30 days before the Ballots are due, the inspector of election must cause to be delivered to each member a ballot package. The Association will only send one ballot to each member, either by email or mail. The ballot package for Mail Ballots shall be delivered by Individual Delivery (*see* Rule 6). If the Association does not have a member's email address for Email Ballots by the time that ballots are to be distributed, that member will receive a Mail Ballot.

The ballot package shall contain:

A. A ballot.

B. The following information, which may be included in the ballot or in a separate notice:

- The due date and time for returning the ballot. Unless otherwise stated in the ballot package, ballots shall be due at 5:00 p.m. on the due date if delivered to the address on the return envelope, or if hand delivered to the meeting to count ballots which is held on the due date, by close of polls as announced at the meeting.

- The number of responses needed to satisfy the quorum requirement.

- For actions other than Board elections, the percentage of members required to pass the proposal.

An Email Ballot may be accompanied by or contained in an email notice.

C. For Mail Ballots only, two envelopes, as follows:

- An inner envelope containing no information to identify the member using it. The member is to fill in the ballot, put it in this blank inner envelope, seal the envelope, and place it in the outer envelope.

- An outer envelope containing in the upper left-hand corner the following information, or a place for the member to fill in the following:
  - Signature line;
  - Member's printed name; and
  - The address of the member's Unit.

This outer envelope is to be returned to an address designated by the inspector of election.

D. In any vote of the members to approve an amendment to the Bylaws, CC&Rs, or any other governing document, the text of the proposed amendment shall be included with the ballot delivered to the members.

(1) For Members voting by email, the Association may deliver by email or other electronic means the text of the proposed amendment.

(2) The Association shall also deliver, without charge, a written copy of the text of the proposed amendment to members upon request

27. **The Ballot.**

A. **Ballot Contents**. The ballot shall not include any place for members to sign or to write their names, addresses, or other identification. It shall include each proposed action and a space to specify approval or disapproval of it, and the following statement: "The Board reserves the right to extend the voting deadline for additional periods in order to allow for additional solicitation of members who have not yet cast a ballot."

B. **Measures Voted On**. The Email Ballots and Mail Ballots must contain the same list of items being voted on.

C. **Ballot Due Date**. The voting period for membership votes, including the times at which polls will open and close, is at least 30 days from the date the ballot is distributed. If the meeting to count Mail Ballots is held on the same date as the Mail Ballots are due, members may hand deliver their Mail Ballots to the inspector at that meeting even if the deadline for delivering Mail Ballots to the inspector's address closed earlier that day.

D. **Cumulative Voting - Director Elections Only.** Cumulative voting is not allowed in any election of directors, which means that members may not place more than one vote on any one candidate.

28. **Ballots are Irrevocable**. Once an Email Ballot is emailed to the address, location, or system designated by an inspector of election, it is effective and cannot be revoked. Once a Mail Ballot has been received by the inspector of election, it is effective and cannot be revoked. Any subsequent ballots received for the same Unit shall be deemed invalid.

29. **Non-Members**. Persons may only be denied ballots if they are not a member at the time the ballots are distributed. A person holding a general power of attorney for a member is entitled to receive a ballot and to vote the ballot on behalf of the member.

30. **Quorum**. For purposes of determining a quorum, a member voting by Email Ballot shall be counted as a member in attendance at the meeting. Once quorum is established, a substantive membership vote shall not be taken on any issue other than the ones identified on the Email Ballot.

31. **Extending Ballot Deadline**. The Board may, at its option, at any open Board meeting held before the deadline to return ballots, request that the Inspector of Election count the ballot envelopes received to date. If the number of ballots returned is insufficient to meet quorum or approval requirements, or if the Board otherwise determines an extension would be advisable, it may extend the voting deadline by a reasonable period. If so, the Board shall distribute to all members notice of the deadline extension by General Delivery (*see* Rule 8) before the original deadline has expired.

32. **Meeting to Count the Ballots.** No one may open or otherwise review any tally sheet of votes cast by Email Ballots before the time and place at which the ballots are counted and tabulated. The inspector of election shall open the envelopes for Mail Ballots and count the ballots at either a membership meeting or an open Board meeting, in a public location where the members can observe the counting process. The inspector of election can mark off a small area where members cannot enter to keep the ballots out of reach of the public, as long as the members can see and hear the counting process.

33. **Approval Requirement**.

    A. Unless a different percentage of approval is required by law or the governing documents, approval by ballot shall be valid only when (i) the number of ballots returned by the deadline equals or exceeds the quorum requirement, and (ii) over half of the ballots cast votes in favor of the measure voted on. In an election of directors, those candidates receiving the largest number of votes shall be elected to the Board.

    B. **Tie Vote**. If there is a tie for the election of directors, the result shall be determined by a run-off election conducted by Mail Ballot or Email Ballot. If a run-off election is conducted, all directors whose positions were up for election shall be removed from office, the remaining candidates elected to the Board shall take their positions immediately without waiting for the results of the runoff, and the position which was tied shall remain vacant until the run-off election is concluded, unless that would reduce the number of directors to less than a quorum of three out of five directors. In that case, the Board shall remain the same and the newly elected directors shall not take their seats until the runoff election is concluded.

Post-Voting Procedures

34. **Voting Results**. The results of every member vote by Mail Ballot or Email Ballot shall be recorded in the minutes of the meeting where the ballots were counted. In addition, within 15 days after the votes have been counted, the Board shall notify the members of the vote results by General Delivery (*see* Rule 6).

35. **Storage and Access to Election Materials**.

A. Ballots, voided ballots marked "Void" with the reason for their being voided, signed envelopes, the voter list, the candidate list, and tally sheet of votes cast by Email Ballot ("election materials") shall remain in the custody of the inspector of election, or at a location designated by the inspector, for one year after the election. After one year, the election materials shall be delivered to the Association. The Association may destroy the election materials at any time after one year from the subject vote.

B. For one year after the ballots are counted, in the event of a recount or other challenge to the voting process, the election materials shall be made available for inspection and review by a member or their authorized representatives. Any recount shall be conducted in a manner that shall preserve the confidentiality of the vote.

36. **Termination of Inspector's Duties**. The inspector of election's authority terminates when the inspector reports to the Board, or should have reported to the Board, the election results. Except for storage and access to the election materials, the inspector of election's duties and obligations terminate when the inspector actually reports the election results to the Board. The inspector's duties relating to storage and access to election materials shall terminate when the inspector delivers, or should have delivered, the election materials to the Association.

EXHIBIT A

OPTIONAL PROCEDURE TO PRESERVE RIGHT TO ELECTION OF DIRECTORS BY ACCLAMATION

This procedure may be used, at the Board's discretion, if all of the following is true:

- If after close of nominations the number of candidates does not exceed the number of directors to be elected, the Board wishes to declare the nominees to be elected without distributing ballots for the members' vote (election by acclamation); and

- The Association has held a regular election for the directors in the last three years. The three-year time period shall be calculated from the date ballots were due in the last full election to the start of voting for the proposed election; and

- The director election is not part of a vote to recall one or more directors and at the same time elect their replacement(s).

1. **60 Days Before the Call for Nominations is Sent Out.** The Association shall provide by Individual Delivery an initial notice of the election and the procedure for nominating candidates. The initial notice shall include all of the following:

   A. The number of Board positions that will be filled at the election.

   B. The deadline for submitting nominations, which shall be at least 90 days after this initial notice is sent out.

   C. How members can submit nominations.

   D. A statement informing members that if, at the close of the time period for making nominations, there are the same number or fewer qualified candidates as there are Board positions to be filled, then the Board of Directors may, after voting to do so, seat the qualified candidates by acclamation without sending out ballots.

2. **Call for Nominations**. The Association shall send out the regular call for nominations as set out in Rule 18 of these Election Rules.

3. **Seven to 30 Days Before Nominations are Due.** If the number of qualified candidates received by now does not exceed the number of Board positions to be filled, the Association shall send out by Individual Delivery (*see* Voting Rule 6) a reminder notice. The reminder notice shall include all of the following:

   A. The number of Board positions that will be filled at the election.

   B. The deadline for submitting nominations.

   C. How members can submit nominations.

D. A list of the names of all of the qualified candidates to fill the Board positions as of the date of the reminder notice.

E. A statement reminding members that if, by the deadline for submitting nominations, there are the same number or fewer qualified candidates as there are board positions to be filled, then the Board of Directors may, after voting to do so, seat the qualified candidates by acclamation without balloting.

4. **Nominations – Confirmation and Qualification**.

A. **To Member Nominating a Candidate**. Within seven business days of receiving a nomination, the Association shall provide to the member who submitted the nomination a written or electronic acknowledgement of the nomination.

B. **To Candidate**. Within seven business days of receiving a nomination, the Association shall provide to the nominee a written or electronic communication indicating either of the following:

(1) The nominee is a qualified candidate for the board of directors, or

(2) The nominee is not a qualified candidate for the Board of Directors, the basis for the disqualification, and the procedure for internal dispute resolution (Civil Code Sections 5900 *et seq.*) by which the nominee may appeal the disqualification.

If a Member nominated him/herself, these two notices may be combined into one.

C. **Disqualifying Candidates**. The Association shall permit all qualified candidates to run for the Board.

D. **Contesting Disqualification as Candidate**. Nominees who are members of the Association may contest their disqualification by requesting a "meet and confer" as set out in Rule 13.C of these Election Rules.

5. **Election by Acclamation**. If as of the nominations deadline the number of qualified candidates is not more than the number of vacancies to be elected, as determined by the inspector of election, the Board may, but is not required to, consider the qualified candidates elected by acclamation. The Board shall vote to consider the qualified candidates elected by acclamation at an open Board meeting for which the agenda item reflects the name of each qualified candidate that will be seated by acclamation if the item is approved.

Exhibit B

Timelines for Membership Votes

DIRECTOR ELECTIONS AND DIRECTOR RECALLS		
Day	**Description**	**Voting Rule**
Before starting the vote process	Appoint inspector of election	Rule 14
90 days before ballots are distributed	***Only if HOA chooses to preserve right to acclamation***: Notice that the Board may declare the vote by acclamation	Exh. A, ¶ 1
More than 60 days before ballots are distributed	Only where Email Ballots are allowed: Notify members they can choose to vote by either Mail or Email Ballots	Rule 17
60 days before ballots are distributed	Only where Email Ballots are allowed: Members' deadline to choose to vote by either Mail or Email Ballots	Rule 17
60 days before ballots are distributed	Call for nominations	Rule 18
7 days after receiving each nomination	***Only if HOA has preserved right to acclamation***: Acknowledgement of receipt of nomination; Notice to nominee whether they're qualified	Exh. A, ¶ 4
7 to 30 days before close of nominations	***Only if HOA has preserved right to acclamation***: Reminder to members of nomination deadline	Exh. A, ¶ 3
30 days before ballots are distributed	***Only if HOA has preserved right to acclamation***: After close of nominations, if conditions are met, the Board may declare the election decided by acclamation	Exh. A, ¶ 5
More than 30 days before sending out ballots	Notify members they may verify their contact information on the HOA's voting list	Rule 23
30 days before sending out ballots	Close of nominations	
After close of nominations	If election is uncontested, HOA may be able to cancel the election if certain conditions are met	Rule 19
After close of nominations, 30 days before sending out ballots	Distribute to members a pre-ballot notice with voting information and a copy of the candidate list	Rule 20
30 days before sending out ballots	Deadline for members to verify their contact information on the HOA's voting list	Rule 23
Sometime before ballots are sent out	Only where Email Ballots are allowed: Send members a notice on using the email voting system	Rule 24

30 days after pre-ballot notice (*see* Rule 20)	Send members the balloting package, giving 30 days to return ballots	Rule 27
30 days before balloting deadline	Send members copy of Election Rules	Rule 26
30 days after ballot mailing	Balloting deadline	Rule 28.C
On or after balloting deadline	Meeting to count ballots	Rule 33
Within 15 days after ballot counting	Notice to members of vote results	Rule 35
Within 15 days after meeting to count ballots	If there is no quorum at meeting, the meeting may be adjourned for 20 to 45 days	Rule 32.A
For 1 year after ballot counting	Retain ballots and make them available for inspection by the members	Rule 36

ALL VOTES OTHER THAN DIRECTOR ELECTIONS AND RECALLS		
Day	**Description**	**Voting Rule**
Before starting the vote process	Appoint inspector of election	Rule 14
More than 60 days before ballots are distributed	Only where Email Ballots are allowed: Notify members they can choose to vote by either Mail or Email Ballots ***Note**:* Email Ballots are not allowed for assessment votes.	Rule 17 Rule 9
60 days before ballots are distributed	Only where Email Ballots are allowed: Members' deadline to choose to vote by either Mail or Email Ballots	Rule 22
More than 30 days before ballots are distributed	Notify members they may verify their contact information on the HOA's voting list	Rule 23
30 days before ballots are distributed	Deadline for members to verify their contact information on the HOA's voting list	Rule 23
Sometime before ballots are distributed	Only where Email Ballots are allowed: Send members a notice on using the email voting system	Rule 24
Ballot mailing	Send members the balloting package, giving 30 days to return ballot	Rule 27
30 days before balloting deadline	Distribute to members a copy of the Election Rules	Rule 26
30 days after ballot mailing	Balloting deadline	Rule 28.C
On or after balloting deadline	Meeting to count ballots	Rule 33
Within 15 days after ballot counting	Notice to members of vote results	Rule 35
For 1 year after ballot counting	Retain ballots and make them available for inspection by the members	Rule 36

ALLSTATE HOA MANAGEMENT
HOMEOWNER ASSOCIATION MANAGEMENT SERVICES

11030 SANTA MONICA BOULEVARD SUITE 100 LOS ANGELES CA 90025
T: 310.444.7444 F: 310.496.3168

November 4, 2024

To: Members of 1849 Greenfield Avenue Homeowners Association

Re: Notice of Proposed Rule Change – Election Rules

Dear Homeowners at 1849 Greenfield Avenue Homeowners Association,

The Board hired The Law Offices of Jeanne McDonald to draft Election Rules as required by law and to prepare for the next election for the Board of Directors. Please see the below for more information.

A. Purpose and Effect of Proposed Rule

Enclosed, please find the proposed Election Rules, which will be considered for adoption. The purpose and effect of the enclosed proposed Election Rules is to set certain procedural rules for the successful management of meetings of the Association's members and the implementation of the relevant provisions of California Law and the Association's Bylaws concerning elections and voting. On January 1, 2020, Senate Bill 323, which amended California Civil Code §§ 5100, 5105, 5110, 5115, 5125, and 5145 governing member elections, took effect. The enclosed proposed Election Rules have been revised to incorporate those amendments and to allow for election by acclamations pursuant to California Civil Code §5103, which took effect on January 1, 2022.

B. Comment Period

Pursuant to California Civil Code §4360, the membership is entitled to a twenty-eight (28) day review and comment period. If you wish to comment on the proposed Election Rules, please mail your comments to the Board c/o 1849 Greenfield Avenue Homeowner's Association, 11030 Santa Monica Blvd., Ste 100, Los Angeles, CA 90025, so that they are received by close of business on December 4, 2024. You may also provide your comments to the Board at future board meetings, during which the Board will consider the Members' comments before voting to adopt or not adopt the proposed Election Rules.

C. Conclusion

Thank you for taking the time to review the proposed Election Rules. If you have any questions, please direct them to your community manager at the above-referenced mailing address or via email.

Cordially,

Collin Harwell
Portfolio Manager, CCAM
Allstate HOA Management
collin.h@hoamgmt.com
(310) 444-7444 ext 553

Amended and Restated Bylaws

of the

1849 Greenfield Avenue Owners Association

Table of Contents

Article 1 Recitals and Definitions **7**
Section 1.1. Name and Principal Office of Association 7
Section 1.2. Corporate Status 7
Section 1.3. Specific and Primary Purposes 7
Section 1.4. Definitions 7

Article 2 Membership **8**
Section 2.1. Members of the Association 8
Section 2.2. Term of Membership 9
Section 2.3. Multiple Owners of Single Condominium 9
(a) One Membership Vote Per Condominium 9
(b) Voting by Co-Owners 9
Section 2.4. Single Owner of Multiple Condominiums 9
Section 2.5. Furnishing Evidence of Membership 9

Article 3 Member Voting **10**
Section 3.1. One Class of Membership, Voting Power 10
Section 3.2. Member Voting Rights 10
Section 3.3. Eligibility to Vote 10
Section 3.4. Manner of Voting 10
(a) Elections by Secret Ballot Only 10
(b) Election Rules 10
(c) Call for Candidates Form 10
(d) Inspector(s) of Election 11
(e) Voter List 11
(f) Candidate Registration List 12
(g) Pre-Ballot Notice 12
(h) Inspection and Correction of Lists 13
(i) Record Date for Voting, Members Eligible to Vote, Finalization of Voter List 13
(j) Cumulative Voting 13
(k) Proxies 13
(l) Voting Packets 13
(m) Ballot Instructions 15
(n) No Revocation of Cast Ballots 15
(o) Custody of Association Election Materials Prior to Vote, Extensions of Voting Deadline 15
(p) Counting and Tabulation of Ballots, Reporting of Results 16
(q) Notification of Election Results 16
(r) Requirements for Valid Member Action 16
(s) Custody of Association Election Materials After Vote 16

(t) Recounts and Other Election Challenges 16
(u) Meetings for Other Purposes 17
Section 3.5. Quorum 17
(a) Assessment Increases 17
(b) Election of Directors and IRS Resolution 17
(c) Removal of Directors or Board 17
(d) Amendment of Governing Documents 17
(e) Quorum for Other Matters 17

Article 4 Member Meetings 17
Section 4.1. Place of Meetings 17
Section 4.2. Annual Meeting 17
Section 4.3. Special Meetings 17
(a) Persons Entitled to Call Special Meetings 18
(b) Procedures for Calling Special Meetings Requested by Members 18
Section 4.4. Notice of Meetings 19
(a) Requirement That Notice Be Given 19
(b) Time Requirements for Notice 19
Section 4.5. Record Dates for Notice 19
(a) Persons Entitled to Notice of Meetings 19
(b) Rights of Eligible First Mortgagees 19
Section 4.6. Meeting Conduct 19

Article 5 Board of Directors 19
Section 5.1. General Board Powers 19
Section 5.2. Number and Qualifications of Directors 19
Section 5.3. Director Terms of Office 20
Section 5.4. Qualifications and Nomination of Director-Candidates 20
(a) Director-Candidate Qualifications 20
(b) Call for Candidates Form 21
(c) Review of Forms, Candidacy-Related IDR 21
(d) Candidate Registration List 21
Section 5.5. Election of Directors 22
(a) Frequency of Elections 22
(b) Determination of Election Results, Ties, Succession to and Holding of Office 22
Section 5.6. Vacancies on Board 22
(a) Grounds for Vacancies 22
(b) Resignation of Directors 22
(c) Authority of Board to Remove Directors 23
(d) Authority of Members to Remove Directors or Board 23
(e) Removal of Directors by Court Action 24

(f) Filling Board Vacancies 24
(g) Reduction in Number of Directors 24
Section 5.7. Compensation 24

Article 6 Board Meetings 25
Section 6.1. Meetings Defined, Place of Meetings, Meetings by Electronic Means 25
(a) Board Meetings Defined 25
(b) Place of Meetings 25
(c) Meetings by Electronic Means 25
Section 6.2. Post-Election Meeting 25
Section 6.3. Regular Meetings 25
(a) Frequency 25
(b) Monthly Review of Association Finances 25
(c) Annual Schedule 26
(d) Notice Requirement for Directors, Waiver of Notice 26
(e) Notice Requirement for Members 26
Section 6.4. Special Meetings 26
(a) Who May Call, For What Purpose 26
(b) Notice Requirement for Directors, Waiver of Notice 26
(c) Notice Requirements for Members 27
Section 6.5. Emergency Meetings 27
Section 6.6. Executive Sessions 27
(a) Discretionary and Mandatory Matters 27
(b) Notice Requirement for Directors, Waiver of Notice 27
(c) Notice Requirement for Members 27
(d) Special Notice Requirements for Members Who Are Subject to Possible Disciplinary Action 27
Section 6.7. Actions Without Meetings 28
Section 6.8. Common Interest Development Open Meeting Act 28
(a) Meetings Generally Open to Members 28
(b) Meeting Minutes 28
Section 6.9. Quorum Requirements, Director Voting 28
Section 6.10. Waiver of Notice 29
Section 6.11. Adjournment 29
Section 6.12. Meeting Conduct 29

Article 7 Officers 29
Section 7.1. Officers 29
Section 7.2. Appointment of Officers 29
Section 7.3. Subordinate Officers 29
Section 7.4. Terms, Removal of Officers 30
Section 7.5. Resignation of Officers 30

Section 7.6. Vacancies 30
Section 7.7. Offices and Duties 30
(a) President 30
(b) Vice President 30
(c) Secretary 30
(d) Treasurer 30
Section 7.8. Delegation of Duties 31
Section 7.9. Officer's Authority to Execute Contracts 31

Article 8 Committees 31
Section 8.1. Standing Committees 31
(a) Rental and Leasing Committee 31
(b) Architectural Committee 31
(c) Nominating Committee 31
(d) Financial Review Committee 31
Section 8.2. Other Committees 31
(a) Executive Committees 31
(b) Advisory Committees 31
Section 8.3. Committee Members 32

Article 9 Conflicts of Interest 32
Section 9.1. Conflicts of Interest 32
(a) Decisions Involving Financial Interest of Association Official 32
(b) Litigation Against Association, Directors, or Association Manager 32
(c) Other Matters on Which An Interested Association Official May Not Vote 32
Section 9.2. Agents and Employees 32
Section 9.3. Enforcement 33
(a) Determination of Conflict of Interest 33
(b) Remedies 33
Section 9.4. Applicability 33

Article 10 Association Records and Disclosures to Members 33
Section 10.1. Records 33
Section 10.2. Fiscal Year 33
Section 10.3. Annual Budget Report 33
Section 10.4. Review of Financial Statement 33
Section 10.5. Annual Policy Statement 33
Section 10.6. Delivery of Annual Budget Report and Annual Policy Statement 33

Article 11 Inspection Rights of Members and Directors 34
Section 11.1. Member Inspection Rights 34
(a) Scope of Member Inspection Rights 34

(b) Association's Right to Withhold or Redact Information 34
(c) Designation of Agent for Purposes of Inspection 35
(d) Where Inspection Rights May Be Exercised 35
(e) Costs of Copies, No Duty to Compile 35
(f) Electronic Delivery of Records 35
Section 11.2. Director Inspection Rights 36
Section 11.3. Inspection Rules 36

Article 12 Amendments 36
Section 12.1. Amendments by Board 36
Section 12.2. Amendments by Board and Members 36
Section 12.3. Approval of Certain Amendments by Eligible First Mortgagees 36
Section 12.4. Certification, Retention in Association Records, Distribution to Members 36
Section 12.5. Presumption of Validity 37

Article 13 General Provisions 37
Section 13.1. Association Manager 37
Section 13.2. Delivery of Documents to Association 37
Section 13.3. Secondary Address 37
Section 13.4. Construction 37
(a) Generally 37
(b) Provisions Liberally Construed Together, No Waiver 37
(c) Provisions Severable 37
(d) Singular and Plural, Gender Pronouns 38
(e) Titles, Headings, Captions, and Footers 38
(f) Exhibits 38
Section 13.5. Conflict Between Governing Documents 38
Section 13.6. References to Declaration 38

Certificate of Secretary 38

Article 1

Recitals and Definitions

Section 1.1. Name and Principal Office of Association. The name of this corporation is the 1849 Greenfield Avenue Owners Association, and it shall be referred to herein as the "Association." The principal office of the Association shall be located at the office of the Association Manager or such other place within the Development, or a reasonable distance from it, as the Board may designate by resolution.

Section 1.2. Corporate Status. The Association is a California nonprofit mutual benefit corporation (Corporations Code §§ 7110–8910) and is an "association" as defined by Civil Code section 4080.

Section 1.3. Specific and Primary Purposes. The specific and primary purposes of the Association are to operate, manage, maintain, repair, replace, and restore the Common Area, Common Facilities, and certain portions of the Units within the common interest development located in the City of Los Angeles, County of Los Angeles, State of California, commonly referred to as 1849 Greenfield Avenue, all as more particularly described in the Declaration, to enforce the terms, covenants, conditions, restrictions, and provisions of the Declaration, these Bylaws, the Association Rules, and any other rules, regulations, or policies adopted by the Board, and to otherwise enhance and promote the use and enjoyment of the Common Area and Common Facilities of the Development by the Owners of 1849 Greenfield Avenue in common.

Section 1.4. Definitions. The following terms and phrases used in these Bylaws shall have the meanings set forth in this Section:

(a) "**Annual Budget Report**" means the compilation of documents that the Association must provide to the Members on an annual basis thirty (30) to ninety (90) days before the end of the fiscal year pursuant to Civil Code section 5300 and Section 10.3.

(b) "**Annual Policy Statement**" means the information, statements, and notices that the Association must provide to the Members on an annual basis thirty (30) to ninety (90) days before the end of the fiscal year pursuant to Civil Code section 5310 and Section 10.5.

(c) "**Articles**" means the Amended and Restated Articles of Incorporation of 1849 Greenfield Avenue Owners Association, which will be filed in the Office of the Secretary of State of the State of California on or about the date of recordation of this Declaration and any duly adopted amendments thereto.

(d) "**Bylaws**" means these Amended and Restated Bylaws of the 1849 Greenfield Avenue Owners Association and any duly adopted amendments thereto.

(e) "**Declaration**" or "**Covenants, Conditions, and Restrictions**" or "**CC&Rs**" means the Amended and Restated Declaration of Covenants, Conditions, and Restrictions of 1849 Greenfield Avenue and any duly adopted amendments thereto.

(f) "**Election Rules**" means the Election Rules of the 1849 Greenfield Avenue Owners Association.

(g) "**General Notice**" or "**General Delivery**" mean the delivery of a notice or other document by any of the following methods:

(i) Any method of delivery that constitutes Individual Notice. If a Member delivers a written request to the Association to have all General Notices delivered by Individual Notice, then all General Notices for that Member shall be delivered by Individual Notice.

(ii) Inclusion of the notice or other document in a billing statement, newsletter, or similar Association document that is delivered by one of the methods provided in this subsection (g).

(iii) Posting a copy of the printed notice or other document in a prominent location that is accessible to all Members, so long as the location has been designated for the posting of General Notices by the Association in its Annual Policy Statement.

(iv) Any other method of delivery authorized by Civil Code section 4045.

(h) "**Individual Notice**" or "**Individual Delivery**" mean the delivery of a notice or other document by any of the following methods:

(i) First-class mail, postage prepaid, registered or certified mail, express mail, or overnight delivery by an express service carrier addressed to the recipient at the address last shown on the Association's records.

(ii) Email, facsimile, or other electronic means, if the recipient has consented, in writing or by email, to that method of delivery. The consent may be revoked, in writing or by email, by the recipient.

(iii) Any other method of delivery authorized by Civil Code section 4040.

(i) "**Member Eligible to Vote**" means a Member who is a Member as of the record date for voting set pursuant to Section 3.4(i).

(j) "**Member in Good Standing**" means a Member who is not subject to discipline or penalties as a result of any disciplinary proceeding conducted in accordance with the due process and disciplinary hearing procedures of Article 8 of the Declaration. A Member's loss of their Member in Good Standing status shall only occur after notice and a hearing pursuant to Section 8.6(g) of the Declaration.

(k) Definitions Incorporated by Reference. Any capitalized term or phrase used in these Bylaws and not otherwise defined herein shall have the same meaning given to that term or phrase in the Declaration, unless the context indicates a contrary intent.

Article 2

Membership

Section 2.1. Members of the Association. Each Owner of a Condominium within the Development is a Member of the Association. Only Owners of Condominiums within the Development shall be Members. Membership in the Association is appurtenant to, and may not be separated from, Ownership of any Condominium. Membership shall not be transferred, encumbered, pledged, alienated, or hypothecated in any way, except upon the transfer or encumbrance of the Condominium to which it is appurtenant and then only to the transferee or Mortgagee of such Condominium. Any attempt to make a prohibited transfer of Membership in the Association shall be void.

Section 2.2. Term of Membership. Upon becoming an Owner of a Condominium, each Owner shall automatically become a Member. Each Owner shall remain a Member until such time as their Ownership of a Condominium within the Development ceases or until they no longer qualify as a Member. On the sale, conveyance, or other transfer of an Owner's interest in a Condominium, the Owner's Membership interest appurtenant to the Condominium shall automatically transfer to the Condominium's new Owner, and the prior Owner's status as a Member and rights of Membership shall automatically terminate.

Section 2.3. Multiple Owners of Single Condominium.

(a) One Membership Vote Per Condominium. Ownership of a Condominium shall give rise to a single Membership in the Association, and each Membership held by an Owner shall entitle the Member, if otherwise qualified, to one (1) vote on matters requiring the consent or approval of the Members. Accordingly, if more than one (1) Person owns a Condominium, all of the co-Owners shall be deemed to be one (1) Member for voting purposes.

(b) Voting by Co-Owners. Any one of the co-Owners of a Condominium shall be eligible to vote the Membership of their Condominium, unless the Association is notified in writing as to the Owner designated by the co-Owners as having the sole right to vote the Membership on their behalf, in which case only the Owner so designated shall be eligible to vote. If such notification does not occur, or if such notification is revoked in writing, the following provisions shall apply:

(i) If only one (1) of the co-Owners casts a vote, it shall thereafter be conclusively presumed for all purposes that said Owner was acting with the authority and consent of all of the other co-Owners.

(ii) If two (2) or more of the co-Owners cast votes in an entirely consistent manner, the Inspector(s) of Elections shall deem all such votes cast by that Membership as one (1) vote for each matter voted for.

(iii) If two (2) or more of the co-Owners cast votes in a manner that is in any way inconsistent, the Inspector(s) of Elections shall disqualify all votes cast by that Membership in that election or vote. However, the Membership shall be considered as one (1) vote for purposes of determining whether the quorum requirements applicable to the vote at issue have been met.

(iv) If the co-Owners are unable to agree among themselves as to how to vote, they shall lose their right to vote on the matter in question.

Under no circumstances shall the Association bear any responsibility for settling voting disputes between co-Owners.

Section 2.4. Single Owner of Multiple Condominiums. Subject to the provisions of Section 2.3, if a Person owns more than one (1) Condominium in the Development, that Owner shall have one (1) Membership and voting rights with respect to each Condominium owned.

Section 2.5. Furnishing Evidence of Membership. As provided by Section 2.5(c) of the Declaration, a Person shall be entitled to exercise the rights of a Member and to receive the notices and other documents to which Members are entitled once the Association has received notice in writing that said Person is qualified to be a Member. The notice shall include the Person's name, the mailing address to which all notices shall be sent, their telephone number and email address, and a telephone number and email

address for emergencies.

If requested by the Board, the Person shall further provide the Board with evidence of their qualification as a Member in the form of a copy of a duly recorded grant deed to the Condominium or a copy of a currently effective policy of title insurance for the Condominium showing the Person as the Owner of record. Exercise of Membership rights shall be further subject to the provisions regarding record dates for notice and voting set forth herein.

Article 3

Member Voting

Section 3.1. One Class of Membership, Voting Power. The Association shall have one (1) class of voting Membership. Each vote by each Member Eligible to Vote shall have the same weight in each election.

Section 3.2. Member Voting Rights. Subject to the provisions of Section 2.3, on each matter submitted for an election of the Members, each Member Eligible to Vote shall be entitled to cast one (1) vote for each Condominium owned by such Member. In Director elections, each position to be filled is considered a separate matter to be decided, so that a Member Eligible to Vote may cast for each Condominium owned the number of votes equal to the number of positions on the Board to be filled by the election.

Section 3.3. Eligibility to Vote. Only Members Eligible to Vote shall be entitled to vote on any matter requiring the consent or approval of the Members.

Section 3.4. Manner of Voting.

(a) Elections by Secret Ballot Only. With the exception of the Member vote on the annual IRS resolution, all elections by the Members shall be conducted by means of secret ballots formatted, distributed, cast, collected, counted, tabulated, and kept pursuant to Civil Code sections 5100–5145, this Section, and the Election Rules.

If changes in the law require that elections by the Members be conducted in a manner other than as described in these Bylaws, the Board may adopt amendments to these Bylaws pursuant to Section 12.1 that incorporate the required procedures and, as provided by Section 12.1, such amendments shall not require approval by the Members. For changes in the law which are sufficiently extensive so as to render significant portions of these Bylaws superseded by law, the Board may instead amend and restate these Bylaws in full pursuant to the provisions of Section 12.1 in order to reduce the risk of confusion, conflict, and potential liability inherent in adopting extensive amendments. As provided by Section 12.1, such complete amendments and restatements shall not require approval by the Members.

(b) Election Rules. The Board shall adopt Election Rules as Association Rules, which shall reflect the requirements of Civil Code section 5105, these Bylaws, and such other provisions consistent with the Governing Documents and law the Board considers appropriate for the conduct of fair Member elections. The Election Rules may set forth additional qualifications for Directors and for Director-candidates. The Election Rules shall not be amended less than ninety (90) days prior to any election.

(c) Call for Candidates Form. For each Director election, the Association shall provide written General Notice of the procedure and deadline for submitting nominations for Director-candidates ("Call for Candidates Form" or "Form") pursuant to Section 5.4(b) at least thirty (30) days prior to the deadline

for submission of such Forms. If requested by a Member, the Association shall provide a Call for Candidates Form by Individual Notice.

(d) Inspector(s) of Election.

(i) Appointment. For each election by the Members, the Board shall appoint an independent third party or parties as inspector(s) of elections ("Inspector(s) of Election" or "Inspector(s)" or "Inspectors"). The number of Inspector(s) shall be one (1) or three (3).

For purposes of this subsection, an independent third party includes, but is not limited to, a volunteer poll worker with the County registrar of voters, a licensee of the California Board of Accountancy, or a notary public. An independent third party may be a Member, but may not be a Director or a Director-candidate or be related to a Director or to a Director-candidate. An independent third party may not be a person, business entity, or subdivision of a business entity who is currently employed or under contract to the Association for any compensable services other than serving as Inspector(s).

Any duly-appointed Inspector may appoint and oversee additional persons to verify signatures and to count and tabulate votes as the Inspector(s) deem appropriate, provided that such persons qualify as independent third parties as defined in this subsection.

(ii) Timing of Appointment. The Inspector(s) shall be appointed at least thirty (30) days prior to distribution of the ballots so that the date and time by which, and the physical address where, ballots are to be received by mail or handed to the Inspector(s) may be set forth on the Pre-Ballot Notice, as required by subsection (g).

(iii) Duties. The duties of the Inspector(s) shall be to make corrections to the Voter List and Candidate Registration List within two (2) business days as provided by subsection (h), to revise the Voter List as to Members Eligible to Vote on the record date for voting as provided by subsection (i), to cause the Association to distribute the Voting Packets as provided by subsection (l)(ii), to determine the number of Members Eligible to Vote and the voting power of each, to receive ballots, to hear and determine all challenges and questions in any way arising out of or in connection with the right to vote, to determine the existence of a quorum for conduct of the election (each ballot received by the Inspector(s) from a Member Eligible to Vote shall be treated as a Member present at a meeting for purposes of establishing a quorum), to count and tabulate all votes, to determine when the polls shall close, consistent with the Governing Documents, to determine the tabulated results of the election, to announce the results of the election to the Board, and to perform any acts as may be proper to conduct the election with fairness to all Members in accordance with Civil Code sections 5100–5145, the Corporations Code, and all applicable Association Rules regarding the conduct of the election that are not in conflict with Civil Code sections 5100–5145.

(iv) Acts, Decisions, and Reports. The Inspector(s) shall perform all duties impartially, in good faith, to the best of the Inspector(s)'s ability, as expeditiously as is practical, and in a manner that protects the interest of all Members. If there are three (3) Inspectors, the decision or act of a majority shall be effective in all respects as the decision or act of all. Any report made by the Inspector(s) is prima facie evidence of the facts stated in the report.

(v) Compensation. The Inspector(s) may be compensated for their services, as deemed appropriate by the Board.

(e) Voter List. For each election by the Members, the Association shall create a written list of the

Members ("Voter List"). The Voter List shall include the name, voting power, and either the physical address of each Member's Unit, the parcel number, or both. The mailing address for the ballot shall be listed on the Voter List if it differs from the physical address of the Member's separate interest or if only the parcel number is used.

The Association shall create a Voter List prior to providing the Pre-Ballot Notice required by subsection (g). Once completed, the Association shall transfer custody of the Voter List to the Inspector(s). The Association shall then cause the Inspector(s) to revise the Voter List in regards to the Members Eligible to Vote on the record date for voting set pursuant to subsection (i).

(f) Candidate Registration List. For each Director election, the Association shall additionally create a written list of all persons who are qualified candidates and whose names shall appear on the ballot ("Candidate Registration List") pursuant to Section 5.4(d).

The Association shall create a Candidate Registration List after the deadline for submitting Call for Candidates Forms set forth in Section 5.4(b)(iii) and the completion of all candidacy-related internal dispute resolution ("IDR") and prior to providing the Pre-Ballot Notice required by subsection (g). Once completed, the Association shall transfer custody of the Candidate Registration List to the Inspector(s)

(g) Pre-Ballot Notice. For each election by the Members, the Association shall provide written General Notice of the information specified below at least thirty (30) days before the ballots are distributed ("Pre-Ballot Notice"). If requested by a Member, the Association shall provide a Pre-Ballot Notice by Individual Notice.

The Pre-Ballot Notice shall contain the following information:

(i) The voting deadline, which is the date and time by which ballots must be received by the Inspector(s).

(ii) The physical address where ballots are to be returned by mail or handed to the Inspector(s).

(iii) The following statement: "The Board reserves the right to extend the voting deadline for additional periods in order to allow for additional solicitation of Members who have not yet cast a ballot."

(iv) The date, time, and location of the meeting at which ballots will be counted, as described in subsection (p).

(v) For each Director election, a copy of the Candidate Registration List created by the Association pursuant to subsection (f) for that election.

(vi) The following statement:

> As provided by Section 3.4(h) of our Bylaws, each Member has the right to verify the accuracy of their individual information on the Voter List and Candidate Registration List ("Lists") created for this election pursuant to Sections 3.4(e), 3.4(f), and 5.4(d) of our Bylaws.
>
> Members who wish to perform such verification should promptly submit a written request

for inspection pursuant to Article 11 of our Bylaws.

In order to ensure sufficient time for the Association's Inspector(s) of Election to correct any errors or omissions on the Lists prior to the distribution of ballots, all requests to verify the Lists must be received by, and all inspections of the Lists must be completed by, the following deadlines.

(vii) The date by which, and the physical address where, requests to verify the Lists must be received by the Association, as provided in subsection (h).

(viii) The date by which inspections of the Lists must be completed, as provided in subsection (h).

(h) Inspection and Correction of Lists. The Association and Inspector(s) shall permit each Member to verify the accuracy of their individual information on the Voter List and Candidate Registration List (collectively, "Lists") created pursuant to subsections (e) and (f) and Section 5.4(d), respectively, for a given election starting at least thirty (30) days before the ballots are distributed for that election.

In order to ensure sufficient time for the Inspector(s) to correct any errors or omissions on the Lists prior to the distribution of ballots, Member requests to inspect the Lists must be received by the Association by no later than ten (10) days before the ballots are distributed, and all inspections must be completed by no later than five (5) days before the ballots are distributed. As provided by subsections (g)(vii) and (g)(viii), such deadlines shall be set forth on the Pre-Ballot Notice.

Any Member who desires to inspect the Lists shall promptly submit a written request for inspection to the Association, which shall cause the Inspector(s) to make the Lists available for inspection pursuant to the provisions of Article 11. The Association or the inspecting Member shall promptly report in writing any errors or omissions on the Lists to the Inspector(s), who shall make the corrections within two (2) business days.

(i) Record Date for Voting, Members Eligible to Vote, Finalization of Voter List. The record date for voting shall be the day on which the first ballot for a given election is distributed. Those Persons identified in the records of the Association as Members on the record date for voting shall be the Members Eligible to Vote on that matter. The Association shall have no power to suspend the voting rights of any Member on account of having lost their Member in Good Standing status or otherwise.

The Association shall cause the Inspector(s) to revise the Voter List created pursuant to subsection (e) as to Members Eligible to Vote on the record date for voting.

(j) Cumulative Voting. Cumulative voting shall not be used or allowed for any election of the Members.

(k) Proxies. Proxies shall not be used or allowed for any election of the Members..

(l) Voting Packets.

(i) Contents of Voting Packets. For each election of the Members, the Association shall prepare a voting packet ("Voting Packet") for each Member Eligible to Vote. Each Voting Packet shall contain a ballot solicitation, a ballot, two (2) envelopes, and instructions on how to cast the ballot, and may

additionally contain a copy of the Election Rules, the Member or Director statements described in Sections 4.3(b)(iv) or 5.6(d)(ii) or (iv), and such other information or documents as the Board may consider necessary or advisable, consistent with the Governing Documents and law. For elections to approve an amendment to the Governing Documents, the Voting Packet shall additionally contain a copy of the full text of the proposed amendment.

The foregoing documents shall contain the following information:

(1) Ballot Solicitation. The ballot solicitation shall indicate (i) the number of responses needed to meet the quorum requirement for valid action, if any, (ii) the time by which the ballot must be received in order to be counted, and (iii), in the case of ballots for matters other than the election or removal of Directors or the Board, the percentage of affirmative votes necessary to approve the measure. The solicitation may additionally explain the proposed action and its purpose and effect and may be set forth on the ballot itself.

(2) Ballot. The ballot shall:

(a) Set forth the proposed action to be voted on and provide an opportunity to specify the Member's approval or disapproval. Ballots for the election of Directors shall set forth the names of all candidates on the Candidate Registration List in alphabetical order by last name.

(b) State the date and time by which, and the physical address where, ballots must be received by mail or handed to the Inspector(s) in order to be counted.

(c) State the following: "The Board reserves the right to extend the voting deadline for additional periods in order to allow for additional solicitation of Members who have not yet cast a ballot."

(d) Preserve the confidentiality of the vote by not providing any method of identifying the Member, including, but not limited to, the Member's name, Unit address, or parcel number.

(e) If the Association does not include a copy of the Election Rules in the Voting Packets, but instead posts a copy to an internet website, the ballot shall include the following phrase in at least 12-point font: "The rules governing this election may be found here:" with the internet website's URL (link) stated following the colon.

(3) Ballot Instructions. The instructions on how to cast the ballot shall reflect, at a minimum, the provisions of subsection (m) and may be set forth on the ballot itself. Any additional ballot instructions adopted by the Association shall be in accordance with subsection (m) and those procedures used by California counties for ensuring the confidentiality of vote by mail ballots.

(4) Envelopes. To preserve the confidentiality of the vote, the inner envelope of the two (2) envelopes shall not provide for any method of identifying the Member, including, but not limited to, the Member's name, Unit address, or parcel number. The outer envelope shall be pre-addressed to the Inspector(s) and may additionally set forth the Member's name and Unit address or separate interest identifier that entitles the Member to vote in the upper left-hand corner.

(5) Election Rules. The Voting Packets may contain a copy of the Election Rules. If the Association includes a copy of the Election Rules in the Voting Packets, it shall deliver each Voting

Packet by first-class mail or other Individual Delivery.

If the Association does not include a copy of the Election Rules in the Voting Packets, the Association shall post a copy of the Election Rules to an internet website. If the Association utilizes this alternate method of delivery of the Election Rules, the ballot shall include the following phrase in at least 12-point font: "The rules governing this election may be found here:" with the internet website's URL (link) stated following the colon.

(ii) Delivery of Voting Packets. The Inspector(s) shall cause the Association to deliver a Voting Packet to each Member Eligible to Vote at least thirty (30) days before the voting deadline specified on the Pre-Ballot Notice and on the ballot. If the Voting Packets contain a copy of the Election Rules, the Association shall deliver each Voting Packet by first-class mail or other method of hard-copy Individual Delivery. If the Voting Packets do not contain a copy of the Election Rules, the Association may deliver each Voting Packet by first-class mail or other method of hard-copy delivery.

(m) Ballot Instructions. Each Member Eligible to Vote who wishes to vote shall cast their ballot as follows:

(i) The Member shall indicate their approval or disapproval on the ballot but shall not sign, mark, or otherwise indicate their identity on the ballot.

(ii) The completed ballot shall be inserted into the inner envelope, which shall be sealed. The Member shall not sign, mark, or otherwise indicate their identity on the inner envelope. No more than one (1) ballot shall be placed in the inner envelope. Members who own two (2) or more Units must use the separate double envelopes provided with each ballot for each Unit owned.

(iii) The inner sealed envelope shall be inserted into the outer envelope, which shall be sealed.

(iv) In the upper left-hand corner of the outer envelope, the Member shall sign and print their name and print their Unit's address or separate interest identifier that entitles the Member to vote. Alternately, the Association may provide pre-addressed outer envelopes which only require the Member to sign their name. Failure to include all of the foregoing information on the outer envelope shall render the ballot invalid.

(v) The Member shall mail or hand-deliver the sealed ballot to the location specified on the pre-addressed outer envelope or as specified by the Inspector(s). The Member may request a receipt for delivery.

If a ballot or Voting Packet is misplaced or destroyed by a Member, a duplicate ballot or Voting Packet will be provided by the Association upon written request.

(n) No Revocation of Cast Ballots. Once cast, a ballot may not be revoked. "Cast" means a ballot has been received by the Inspector(s).

(o) Custody of Association Election Materials Prior to Vote, Extensions of Voting Deadline. Once prepared by the Association or cast by the Members, the sealed ballots, signed voter envelopes, Voter List, and Candidate Registration List shall at all times be in the custody of the Inspector(s) or at a location designated by the Inspector(s) until after the tabulation of the vote. No person, including, but not limited

to, a Member, the Association Manager, or an employee of the Association Manager, shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated.

Notwithstanding the forgoing, the Inspector(s), or their appointees, may verify the Member's information and signature on the outer envelope prior to the meeting at which ballots are tabulated.

In addition, the Board may, at a duly noticed Board meeting that is open to attendance by all Members and Director-candidates, request the Inspector(s) to count the ballot envelopes received to date even though the voting deadline has not yet occurred. If the number of ballots cast to date is insufficient to meet the minimum quorum or approval requirements, or if the Board otherwise determines an extension would be advisable, the Board may extend the voting deadline by a reasonable period in order to allow for additional solicitation of Members who have not yet cast a ballot. The Board may extend the voting deadline a reasonable number of times and shall provide General Notice of each such extension.

(p) Counting and Tabulation of Ballots, Reporting of Results. Ballots shall be counted and tabulated by the Inspector(s) or their appointees at a properly noticed open meeting of the Board or Members. The Inspector(s) may permit the polls to remain open a reasonable time after the meeting has been called to order to permit those Members Eligible to Vote who have not yet delivered their ballots an opportunity to do so. Any Member or Director-candidate may witness the counting and tabulation of the votes.

The Inspector(s) shall promptly report the tabulated results of the election to the Board, which shall cause the results to be recorded in the minutes of that or the next meeting of the Board.

(q) Notification of Election Results. The Board shall notify the Members by General Notice of the results of the election within fifteen (15) days of the meeting held pursuant to subsection (p).

(r) Requirements for Valid Member Action. Member approval by ballot shall only be valid if (i) the number of votes cast by ballot within the time established by the Board for the return of ballots, including any extensions thereof, equals or exceeds the quorum requirement specified in Section 3.5 that would have been required to be present at a Member meeting if such a meeting had been convened to vote on the matter, with each ballot received by the Inspector(s) from a Member Eligible to Vote treated as a Member present at such a meeting, and (ii), the number of affirmative votes equals or exceeds the number of affirmative votes that would have been required to approve the action at such a meeting.

In the case of the election of Directors, those candidates who receive the highest number of votes, up to the total number of positions on the Board to be filled, shall be the successful, elected candidates. Ties between candidates shall be resolved pursuant to Section 5.5(b).

(s) Custody of Association Election Materials After Vote. The ballots, signed voter envelopes, Voter List, and Candidate Registration List shall at all times be in the custody of the Inspector(s) or at a location designated by the Inspector(s) after the tabulation of the vote and until the time allowed by Civil Code section 5145 for challenging the election has expired, at which time custody shall be transferred to the Association.

(t) Recounts and Other Election Challenges. If there is a recount or other challenge to the election process, the Inspector(s) shall, upon written request, make the ballots available for inspection and review by a Member or the Member's authorized representative. Any recount shall be conducted in a manner that preserves the confidentiality of the vote. Signed voter envelopes may be inspected but may not be copied.

(u) Meetings for Other Purposes. The provisions of this Section shall not preclude the Association from conducting meetings of the Members for informational or social purposes or for voting on the annual IRS resolution or from scheduling a Board or Membership meeting to coincide with the culmination of the voting period.

Section 3.5. Quorum. The following quorum requirements describe the minimum number of ballots which must be received in order to take any valid Member action. Assuming at least this minimum number of ballots are received, the vote of a majority of those submitting ballots shall determine the outcome of the election, provided, however, that where the Governing Documents or law require approval of a particular matter by a greater percentage of the Members, that greater percentage shall govern.

(a) Assessment Increases. In the case of a Member election conducted for the purpose of voting on Assessments requiring Member approval, the quorum requirement for valid action shall be the percentage specified by Civil Code section 5605(c). That quorum requirement is currently specified as more than fifty percent (50%) of the Members.

(b) Election of Directors and IRS Resolution. There shall be no quorum requirement for the election of Directors. Those candidate(s) receiving the most votes, up to the total number of positions on the Board to be filled, shall be elected notwithstanding the number of ballots received. There shall be no quorum requirement for the annual IRS resolution. That resolution shall be adopted if the majority of the Members voting on the matter approve it.

(c) Removal of Directors or Board. In the case of a Member election for the removal of a Director or the Board, the quorum requirement for valid action shall be as specified by Corporations Code section 7222(a).

(d) Amendment of Governing Documents. Nothing in this Section shall be interpreted to change the minimum number of affirmative votes required to amend the Governing Documents, which shall be as set forth in the Governing Document to be amended.

(e) Quorum for Other Matters. In case of an election of the Members conducted for any purpose other than to vote on the matters described in subsections (a), (b), or (c), the quorum requirement shall be thirty-three and one-third percent (33 1/3%) of the Members Eligible to Vote.

If the minimum number of ballots are not received by the voting deadline, the voting period may be extended by reasonable periods, and the quorum requirement for the new deadlines shall be twenty-five percent (25%) of the Members Eligible to Vote.

Article 4

Member Meetings

Section 4.1. Place of Meetings. Meetings of the Members shall be held within the Development or at such other reasonable place within the County as may be selected by the Board.

Section 4.2. Annual Meeting. No annual meeting of the Members is required.

Section 4.3. Special Meetings. Special meetings of the Members may be called pursuant to this Section.

(a) Persons Entitled to Call Special Meetings. A majority of a quorum of the Board, the President, or five percent (5%) or more of the Members may call a special meeting of the Members at any time to consider any lawful business of the Association or for informational or social purposes.

(b) Procedures for Calling Special Meetings Requested by Members.

(i) Written Request. If a special meeting is requested by five percent (5%) or more of the Members, rather than being called by the Board or the President, the request shall be submitted by such Members in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by first-class, certified, or registered mail or by telegraphic or other facsimile transmission to the President, the Vice President, the Secretary, or the Association Manager. The request shall bear the signatures of all requesting Members, and the Members submitting the request shall append a written, signed certification to the request attesting to the validity of the signatures. In order to count as a valid signatory, each Member signing the request must be a Member in Good Standing.

(ii) Section Not Applicable to Petitions for Removal of Directors or Board. The provisions of this subsection (b) shall not apply to Member petitions for the recall of any Director or the Board, which shall be subject to and controlled by the provisions of Section 5.6(d).

(iii) Action by Association. On receipt of the Members' request for a special meeting, the Board shall cause Individual Notice to be given to the Members within twenty (20) days that a meeting will be held, and the date, time, location, and purpose for such meeting. The date of the meeting shall not be less than thirty-five (35) or more than ninety (90) days following the receipt of the request. If notice of the meeting is not given to the Members within twenty (20) days of the Association's receipt of the request, the Members requesting the meeting may give the notice. The right of the requesting Members to notice and call said meeting shall not arise until after the twenty (20) day period has elapsed.

(iv) Use of Ballot in Lieu of Special Meeting. If the requested special meeting is for the purpose of conducting a Member election on any matter, the Board shall conduct an election pursuant to Section 3.4 in lieu of calling a special meeting. The Association shall distribute the Pre-Ballot Notice described in Section 3.4(g) within twenty (20) days of receipt of the request described in subsection (i). The ballot shall include a voting deadline that is not more than ninety (90) days from the date of receipt of the Members' request, provided, however, that if the request is for the election of Directors, the voting deadline shall instead reflect the voting periods for Director elections imposed by Civil Code sections 5100-5145 and Section 3.4.

The Members submitting the request shall be entitled to collectively submit one (1) written statement as to their reasons for requesting the vote, a copy of which shall be distributed with each ballot. Unless authorized by the Board, the statement shall not exceed five (5) single-sided pages. The Members submitting the request shall be responsible for payment of the Association's costs for copying the statement and for any additional mailing or other distribution costs incurred as a result of including the statement with the ballot.

(v) Limitation on Special Meetings Called by Members. To limit the financial burden of special meetings on the Association, no more than two (2) special meetings may be called by the Members pursuant to this Section in any calendar year.

(vi) Section Not Applicable To Meetings Called by Board or President. Nothing contained

in this Section shall be construed as limiting, fixing, or affecting the time when a meeting of Members may be held when the meeting is called by action of the Board or the President.

Section 4.4. Notice of Meetings.

(a) Requirement That Notice Be Given. The Association shall provide Individual Notice of each Member meeting to the Members. The notice shall be in writing and shall specify the date, time, location, and agenda of the meeting.

(b) Time Requirements for Notice. Except in the case of Member meetings called pursuant to Section 4.3(b), the notice specified by subsection (a) shall be given not less than ten (10) nor more than ninety (90) days before the date of the meeting. If the notice is given by mail other than first-class, registered, or certified mail, the notice shall be given not less than twenty (20) days nor more than ninety (90) days before the date of the meeting.

Section 4.5. **Record Dates for Notice.**

(a) Persons Entitled to Notice of Meetings. Those Persons identified in the Association's records as Members on the business day preceding the day on which notice of a Member meeting is given shall be entitled to receive notice of the meeting.

(b) Rights of Eligible First Mortgagees. The notice rights of Eligible First Mortgagees shall be as set forth in Article 13 of the Declaration.

Section 4.6. Meeting Conduct. All Member meetings shall be conducted in accordance with a recognized system of parliamentary procedure adopted by the Association. The Board shall permit Members to speak at Member meetings. The Board shall establish a written policy that sets forth reasonable time limits for each speaker. If the Association has not adopted parliamentary procedures and a dispute regarding Member meeting procedure arises during, related to, or out of a Member meeting that cannot be resolved by reference to these Bylaws or applicable law, the dispute shall be resolved by reference to the current edition of Robert's Rules of Order.

Article 5

Board of Directors

Section 5.1. General Board Powers. Subject to the provisions of California law, including the Davis-Stirling Act and the Corporations Code, and any limitations contained in the Governing Documents relating to actions requiring approval by the Members, the business and affairs of the Association shall be vested in and exercised by the Association’s Board of Directors, including, in particular, all powers and duties set forth in the Governing Documents. Subject to the limitations expressed herein, the Board may delegate the management of the activities of the Association to any Association Manager, Person, or Committee, provided, however, that notwithstanding any such delegation the activities and affairs of the Association shall continue to be managed and all Association powers shall continue to be exercised under the ultimate direction of the Board.

Section 5.2. Number and Qualifications of Directors. The Board shall consist of five (5) Directors, each of whom shall be:

(a) a Member of the Association; and

(b) current in the payment of Regular Assessments and Special Assessments, provided, however, that the provisions of this subsection shall not apply to (1) delinquencies based on the nonpayment of fines, fines renamed as Assessments, collection charges, late charges, or costs levied by a third party; (2) any Director who has paid their delinquent Regular Assessment or Special Assessment under protest pursuant to Civil Code section 5658; or (3), any Director who has entered into a payment plan with the Association pursuant to Civil Code section 5665 and Section 4.10(b)(iv) of the Declaration.

Section 5.3. Director Terms of Office. Subject to the provisions of this Section regarding establishing a staggered-term Board, each Director shall serve for a term of three (3) years. Each Director shall hold office until the expiration of the term for which elected and until a successor has been elected or appointed, or until the earlier resignation, removal, or death of such Director.

In order to create a staggered-term Board, at the first election of Directors following the adoption of these Bylaws, the three (3) candidates for Director receiving the most votes shall be elected for terms of three (3) years, and two (2) the candidates receiving the next highest number of votes shall be elected for terms of two (2) years. Thereafter, all Directors shall be elected for terms of three (3) years.

Section 5.4. Qualifications and Nomination of Director-Candidates.

(a) Director-Candidate Qualifications. The Association shall disqualify a person from nomination as a Director-candidate pursuant to any of the following:

(i) Membership. The Association shall disqualify a person from nomination as a Director-candidate if the person is not a Member at the time of their nomination.

Notwithstanding the foregoing, if title to a Unit is held by a legal entity that is not a natural person, the governing authority of that legal entity shall have the power to appoint a natural person to be a Member for the purpose of satisfying the requirements of this subsection.

(ii) Certain Delinquencies. The Association shall disqualify a person from nomination as a Director-candidate if the person is delinquent in the payment of any Regular Assessment or Special Assessment.

Notwithstanding the foregoing, the provisions of this subsection shall not apply to: (1) delinquencies based on the nonpayment of fines, fines renamed as Assessments, collection charges, late charges, or costs levied by a third party; (2) any person who has paid their delinquent Regular Assessment or Special Assessment under protest pursuant to Civil Code section 5658; or (3), any person who has entered into a payment plan with the Association pursuant to Civil Code section 5665 and Section 4.10(b)(iv) of the Declaration.

(iii) Co-Service With Joint Owner. The Association shall disqualify a person from nomination as a Director-candidate if the person, if elected, would be serving on the Board at the same time as another person who holds a joint Ownership interest in the same Unit as the person and the other person is either a properly nominated Director-candidate for the current election or an incumbent Director.

(iv) Certain Past Crimes. The Association shall disqualify a person from nomination as a Director-candidate if that person discloses, or if the Association is aware or becomes aware of, a past

criminal conviction that would, if the person was elected, either prevent the Association from purchasing the fidelity bond coverage required by Civil Code section 5806 and Section 10.1(d) of the Declaration or terminate the Association's existing fidelity bond coverage.

Notwithstanding the foregoing, no person shall be disqualified from being a Director-candidate on any grounds if the Association has not offered the person the opportunity to engage in internal dispute resolution ("IDR") pursuant to Article 2 (commencing with Section 5900) of Chapter 10 of the Davis-Stirling Act. The Association's IDR procedure complies with the Davis-Stirling Act and is set forth in Section 8.6(e) of the Declaration. As provided by subsection (b), the Association's Call for Candidates Form shall include a blanket offer for candidacy-related IDR.

(b) Call for Candidates Form.

(i) Notice, Timing. For each Director election, the Association shall provide written General Notice of the procedure and deadline for submitting nominations for Director-candidates ("Call for Candidates Form" or "Form") at least thirty (30) days prior to the deadline for submission of such Forms. If requested by a Member, the Association shall provide a Call for Candidates Form by Individual Notice.

(ii) Contents of Form. The Form shall include all the information specified in the Election Rules, including, specifically, a blanket offer for candidacy-related internal dispute resolution ("IDR") to be conducted pursuant to Section 8.6(e) of the Declaration.

(iii) Deadline. The deadline for persons to submit a Form shall be at least thirty (30) days after the Association provides General Notice of the Form, as specified in subsection (i). All Forms submitted by mail, hand-delivery, or otherwise must be received by the Association by that deadline.

(iv) Nomination by Form Only. All persons, including incumbents, who wish to be nominated as a Director-candidate must complete, sign, date, and return a Form before the deadline stated on the Form. Nominations shall not be made by any other method, including, but not limited to, from the floor of any meeting or by ballot write-in.

(c) Review of Forms, Candidacy-Related IDR.

(i) Nominating Committee. The Board may appoint a Nominating Committee whose duties shall include reviewing Call for Candidates Forms to determine if persons meet the qualifications set forth in subsection (a). In the event a Nominating Committee is not appointed, the Board shall serve as the Nominating Committee.

(ii) Solicitation of Candidates. The Board or Nominating Committee may solicit persons to run for the Board, but shall require all such persons to complete and submit a Form before the deadline set forth on the Form.

(iii) Candidacy-Related IDR. The Board may additionally authorize the Nominating Committee to engage in internal dispute resolution ("IDR") pursuant to Section 8.6(e) of the Declaration with persons who accept the Association's Form IDR offer. In the event a person timely submits a Form and accepts the Association's offer to engage in IDR, the Board, or Nominating Committee if so authorized, shall engage in IDR with the person.

(d) Candidate Registration List. Following the deadline for submitting Call for Candidates Forms

and the completion of all candidacy-related IDR, if any, and prior to providing the Pre-Ballot Notice required by Section 3.4(g), the Association shall create a written list of all persons who are qualified candidates and whose names shall appear on the ballot ("Candidate Registration List"). Director-candidates shall be listed in alphabetical order by last name on the Candidate Registration List, which shall note whether the candidate is an incumbent. Once completed, the Association shall transfer custody of the Candidate Registration List to the Inspector(s).

If any person has submitted a Call for Candidates Form and has been found by the Board or Nominating Committee not to be a qualified candidate, the Board or Nominating Committee shall notify such person in writing of its finding and disqualification and the reasons why such person was disqualified.

Section 5.5. Election of Directors.

(a) Frequency of Elections. The Association shall hold an election for a seat on the Board in accordance with the election procedures set forth in these Bylaws and the Election Rules at the expiration of the corresponding Director's term and at least once every four (4) years.

(b) Determination of Election Results, Ties, Succession to and Holding of Office. The Director candidates receiving the highest number of votes, up to the number of vacancies to be filled in the election, shall be elected as Directors.

If there is a tie vote between two (2) candidates who receive the lowest number of votes necessary to qualify the candidates for election, the tie shall be broken by a single coin toss. If there is a tie vote between three (3) or more candidates who receive the lowest number of votes necessary to qualify the candidates for election, the tie shall be broken by drawing straws.

If the terms of the Directors being replaced have expired, the newly-elected Directors shall take office immediately upon the announcement of the results of the election. If the terms of the Directors being replaced have not expired at the time the results of the election are announced, the newly-elected Directors shall take office on the day the current Directors' terms do expire.

Each Director, including Directors elected or appointed to fill vacancies, shall hold office until the expiration of the term for which elected and until a successor has been elected or appointed, or until the earlier resignation, removal, or death of such Director.

Section 5.6. Vacancies on Board.

(a) Grounds for Vacancies. A vacancy on the Board shall be deemed to exist upon the occurrence of any of the following: (i) the death of a Director, (ii) the resignation of a Director under subsection (b), (iii) the removal of a Director under subsection (c) or (d), (iv) an increase of the authorized number of Directors, or (v) the failure of the Members, in any election of Directors, to elect the number of Directors required to fill all open positions in that election.

(b) Resignation of Directors. Any Director may resign, which resignation shall be effective upon giving written notice to the President, the Secretary, or the Board, unless the notice specifies a later time for the resignation to become effective. If the resignation of a Director is stated in the notice to be effective at a future time, the Board may elect a successor to take office when the resignation becomes effective.

(c) Authority of Board to Remove Directors. Subject to any limitations imposed on the Association by Civil Code section 5105(c) or Section 5.4(a) in regards to permissible Director-candidate qualifications, which shall be interpreted as equally applicable to Directors in order to avoid the potentially absurd results inherent in imposing differing qualifications on candidates and officeholders, the Board shall have the power and authority to remove any Director and declare their office vacant if they:

(i) fail to satisfy the qualifications set forth in Section 5.2;

(ii) have been declared of unsound mind by a final order of court;

(iii) have been convicted of a felony;

(iv) have been found by a final order or judgment of court to have breached any duty under Corporations Code sections 7233–7236 relating to Director standards of conduct;

(v) fail to maintain their Member in Good Standing status for a period of ninety (90) consecutive days or longer;

(vi) fail to attend three (3) or more consecutive regular meetings of the Board that have been duly noticed in accordance with these Bylaws and the law; or

(vii) are an adverse party in any legal action against the Association or another Director.

(d) Authority of Members to Remove Directors or Board. Except as otherwise provided in subsections (c) or (e), a Director or the Board may only be removed from office before expiration of their term by the affirmative vote of the Members conducted in accordance with the voting procedures set forth in Section 3.4 and satisfying the quorum requirements of Section 3.5(c). In addition to the requirements of Sections 3.4 and 3.5(c), any Member action to remove a Director or the Board shall be conducted in accordance with the following procedures:

(i) Written Petition. A written petition must be personally delivered to the President, the Vice President, or the Secretary. The petition must specify the reasons the Members are seeking the removal and must bear the original signatures and mailing addresses of at least five percent (5%) of the Members in Good Standing. The Members seeking the removal shall append a written, signed certification to the petition attesting to the validity of the signatures.

(ii) Action by Association, Written Statement. On receipt of a valid removal petition, the Board shall conduct an election on the matter pursuant to Section 3.4. The Association shall distribute the Pre-Ballot Notice described in Section 3.4(g) within twenty (20) days of receipt of the petition. The ballot shall include a voting deadline that is not more than ninety (90) days from the date of receipt of the petition. In order to ensure compliance with the voting periods for Director elections established by Civil Code sections 5100-5145 and Section 3.4, however, the ballot shall be limited to the matter of removal only. If the removal vote is successful, a separate election shall be required to fill any vacancies.

The Members submitting the petition shall be entitled to collectively submit one (1) written statement as to their reasons for seeking the removal, a copy of which shall be distributed with each ballot. Unless authorized by the Board, the statement shall not exceed five (5) single-sided pages. The Members seeking the removal shall be responsible for payment of the Association's costs for copying the statement

and for any additional mailing or other distribution costs incurred as a result of including the statement with the ballot.

(iii) Action By Members if Association Fails to Act. If the Association fails to distribute the Pre-Ballot Notice described in Section 3.4(g) within twenty (20) days of receipt of the petition, the Members seeking the removal may conduct an election of their initiative without Board approval. The right of the Members to conduct such an election shall not arise until after the twenty (20) day period has elapsed.

(iv) Director or Board Rebuttals. The Director or Board whose removal is being sought shall have the right to rebut the allegations contained in the written statement, both orally and in writing.

(v) Voting. If the vote does not satisfy the requirements of this subsection (d) and Sections 3.4 and 3.5(c), the removal action shall have failed.

(vi) Limitation on Removal Attempts. To limit the financial burden of removal attempts on the Association, no Director or Board shall be subject to any Member removal attempt within six (6) months of any failed removal attempt against that Director or Board.

(vii) Removal of Board. If the removal of the Board is approved by a vote of the Members, the affected Board shall conduct an election pursuant to Section 3.4 for the election of the total number of Directors authorized by Section 5.2 as soon as reasonably possible after the tabulation of the results of the removal election. The affected Board shall continue to serve until a new Board is duly elected, but may only conduct the necessary routine business of the Association. The affected Board shall not execute any new contracts or authorize any extraordinary expenses.

(e) Removal of Directors by Court Action. The County Superior Court may, in response to a suit filed by any Director or the lesser of twenty (20) Members or five percent (5%) of the Members in Good Standing, remove any Director determined to be guilty of fraudulent or dishonest acts or gross abuse of authority or discretion with reference to the Association. The Association shall be made a party to any such action.

(f) Filling Board Vacancies. If a vacancy on the Board is created by a valid Member removal action conducted pursuant to subsection (d), the vacancy shall be filled by an election of the Members conducted by the Association pursuant to Section 3.4. If more than one (1) Director vacancy is being filled, the elected Directors with the most votes shall fill the vacated positions with the longest remaining terms of office.

All other vacancies on the Board shall be filled by a majority vote of the remaining Directors, regardless of whether a quorum of Directors is present. If the Directors fail to fill any vacancy, the Members may fill the vacancy by an election conducted pursuant to Section 3.4.

(g) Reduction in Number of Directors. No reduction of the authorized number of Directors shall have the effect of removing any Director from office before expiration of that Director's term of office.

Section 5.7. Compensation. Directors, Officers, and Committee members shall not be entitled to compensation for their services, although they may be reimbursed for such expenses as the Board deems just and reasonable. Expenses for which reimbursement is sought shall be supported by a valid receipt or invoice.

Article 6

Board Meetings

Section 6.1. Meetings Defined, Place of Meetings, Meetings by Electronic Means.

(a) Board Meetings Defined. As defined by Civil Code section 4090, a Board meeting shall mean either of the following: (i) a congregation, at the same time and place, of a sufficient number of Directors to establish a quorum of the Board, to hear, discuss, or deliberate upon any item of business that is within the authority of the Board, or (ii) a meeting by electronic means conducted in accordance with subsection (c), where a sufficient number of Directors to establish a quorum of the Board, in different locations, are connected by electronic means, through audio or video, or both.

(b) Place of Meetings. Except as otherwise provided in subsection (c), Board meetings may be held at any place within the Development or County that has been designated from time to time by resolution of the Board and stated in the notice of the meeting. In the absence of such a designation, regular meetings shall be held at the principal office of the Association. Notwithstanding the provisions of this Section, a Board meeting may be held at any place consented to in writing by all the Directors, either before or after the meeting. If such consents are given, they shall be filed with the minutes of the meeting.

(c) Meetings by Electronic Means. Board meetings may be held by conference telephone, electronic video screen communications, or other communication equipment so long as the requirements of this subsection are satisfied.

Participation in a meeting through the use of a conference telephone under this subsection constitutes presence in person at the meeting so long as all Directors, Members, and other permitted meeting participants are able to hear one another. Participation in a meeting through the use of electronic video screen communication or other communications equipment other than a conference telephone constitutes presence in person at the meeting so long as each Director participating in the meeting can communicate with all of the other Directors concurrently and each Director is given the means of participating in all matters coming before the Board.

Electronic meetings of the Board shall be conducted in a manner that protects the rights of Members to attend the meeting or the portion of the meeting that is open to attendance by the Members. That meeting or portion of the meeting shall be audible to the Members in at least one (1) physical location that is specified in the notice of the Board meeting, and at least one (1) Director or a person designated by the Board shall be present at that location.

Section 6.2. Post-Election Meeting. Immediately after the newly elected Directors have taken office, the Board shall hold a regular meeting for the purpose of organization, the election of Officers, and the transaction of other business. A separate notice of this meeting is required, unless such actions take place at the same Board meeting at which the ballots for Directors are opened and tabulated.

Section 6.3. Regular Meetings.

(a) Frequency. Provided the monthly financial review requirements of subsection (b) are satisfied, regular Board meetings shall be conducted upon a schedule determined by the Board.

(b) Monthly Review of Association Finances. In order to protect the Association and the Owners from fraudulent activity, regular Board meetings shall be conducted at least monthly to review the

documents and statements described in Section 4.9(e) of the Declaration, provided, however, that as permitted by Civil Code section 5501, this monthly Board meeting and review requirement may be satisfied when every individual Director, or a Committee composed of the Treasurer and at least one (1) other Director, reviews the documents and statements described in Section 4.9(e) of the Declaration on a monthly basis independent of a Board meeting, so long as each review is ratified at the next Board meeting and each ratification is reflected in the minutes of that meeting.

(c) Annual Schedule. If the Board adopts an annual schedule for the conduct of regular meetings that calls for such meetings to be held at specific dates, times, and locations (e.g., 7 PM in the clubhouse on the first Wednesday of each month), and that schedule is communicated in writing to all Directors at the beginning of the year, no further notice of such meetings shall be required for that year for the Directors unless the date, time, or location for a given meeting is changed, in which case notice shall be provided to each Director in accordance with subsection (d).

(d) Notice Requirement for Directors, Waiver of Notice. If the date, time, or location of a regular meeting set forth in the annual schedule adopted pursuant to subsection (c) is changed, or if the Board does not adopt an annual schedule, the Association shall provide notice of the date, time, and location of the meeting to each Director.

All such notices delivered by first-class mail shall be given at least four (4) days prior to the meeting. All such notices delivered personally or by telephone, voicemail, facsimile, email, or other electronic means shall be given at least forty-eight (48) hours before the meeting. All such notices shall be given or sent to each Director's contact information as shown in the Association's records.

As provided by Section 6.10, notice of regular Board meetings need not be given to any Director who has signed a waiver of notice or a written consent to the conduct of the meeting or an approval of the minutes of the meeting (whether before or after the meeting) or who attends the meeting without protesting, before or at the commencement of the meeting, the lack of notice to that Director.

(e) Notice Requirement for Members. General Notice of the date, time, location, and agenda of regular Board meetings shall be provided to the Members at least (4) days prior to the meeting.

Section 6.4. Special Meetings.

(a) Who May Call, For What Purpose. Special Board meetings may be called for any purpose at any time by the President or any two (2) Directors.

(b) Notice Requirement for Directors, Waiver of Notice. The Association shall provide notice of the date, time, and location of special Board meetings to each Director. All such notices delivered by first-class mail shall be given at least four (4) days prior to the meeting. All such notices delivered personally or by telephone, voicemail, facsimile, email, or other electronic means shall be given at least forty-eight (48) hours before the meeting. All such notices shall be given or sent to each Director's contact information as shown in the Association's records.

As provided by Section 6.10, notice of special Board meetings need not be given to any Director who has signed a waiver of notice or a written consent to the conduct of the meeting or an approval of the minutes of the meeting (whether before or after the meeting) or who attends the meeting without protesting, before or at the commencement of the meeting, the lack of notice to that Director.

(c) Notice Requirements for Members. General Notice of the date, time, location, and agenda of special Board meetings shall be provided to the Members at least (4) days prior to the meeting.

Section 6.5. Emergency Meetings. The President or any two (2) Directors other than the President may call an emergency Board meeting if there are circumstances that could not have been reasonably foreseen which require immediate attention and possible action by the Board, and which of necessity make it impractical to provide prior notice. If the circumstances provide insufficient time to provide notice to the Directors and Members, the Board may call and hold the emergency meeting without providing notice. Reasonable efforts shall nevertheless be made to provide notice to each Director and the Members before any emergency meeting.

Section 6.6. Executive Sessions.

(a) Discretionary and Mandatory Matters. The Board may adjourn to, or meet solely in, executive session to consider litigation, matters relating to the formation of contracts with third parties, Member discipline, personnel matters, or to meet with a Member, upon the Member's request, regarding the Member's payment of Assessments, as specified in Civil Code section 5665 and Section 4.10(b)(iv) of the Declaration.

The Board shall adjourn to, or meet solely in, executive session to discuss Member discipline, if requested by the Member who is the subject of the discussion. That Member shall be entitled to attend the executive session. In addition, the Board shall adjourn to, or meet solely in, executive session to discuss a payment plan pursuant to Civil Code section 5665 and Section 4.10(b)(iv) of the Declaration or to decide whether to foreclose on a lien pursuant to Civil Code section 5705(c) and Section 4.10(b)(vii)(1) of the Declaration.

Any matter discussed in executive session shall be generally noted in the minutes of the immediately following meeting that is open to the entire Membership.

(b) Notice Requirement for Directors, Waiver of Notice. The Association shall provide notice of the date, time, and location of Board meetings to be held solely in executive session to each Director. All such notices delivered by first-class mail shall be given at least four (4) days prior to the meeting. All such notices delivered personally or by telephone, voicemail, facsimile, email, or other electronic means shall be given at least forty-eight (48) hours before the meeting. All such notices shall be given or sent to each Director's contact information as shown in the Association's records.

As provided by Section 6.10, notice of Board meetings to be held solely in executive session need not be given to any Director who has signed a waiver of notice or a written consent to the conduct of the meeting or an approval of the minutes of the meeting (whether before or after the meeting) or who attends the meeting without protesting, before or at the commencement of the meeting, the lack of notice to that Director.

(c) Notice Requirement for Members. General Notice of the date, time, location, and agenda of any Board meeting to be held solely in executive session shall be provided to the Members at least two (2) days prior to the meeting. Due to the confidential nature of executive sessions, the agenda shall be brief and general in nature.

(d) Special Notice Requirements for Members Who Are Subject to Possible Disciplinary Action.

In addition to the foregoing General Notice requirements for Members, if a Member is scheduled for possible disciplinary action on the agenda for a Board meeting, the Board shall notify that Member in writing, by either personal delivery or Individual Delivery, at least ten (10) days prior to the meeting. The notice shall contain, at a minimum, the information required by Section 8.6(g)(i) of the Declaration. The Board shall meet in executive session if requested by that Member.

Section 6.7. Actions Without Meetings. The Board may not take action on any item of business outside of a meeting as defined in Section 6.1(a), and using a series of electronic transmissions, including emails, to conduct a meeting is not permitted except as a means of conducting an emergency meeting as defined in Section 6.5, if all Directors individually or collectively consent in writing to that form of emergency meeting and such consents are filed with the minutes of the emergency Board meeting. Written consent to conduct an emergency meeting may be transmitted electronically by the Directors. In other respects, the authority that is generally conferred on nonprofit boards by Corporations Code section 7211(b) to take action by unanimous written consent is not authorized under the Common Interest Development Open Meeting Act (Civil Code §§ 4900–4955).

Section 6.8. Common Interest Development Open Meeting Act.

(a) Meetings Generally Open to Members. With the exception of executive sessions, any Member may attend and speak at any Board or Member meeting. The Board shall establish a written policy that sets forth when during meetings Members may speak, reasonable time limits for each speaker, and the total time allowed for Members to speak. In the case of Board meetings, the agenda for the meeting may designate a specific time for Members to speak.

Members shall be entitled to attend teleconference and other electronic meetings of the Board that are conducted in accordance with Section 6.1(c), or those portions of such meetings that are open to attendance by the Members, and that meeting or portion of the meeting shall be audible to the Members in a location specified in the notice of the meeting.

(b) Meeting Minutes. Minutes shall be kept for all Board meetings. Given the need to maintain confidentiality, any matter considered in executive session shall only be generally noted in the minutes. The minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes of any meeting of the Board, other than minutes of an executive session, shall be available to the Members within thirty (30) days of the meeting. The minutes, proposed minutes, or summary minutes shall be distributed to any Member on request and on reimbursement of the Association's costs for making that distribution. The Association's Annual Policy Statement shall inform the Members of their right to obtain copies of Board meeting minutes and of how and where to do so.

Section 6.9. Quorum Requirements, Director Voting. A majority of the authorized number of Directors shall constitute a quorum for the transaction of business for any and all purposes, except to appoint new Director(s) as provided in Section 5.6(f) or to adjourn as provided in Section 6.11.

Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, subject to the provisions of the Corporations Code, in particular those provisions relating to (a) the approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (b) the appointment of Committees, and (c) the indemnification of Directors.

A meeting at which a quorum is initially present may continue to transact business notwithstanding the

withdrawal of Directors below a quorum if any action taken is approved by at least a majority of the required quorum for that meeting or such greater number as is required by these Bylaws, the Declaration, the Articles, or by law. No Director may use any form of proxy to vote on any matter before the Board.

Section 6.10. Waiver of Notice. The transaction of any Board meeting, however called and noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present and (b) either before or after the meeting, each of the Directors not present, individually or collectively, signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the Association records or made a part of the minutes of the meeting and shall have the same force and effect as a unanimous vote of the Board. The requirement of notice of a meeting shall also be deemed to have been waived by any Director who attends the meeting without protesting the lack of proper notice to that Director either before or at the commencement of the meeting.

Section 6.11. Adjournment. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, Individual Notice of the adjournment to another time or place shall be given before the time of the adjourned meeting to the Directors who are not present at the time of the adjournment and General Notice of the same shall be given to the Members. Except as provided in the preceding sentence, notice of adjournment need not be given.

Section 6.12. Meeting Conduct. All Board meetings shall be conducted in accordance with a recognized system of parliamentary procedure adopted by the Association. If the Association has not adopted parliamentary procedures and a dispute regarding Board procedure arises during, related to, or out of a Board meeting that cannot be resolved by reference to these Bylaws or applicable law, the dispute shall be resolved by reference to the current edition of Robert's Rules of Order.

Article 7

Officers

Section 7.1. Officers. The Officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. The Association may also have, at the discretion of the Board, one (1) or more assistant Secretaries, one (1) or more assistant Treasurers, and such other Officers as may be appointed by the Board. Any person may hold two (2) or more offices, except that neither the Secretary nor the Treasurer may serve concurrently as President.

Section 7.2. Appointment of Officers. The Officers of the Association shall be chosen by majority vote of the Board at its first regular meeting following the election of Directors, and each shall hold their office until they resign, are removed by the Board, or are otherwise disqualified to serve, or until their successor shall be elected and qualified. New Officer positions may be created and filled, and Officer vacancies may be filled, at any Board meeting.

Section 7.3. Subordinate Officers. The Board may appoint, and may empower the President to appoint, such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws and as the Board may from time to time determine.

Section 7.4. Terms, Removal of Officers. Officers shall hold office for terms of one (1) year or as determined by resolution of the Board. Any Officer may be removed, either with or without cause, by the Board. Such removal may, at the Board's discretion, be given immediate effect.

Section 7.5. Resignation of Officers. Any Officer may resign at any time by giving written notice to the Board, the President, the Secretary, or the Association Manager. Any such resignation shall take effect on the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the Association's acceptance of such resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Association under any contract to which the Officer is a party.

Section 7.6. Vacancies. A vacancy in the office of any Officer because of death, resignation, removal, disqualification, or any other cause shall be filled for the unexpired portion of the term by the vote of a majority of the Board present at a duly noticed Board meeting at which a quorum is present.

Section 7.7. Offices and Duties.

(a) President. The President shall be elected by the Board from among the Directors. The President shall be the chief executive officer of the Association and shall, subject to the control of the Board, have general supervision, direction, and control of the affairs and officers of the Association. The President shall preside at all meetings of the Board and Members, shall have the general power and duties of management usually vested in the office of president of a corporation, together with such other powers and duties as may be prescribed by the Board or these Bylaws, and shall see that orders and resolutions of the Board are carried out.

(b) Vice President. The Vice President shall be elected by the Board from among the Directors. In the absence or disability of the President, the Vice President shall perform all the duties of the President and when so acting shall have all the powers of, and be subject to all the restrictions on, the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed by the Board or these Bylaws.

(c) Secretary. The Secretary shall be elected by the Board from among the Directors. The Secretary shall keep or cause to be kept at the principal office of the Association, or such other place as the Board may order, a book of minutes of all meetings of the Directors and Members, with the time and place of holding same, whether regular, special, or emergency, and if special, how authorized, the notice thereof given, the names of those present at Board meetings, the number of Members present at Members meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, appropriate current records showing the Members of the Association, together with their addresses and other contact information. The Secretary shall give, or cause to be given, notice of all meetings of the Board and Members required by these Bylaws or by law to be given and shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws.

(d) Treasurer. The Treasurer shall be elected by the Board from among the Directors. The Treasurer shall receive and deposit in appropriate accounts all monies of the Association, disburse such funds as are directed by resolution of the Board, keep proper books of account, cause an annual review of the Association's books to be made by a public accountant at the completion of each fiscal year when such review is required by law or directed by the Board, prepare an annual budget and statement of income and expenditures to be delivered to the Members, prepare all other financial reporting and accounting

documents required by California law, and perform such other duties as required by the Board.

Section 7.8. Delegation of Duties. The duties of the Officers may be delegated to subordinate Officers, the Association Manager, or other authorized agents or employees of the Association so long as the appropriate Officer is ultimately responsible for oversight and supervision of such Persons. However, no Officer shall delegate their power to sign checks, disburse Association funds, or execute contracts, promissory notes, leases, or other written instruments on behalf of the Association, except by express resolution of the Board granting such specific authority to a particular Person.

Section 7.9. Officer's Authority to Execute Contracts. The Board may, by resolution, authorize any Officer to enter into any contract in the name of, or on behalf of, the Association. Unless expressly authorized by resolution of the Board, no Officer shall have any power or authority to bind the Association to or by any contract or agreement, or to pledge the credit of the Association, or to render the Association liable for any purpose or on any account.

Article 8

Committees

Section 8.1. Standing Committees. The Board shall be authorized and empowered to appoint the following Standing Committees:

(a) Rental and Leasing Committee. The Rental and Leasing Committee, if appointed by the Board, shall function in accordance with Section 5.2 of the Declaration.

(b) Architectural Committee. The Architectural Committee, if appointed by the Board, shall function in accordance with Section 7.2 of the Declaration.

(c) Nominating Committee. The Nominating Committee, if appointed by the Board, shall function in accordance with Section 5.4.

(d) Financial Review Committee. The Financial Review Committee, if appointed by the Board, shall be composed of the Treasurer and at least one (1) other Director, and shall function in accordance with Section 6.3(b).

Section 8.2. Other Committees. In addition to the Standing Committees, the Board shall be authorized and empowered to appoint additional Executive Committees and Advisory Committees to assist the Board in the effective pursuit of the Association's business and affairs:

(a) Executive Committees. Subject to the provisions of the Common Interest Development Open Meeting Act (Civil Code §§ 4900–4955), which applies whenever a Board meeting, as defined in Section 6.1(a), occurs, Executive Committees consisting of two (2) or more Directors may be appointed by Board resolution to act on behalf of the Board and with the authority of the Board with regard to the matters described in the Board resolution. Only acting Directors may serve on Executive Committees. Actions and decisions of Executive Committees which are within the authority of the Committee shall be deemed to be actions and decisions of the Board.

(b) Advisory Committees. Advisory Committees may consist of Members, Directors, or both, and may be appointed by Board resolution to assist and advise the Board on matters set forth in the resolution.

All actions by Advisory Committees shall solely be considered advisory to the Board, and shall be scheduled on the agenda of the Board meeting next following the Advisory Committee's action or decision. At the next following Board meeting, the Board may act to affirm, rescind, or modify any and all Advisory Committee actions and decisions, as it deems appropriate.

Section 8.3. Committee Members. All Committee Members serve at the sole discretion and pleasure of the Board. The Board resolution appointing any Committee shall identify one (1) person to act as chairperson of the Committee and preside over Committee meetings.

Article 9

Conflicts of Interest

Section 9.1. Conflicts of Interest.

(a) Decisions Involving Financial Interest of Association Official. No Director, Officer, Committee member, Association Manager, or other Association official shall make, participate in making, or in any way attempt to use their official position to influence an Association decision in which the official knows, or has reason to know, that the official has a direct or indirect financial interest that is distinguishable from the financial interest of the Members in general. If the Board is to vote on any such matter, all affected Directors shall notify the Board prior to their vote and shall abstain from voting on each such matter, although such Directors may be counted in determining the presence of a quorum.

(b) Litigation Against Association, Directors, or Association Manager. No person who is an adverse party in any legal action against the Association or another Director may serve or continue to serve as a Director. No person who is an adverse party in any legal action against the Association Manager may serve or continue serving as a Director, unless such action has been approved by a majority of the authorized number of Directors.

(c) Other Matters on Which An Interested Association Official May Not Vote. No Director or Committee member shall vote on any of the following matters:

(i) Discipline of the Director or Committee member.

(ii) A Special Individual Assessment to be levied against the Director or Committee member for damage to the Common Area or Common Facilities.

(iii) A request, by the Director or Committee member, for a payment plan for overdue Assessments.

(iv) A decision whether to foreclose on a lien on the Unit of the Director or Committee member.

(v) Review of a proposed physical change to the Unit of the Director or Committee member under Article 7 of the Declaration.

(vi) A grant of Exclusive Use Common Area to the Director or Committee member.

Section 9.2. Agents and Employees. The provisions of Section 9.1 shall not apply to an agent or employee

of the Association when they are negotiating their compensation or terms of employment.

Section 9.3. Enforcement.

(a) Determination of Conflict of Interest. The Board shall determine, by a majority vote based on the facts of the matter, whether a conflict of interest exists with respect to an Association decision. If the Board determines that a conflict exists, the Board may, by majority vote, refer the matter to a special Committee of which the conflicted Association official is not a member.

(b) Remedies. If a Director is found by the Board to have violated the provisions of this Article, the Board may commence a removal action, if sufficient grounds exist under Section 5.6(c), a recall election by the Members, or a legal action in the County Superior Court to have the Director removed. If an Association official who is not a Director is found by the Board to have violated the provisions of this Article, the Board may remove said official from office.

Section 9.4. Applicability. The provisions of this Article shall not apply to contracts or agreements entered into before or on the date that these Bylaws are adopted by the Association.

Article 10

Association Records and Disclosures to Members

Section 10.1. Records. All Association financial records shall be created and maintained in accordance with generally accepted accounting principles. All Association records, books, papers, and other documents, including all Governing Documents, shall be kept at the principal office of the Association or at such other place as the Board may designate.

Section 10.2. Fiscal Year. The Association's fiscal year shall begin on January 1st or as determined by resolution of the Board.

Section 10.3. Annual Budget Report. The Association shall distribute an Annual Budget Report to the Members by Individual Delivery thirty (30) to ninety (90) days before the end of its fiscal year, which shall include a pro forma operating budget, a summary of the Association's reserves, a summary of the reserve funding plan, a summary of the Association's insurance policies, and all other information required by Civil Code section 5300.

Section 10.4. Review of Financial Statement. A review of the financial statement of the Association shall be prepared by a licensee of the California Board of Accountancy for any fiscal year in which the gross income to the Association exceeds seventy-five thousand dollars ($75,000). A copy of the review shall be delivered to the Members within one hundred and twenty (120) days after the close of each fiscal year by Individual Delivery.

Section 10.5. Annual Policy Statement. The Association shall distribute an Annual Policy Statement to the Members by Individual Delivery thirty (30) to ninety (90) days before the end of its fiscal year, which shall include the information required by Civil Code section 5310, as well as any additional information deemed appropriate by the Board.

Section 10.6. Delivery of Annual Budget Report and Annual Policy Statement. Full copies of the Annual Budget Report and Annual Policy Statement may be delivered to the Members. Alternately, the Association

may provide a summary of each report which includes a general description of the report's content and instructions printed in at least ten (10) point boldface type on the first page of the summary on how to request a complete copy of the report at no cost to the Member. If a Member has requested that all reports be sent in full, the Association shall deliver the full reports by first-class mail to that Member, rather than summaries of the reports, within five (5) days of the Member's request.

Article 11

Inspection Rights of Members and Directors

Section 11.1. Member Inspection Rights.

(a) Scope of Member Inspection Rights. All Association accounting books and records, minutes, and other documents defined as association records, enhanced association records, or association election materials by Civil Code section 5200 shall, during reasonable business hours, be subject to inspection by any Member in accordance with the requirements and restrictions set forth in Civil Code sections 5200–5240. Any Member who desires to inspect such documents must submit a written request for inspection to the Association.

The accounting books and records, minutes, and any information contained in such records may not be used or sold for commercial purposes or used for any other purpose that is not reasonably related to the Member's interests as a Member. Prohibited uses of the Association's membership list are set forth in Corporations Code section 8338 (see also Civil Code § 5230), and the Association shall have the right, under Corporations Code section 8330, to offer a Member who is seeking access to the membership list an alternative method of achieving the Member's stated purpose without providing access to or a copy of the list itself, as long as the Association presents its alternative method within ten (10) days following receipt of the Member's request.

(b) Association's Right to Withhold or Redact Information. The Association has the right to withhold or redact information from its association records, enhanced association records, and association election materials for any of the following reasons:

(i) the release of the information is reasonably likely to lead to identity theft (i.e., the unauthorized use of another person's personal identifying information to obtain credit, goods, services, money, or property);

(ii) the release of the information is reasonably likely to lead to fraud in connection with the Association;

(iii) the information is privileged under law (e.g., documents subject to attorney-client privilege or relating to litigation in which the Association is or may become involved, and confidential settlement agreements);

(iv) the release of the information is reasonably likely to compromise the privacy of a Member; or

(v) the information contains any of the following:

(1) records of goods or services provided a la carte to Members for which the

Association received monetary consideration other than Assessments;

(2) records of disciplinary actions, collection activities, or payment plans of Members other than the Member requesting the records;

(3) any Person's personal identification information, including, without limitation, social security number, tax identification number, driver's license number, credit card account numbers, bank account number, or bank routing number;

(4) minutes and other information from executive sessions of the Board conducted pursuant to Section 6.6, except for executed contracts not otherwise privileged (privileged contracts shall not include contracts for maintenance, management, or legal services);

(5) personnel records other than the payroll records; or

(6) interior architectural plans, including security features, for individual homes.

However, except as protected by the attorney-client privilege, the Association may not withhold or redact information concerning compensation paid to employees, vendors, or contractors. Compensation information for individual employees shall be presented only by job classification or title, and not by use of the employee's name, social security number, or other personal information. If requested by the requesting Member, if the Association denies or redacts records, it shall provide a written explanation specifying the legal basis for withholding or redacting the requested records.

(c) Designation of Agent for Purposes of Inspection. A Member may inspect and copy those records that are open to Member inspection either in person or through their duly appointed representative. If a Member designates another person to inspect or copy Association records that are open to Member inspection, that designation must be in writing.

(d) Where Inspection Rights May Be Exercised. The Association shall make the records described in subsection (a) available for inspection and copying in the Association's business office or, if there is no such office, at a mutually agreeable location as established by the Board and the Member who requests the inspection. If the Board and the requesting Member cannot agree on a place for inspection and copying, or if the requesting Member submits a written request directly to the Association for copies of specifically identified records, the Association may satisfy the requirement to make the Association records available for inspection and copying by delivering copies of the specifically identified records to the Member by Individual Delivery within the time periods specified in Civil Code section 5210(b).

(e) Costs of Copies, No Duty to Compile. The Association may bill the requesting Member for its direct and actual costs of copying and mailing requested documents as long as the Association informs the Member of the amount of the copying and mailing costs before sending the requested documents.

Except as otherwise provided in subsection (d) and in Civil Code sections 4525–4535 (which obligate associations to provide certain information to requesting members), nothing in this subsection shall be construed to obligate the Association to make copies of requested documents or to organize or compile specific information or categories of information sought by a requesting Member when the Association has made the information available for inspection and copying by the Member or their agent.

(f) Electronic Delivery of Records. Members shall have the option of receiving specifically

identified records by electronic transmission or machine-readable storage media as long as such records can be transmitted in a redacted format that does not allow the records to be altered. Under such circumstances, the Association's costs of duplication for purposes of subsection (e) shall be limited to the direct cost of producing the copy of the records in electronic format.

Section 11.2. Director Inspection Rights. Each Director shall have the right at any reasonable time to inspect all books, records, documents, and minutes of the Association and the physical properties owned by the Association. The rights of inspection by a Director includes the right to make extracts and copies of documents. All Directors should consider their fiduciary obligations to act in good faith and in a manner the Director believes to be in the best interests of the Association in determining what use or dissemination is to be made of information obtained in the Director's exercise of their inspection rights.

Section 11.3. Inspection Rules. The Board may adopt Association Rules with respect to notices of inspection, hours and days of the week when inspections may occur, and payment of the Association's inspection costs.

Article 12

Amendments

Section 12.1. Amendments by Board. The Board may, by a vote of a two-thirds (2/3rds) majority of all Directors, adopt amendments to these Bylaws when such amendments are necessary to conform particular provisions to mandatory and non-discretionary changes in the law, or to correct technical errors. Before moving to approve such amendments, the Board shall solicit, receive, and review a written opinion from the Association's counsel confirming that changes in the law or technical errors in these Bylaws necessitate the amendments and that the Association is required to comply with such changes or corrections.

For mandatory and non-discretionary changes in the law which are sufficiently extensive so as to render significant portions of these Bylaws superseded by law, the Board may instead amend and restate these Bylaws in full pursuant to the provisions of this Section in order to reduce the risk of confusion, conflict, and potential liability inherent in adopting extensive amendments.

Amendments and amendments and restatements adopted pursuant to the provisions of this Section shall not require approval by the Members.

Section 12.2. Amendments by Board and Members. Except as provided in Section 12.1, and subject to the provisions of Section 12.3, these Bylaws may only be amended or revoked by the approval of the Board and the affirmative vote pursuant to Section 3.4 of the Members Eligible to Vote representing more than fifty percent (50%) of all Members Eligible to Vote.

Section 12.3. Approval of Certain Amendments by Eligible First Mortgagees. As provided by Section 14.1(c) of the Declaration, in addition to the Member approval requirements of Section 12.2, certain amendments to these Bylaws, as enumerated in Section 13.4 of the Declaration, must also be approved by a specified percentage of the Eligible First Mortgagees. The percentage of Eligible First Mortgagees required to approve such amendments shall be as specified in Section 13.4 of the Declaration.

Section 12.4. Certification, Retention in Association Records, Distribution to Members. The Secretary shall certify the adoption of any duly approved amendment to these Bylaws. Whenever an amendment to these Bylaws is adopted, a copy of the amendment and the Secretary's certification shall be placed in the

Association's records and distributed to all Members. If these Bylaws are revoked, the date upon which the revocation was effective shall be stated in the Association's records.

Section 12.5. Presumption of Validity. There shall be a presumption subsequent to the certification by the Secretary of these Bylaws or any amendment thereto or amendment and restatement thereof that all consents and approvals required to adopt the same were duly obtained in accordance with the Governing Documents and law. Such presumption may be rebutted by an action commenced within one (1) year from the date of certification. In the absence of any such action, such presumption shall thereafter become conclusive.

Article 13

General Provisions

Section 13.1. Association Manager. The Board may employ the services of an Association Manager to manage the affairs of the Association, and, consistent with the Governing Documents and law and on such conditions as are otherwise deemed advisable by the Board, the Board may delegate to the Association Manager any of its duties and powers under these Bylaws, the Declaration, and the Governing Documents, provided that the Association Manager shall at all times remain subject to the control of the Board.

Section 13.2. Delivery of Documents to Association. If a provision of the Governing Documents or law requires that a document be delivered to the Association, the document shall be delivered pursuant to the provisions of Section 15.1 of the Declaration.

Section 13.3. Secondary Address. Members may request delivery of certain notices and other documents to a secondary address, as well as to the Member's address appearing in the Association's records. Such requests shall be in writing and delivered to the Association pursuant to Section 13.2 or made via the annual disclosure conducted pursuant to Section 2.5(a) of the Declaration.

If a Member has identified a secondary address for delivery of documents included in the Annual Budget Report or notices pertaining to Assessments or Assessment collections, the Association shall deliver an additional copy of those documents and notices to the secondary address that is identified, as well as to the primary address provided by the Member.

Section 13.4. Construction.

(a) Generally. Unless the context requires otherwise or a term or phrase is specifically defined herein or in the Declaration, the general provisions, rules of construction, and definitions of the Davis-Stirling Common Interest Development Act (Civil Code §§ 4000–6150) and the Nonprofit Mutual Benefit Corporation Law (Corporations Code §§ 7110–8910) shall govern the construction of these Bylaws.

(b) Provisions Liberally Construed Together, No Waiver. All of the provisions of these Bylaws shall be liberally construed together to promote and effectuate the fundamental purposes and concepts of the Development and the Association as set forth herein and in the Recitals of the Declaration. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce that provision in a subsequent application or any other provision hereof.

(c) Provisions Severable. Notwithstanding the provisions of subsection (b), all provisions of these Bylaws shall be deemed independent and severable, and the invalidity or partial invalidity of any

provision or portion thereof shall not affect the validity or enforceability of any other provision.

(d) Singular and Plural, Gender Pronouns. The singular shall include the plural and the plural the singular unless the context requires the contrary, and the masculine, feminine, or neuter shall each include the masculine, feminine, and neuter, as the context requires.

(e) Titles, Headings, Captions, and Footers. All titles, headings, captions, and footers used in these Bylaws are intended solely for convenience of reference and shall not affect the interpretation or application of that which is set forth in any provision of these Bylaws.

(f) Exhibits. All exhibits to which reference is made herein are deemed to be incorporated herein by reference, whether or not actually attached.

Section 13.5. Conflict Between Governing Documents. Except as otherwise provided by law:

(a) in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control;

(b) in the case of any conflict between the Articles and these Bylaws, the Articles shall control; and

(c) in the case of any conflict between these Bylaws and the Association Rules, including the Election Rules, these Bylaws shall control.

Section 13.6. References to Declaration. These Bylaws were presented along with the Declaration for approval by the Members. In the event the Members approve the adoption of these Bylaws but not the Declaration, all references to the Declaration herein shall be null and void unless and until the Declaration is approved by the Members.

Certificate of Secretary

The undersigned duly elected and acting Secretary of the California nonprofit mutual benefit corporation known as the 1849 Greenfield Avenue Owners Association hereby certifies that the above and foregoing Amended and Restated Bylaws of the 1849 Greenfield Avenue Owners Association were duly adopted by the affirmative vote of the Members consisting of at least a majority of the voting power of the Association on _____, 20_____ and that the same does now hereby constitute the Bylaws of the Association.

_____, Secretary:

Signature:
_____

Date:
_____

ENDORSED
FILED
In the office of the Secretary of State
of the State of California
DEC 7 1978
MARCH FONG EU, Secretary of State
By BILL HOLDEN
Deputy

ARTICLES OF INCORPORATION

OF

1849 GREENFIELD AVENUE OWNERS ASSOCIATION

Document Filed
Los Angeles County
DEC 26 1978
Office of County Clerk
Corporation Div.

ARTICLE I

NAME

The name of this corporation shall be:

1849 GREENFIELD AVENUE OWNERS ASSOCIATION

ARTICLE II

PURPOSES

(a) The specific and primary purpose for which this corporation is formed is to provide community services, or contract for the provision thereof, for the general use, benefit and welfare of the owners and/or occupants of condominiums situated within that certain real property in the County of Los Angeles, State of California, commonly known as 1849 GREENFIELD AVENUE, Tract No. 33773.

(b) In connection with the foregoing specific and primary purpose, a Declaration of Covenants, Conditions and Restrictions Establishing a Plan of Condominium Ownership (the "Declaration") which encumbers said property has been or will be recorded, which Declaration defines this corporation as the "Association" in the Article thereof entitled "Definitions." Included in the specific and primary purpose as hereinabove set forth is the performance of all lawful acts as shall generally benefit said property, including, without limitation: the management, mainte-

nance, care, protection and architectural control of the property described therein as the "Project," and the preservation of the value, desirability and attractiveness thereof, all in accordance with the terms of the Declaration, as well as the disbursement and allocation of funds as set forth therein.

(c) In addition to its specific and primary purpose, the purpose of the corporation shall be to engage as a nonprofit corporation in any one or more activities authorized by the Board of Directors which shall not be inconsistent with the General Nonprofit Corporation Law of the State of California as that law is now or may hereafter be in effect.

ARTICLE III

NONPROFIT LAWS

This corporation is organized pursuant to the General Nonprofit Corporation Law of the State of California and no part of the net earnings of the corporation shall inure to the benefit of any of its members or any other individuals. Nothing contained in the foregoing statement of purposes shall be construed to authorize this corporation to carry on any activity for the profit of its members, or to distribute any gains, profits, or dividends to any of its members as such, or to engage, except to an insubstantial degree, in any activities which are not in furtherance of the specific and primary purposes of this corporation.

ARTICLE IV

PRINCIPAL OFFICE

The county in the State of California where the principal office for the transaction of the business of the corpo-

ration is located is the County of Los Angeles.

ARTICLE V

DIRECTORS

(a) The names and addresses of the persons who are appointed as first directors of this corporation are as follows:

NAME	ADDRESS
ROBERT C. WILSON	1900 Avenue of the Stars, Suite 2630 Los Angeles, California 90067
NATHAN GOLLER	1900 Avenue of the Stars, Suite 2630 Los Angeles, California 90067
SYLVIA JACOBS	1900 Avenue of the Stars, Suite 2630 Los Angeles, California 90067

(b) Said directors, or any directors selected prior to the first annual meeting of the members of this corporation, shall act as such only until said first annual meeting, at which time the continuance of said directors, or any thereof, or the selection of any new director or directors, shall be determined in accordance with the Bylaws.

(c) The number of the directors of this corporation shall be three (3), until such number is changed by a duly adopted Bylaw or amendment thereof, or by a duly adopted amendment of this paragraph (c) of this Article V, approved by the members in accordance with law.

ARTICLE VI

BYLAWS

The different classes of membership in the corporation, if any, together with the respective voting and other rights and privileges of each class of said membership, shall be as set forth in the provisions therefor made in the Bylaws of this corporarion and the Declaration. The provisions for the election and the term of office of the Board of Directors, and for the adoption, approval, and use by this corporation of membership certificates setting forth thereon the rights and privileges of said members, shall also be as set forth in the Bylaws of this corporation.

ARTICLE VII

DISSOLUTION

Upon dissolution of this corporation, the net assets remaining after satisfaction of all just debts and obligations of this corporation, shall not inure to the benefit of the members of the corporation, but shall be distributed to any other nonprofit corporation organized for purposes similar to this corporation or to a city, county or other public agency with the intent of carrying out the purposes of this corporation.

ARTICLE VIII

AMENDMENT OF ARTICLES

The amendment, alteration or repeal of any provision contained in these Articles of Incorporation shall require both a resolution of the Board of Directors and the vote or written assent of not less than a majority of the voting power of the

corporation, which majority shall include not less than a majority of the voting power of members other than the "Declarant" as defined in the Declaration, and all rights and powers conferred herein on members, directors and officers are subject to this reserved power. Notwithstanding the foregoing, as long as there is a Class B membership as provided in the Bylaws and the Declaration, these Articles of Incorporation may be amended, altered, changed or repealed only by the vote or written assent of a majority of the voting power of each of the Class A and Class B membership.

IN WITNESS WHEREOF, for the purpose of forming this corporation, the undersigned, constituting the incorporators and first directors, have executed these Articles of Incorporation.

ROBERT C. WILSON

NATHAN GOLLER

SYLVIA JACOBS

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On this 4th day of December, 1975, before me, a Notary Public in and for said State, personally appeared

ROBERT C. WILSON, NATHAN GOLLER and SYLVIA JACOBS, known to me to be the persons whose names are subscribed to the foregoing Articles of Incorporation, and acknowledged to me that they executed the same.

WITNESS my hand and official seal.

OFFICIAL SEAL
GAIL S. RATISH
NOTARY PUBLIC-CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires May 13, 1979

Notary Public in and for
said State

BYLAWS

OF

1849 GREENFIELD AVENUE OWNERS ASSOCIATION

ARTICLE I

Definitions

All terms as used in these Bylaws shall, unless stated otherwise, be defined as set forth in that certain Declaration of Covenants, Conditions and Restrictions Establishing a Plan of Condominium Ownership applicable to the condominium development commonly known as 1849 GREENFIELD AVENUE, Tract No. 33773, and situated in the County of Los Angeles, State of California, and any amendments thereto (the "Declaration"). All of the terms and provisions of the Declaration, and any amendments thereto, are hereby incorporated herein by reference.

ARTICLE II

Office

The principal office for the transaction of the business of the Association is hereby fixed and located within the Project, or as close thereto as practicable in the County of Los Angeles, State of California. The Board is hereby granted full power and authority to change said principal office from one location to another within said County.

ARTICLE III

Members

Section 1 - Membership. Each person or entity who is an Owner shall be a Member as provided in the Declaration.

The provisions of these Bylaws, which are binding upon all Members, are not exclusive, as Members shall also be subject to the terms and provisions of the Articles, the Declaration and Association Rules.

Section 2 - Termination of Membership. Membership in the Association shall automatically terminate when such Member no longer holds an interest in a Condominium entitling him to such membership.

Section 3 - Voting Rights. The Association shall have the classes of voting membership and the same voting rights and requirements as are set forth in the Declaration.

Section 4 - Membership Certificates. In its discretion, the Board may, but need not, issue appropriate membership certificates evidencing membership in the Association.

Section 5 - No Plural Memberships. Nothing in the Declaration, the Articles or these Bylaws shall be construed as conferring upon any Owner more than one membership in the Association; provided, however, voting rights shall be based upon the number of Condominiums in which such Owner holds an interest as set forth in the Article entitled "Membership" in the Declaration.

Section 6 - Assessments. The Members shall be jointly, severally and personally liable for payment of such Assessments as may from time to time be fixed and levied by the Board pursuant to the provisions of the Declaration and these Bylaws.

Section 7 - Enforcement of Payment of Assessments. Should any Member fail to pay his Assessments before delinquency, the Association, in the discretion of the Board, shall have the right to enforce payment of such delinquent Assessments pursuant to the Declaration.

Section 8 - Association Rules; Enforcement. The following provisions shall govern the promulgation of the Association Rules authorized by the Declaration which shall include the establishment of a system of fines and penalties:

(a) The Board in its discretion shall adopt such rules and regulations as are consistent with and in furtherance of existing law, the Declaration, the Articles and these Bylaws. Such rules and regulations shall take effect as the Association Rules.

(b) The Board in its discretion shall adopt a list of specific fines and penalties for the violation by any Member of the provisions of the Declaration, the Articles, these Bylaws and the Association Rules. Such fines and penalties shall be binding on all Members and shall be enforceable by the Board as a Special Assessment. Such a remedy shall not be deemed to be exclusive and the Board shall have such other remedies as are provided for by applicable law, the Declaration, the Articles, these Bylaws and the Association Rules.

(c) Any Association Rules promulgated pursuant to this Section shall provide that no fine or penalty shall be levied without the following procedural safeguards:

(i) A written statement of the alleged violations shall be provided to any Member against whom such charges are made, and such written statement shall provide a date on which the charges shall be heard;

(ii) No proceedings under this Section shall be brought against any Member unless such Member shall have received a written statement of charges at least thirty (30) days prior to that hearing;

(iii) No proceeding shall be brought against any Member more than sixty (60) days after such Member is provided with a written statement of charges;

(iv) The Board shall appoint a panel of three (3) capable persons (one of whom shall be designated a chairman) who may or may not be Members and who shall hear the charges and evaluate the evidence of the alleged violation;

(v) At such hearing the Member so charged shall have the right to present oral and written evidence and to confront and cross-examine adverse witnesses;

(vi) The panel shall deliver to the Member so charged within seven (7) days after the hearing a written decision which specifies the fines or penalties levied, if any, and the reasons therefor.

(d) In the event that a Member shall correct an alleged violation prior to the hearing date, the Board shall discontinue the proceedings.

ARTICLE IV

Meetings of Members

Section 1 - Place of Meeting. All meetings of Members shall be held at the principal office of the Association, or at such other place in said County as may be fixed from time to time by resolution of the Board.

Section 2 - Organizational and Annual Meetings. There shall be an organizational meeting held as soon as possible following incorporation of the Association. Subsequent to the organizational meeting, the first annual meeting of the Members shall be held in said County within forty-five (45) days after sales of fifty-one percent (51%) of the Condominiums located within the Project have been closed, or within six (6) months after the first sale of a Condominium has closed, whichever occurs first, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter in said

County. If the day for the annual meeting of the Members is a legal holiday, the meeting shall be held at the same hour on the first day following which is not a legal holiday.

Section 3 - Special Meetings. Special meetings of the Members for any purpose may be called at any time by the President, a majority of a quorum of the members of the Board, or by Members holding not less than fifteen percent (15%) of the voting rights of the Class A Members or twenty-five percent (25%) of all Members.

Section 4 - Notices of Meetings. Written notice of meetings, annual or special, shall be given to each Member entitled to vote, either personally or by sending a copy of the notice through the first class mail, postage prepaid, to his address last appearing on the books of the Association, or supplied by him to the Association for the purpose of notice. All such notices shall be sent to each Member entitled thereto not less than fifteen (15) days nor more than sixty (60) days before each meeting, and shall specify the place, the day and the hour of such meeting, and, in case of special meetings, the general nature of the business to be transacted. When any meeting of Members, either annual or special, is adjourned for thirty (30) days or more, notice of the time and place of the adjourned meeting shall be given as in the case of an original meeting. Except as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting other than by announcement thereof at the meeting at which such adjournment is taken.

Section 5 - Consent of Absentees. If, following the holding of any meeting of the Members, either annual or special, at which a quorum is present, any proposed action is favored

by a majority of the votes cast at such meeting, but such votes are less than the requisite number thereof for the approval of such proposed action, Members who were not present in person or by proxy may give their consent in writing provided same is obtained not later than sixty (60) days before or thirty (30) days after the date of such meeting.

Section 6 - Quorum. The presence at the meeting of Members or proxies, or any combination thereof, entitled to cast fifty percent (50%) of the voting power shall constitute a quorum for any action except as otherwise provided in the Articles, the Declaration, or these Bylaws. If any meeting cannot be held because a quorum is not present, the Members present, either in person or by proxy, may adjourn the meeting to a time not less than five (5) days, nor more than thirty (30) days from the time the original meeting was called. Except where a greater portion of the voting power is required by the Articles, the Declaration, or these Bylaws, a majority of the voting power present, in person or by proxy, shall prevail at all meetings.

Section 7 - Proxies. Every Member entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such Member or his duly authorized agent and filed with the Secretary of the Association; provided that no such proxy shall be valid after the expiration of eleven (11) months after the date of its execution.

Section 8 - Entry of Notice. Whenever any Member entitled to vote has been absent from any meeting of Members, whether annual or special, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incon-

trovertible evidence that due notice of such meeting was given to such Member as required by law and by the Articles, Declaration and these Bylaws.

Section 9 - Order of Business. The order of business of all meetings of the Members shall be as follows:

(a) roll call;

(b) proof of notice of meeting or waiver of notice;

(c) reading of minutes of preceding meeting;

(d) reports of Board and officers;

(e) election of directors, if any are to be elected;

(f) unfinished business; and

(g) new business.

Section 10 - Parliamentary Procedure. All questions of parliamentary procedure shall be decided in accordance with Roberts Rules of Order.

ARTICLE V

Directors

Section 1 - Powers. In addition to the powers and duties of the Board as set forth in the Declaration, the Articles, or elsewhere in these Bylaws, and subject to limitations of the Articles, the Declaration, or these Bylaws, and of the California Corporations Code as to action to be authorized or approved by the Members, all corporate powers shall be exercised by, or under the authority of, and the business and affairs of the Association shall be controlled by, the Board. Without prejudice to such general powers but subject to the same limitations, the Board is vested with and shall have the following

powers:

(a) To select, appoint and remove all officers, agents and employees of the Association, to prescribe such powers and duties for them as may be consistent with law, with the Articles, the Declaration and/or these Bylaws, to fix the compensation of agents and employees and to require from them security for faithful service when deemed advisable by the Board.

(b) To conduct, manage and control the affairs and business of the Association, and to enforce such rules and regulations therefor consistent with law, with the Articles, the Declaration and/or these Bylaws, as the Board may deem necessary or advisable.

(c) To fix, determine and name from time to time, if necessary or advisable, the nonprofit corporation, city or public agency which is then or thereafter organized or operated for purposes similar to the purposes of this Association to which the assets of this Association shall be distributed upon liquidation or dissolution according to the Articles. The assets so distributed shall be those remaining after satisfaction of all just debts and obligations of the Association and after distribution of all property held or acquired by the Association under the terms of a specific trust or trusts.

(d) To adopt and use a corporate seal.

Section 2 - Number and Qualification of Directors. The Board shall consist of the number of directors named in the Articles until changed by amendment of the Articles, or by an amendment to this Section of these Bylaws, fixing or changing such number, but in no event shall the authorized number of directors be less than three (3). A person may serve as a director without being a Member.

Section 3 - Election and Term of Office. Until the holding of the first annual meeting of the Members referred to in the Article of these Bylaws entitled "Meetings of Members," the Board shall consist of those directors who constituted the incorporators of this Association. The directors shall be elected at each annual meeting of Members for concurrent annual terms, but if any such annual meeting is not held, or if the directors are not elected thereat, the directors may be elected for concurrent annual terms at any special meeting of Members held for that purpose. All directors shall hold office until their respective successors are elected.

Section 4 - Cumulative Voting. Voting may be by viva voce or by secret written ballot. Every Member entitled to vote for any election of directors shall have the right to cumulate his votes and give one candidate a number of votes equal to the number of directors to be elected, multiplied by the number of votes to which he is entitled, or to distribute his votes on the same principle among as many candidates as he shall think fit. The candidates receiving the highest number of votes up to the number of directors to be elected shall be elected.

Section 5 - Special Class A Voting Rights. The Class A Members shall be entitled to elect one director under the circumstances set forth in the Declaration. Notwithstanding the provisions of the Section of this Article entitled "Removal of Directors," any director so elected may not be removed without the vote of a majority of the voting power of the Class A Members.

Section 6 - Election Committee. An Election Committee shall be appointed annually by the Board to make rules for and supervise nominations, voting procedures, voting requirements and the orderly and fair election of directors. The Election

Committee shall consist of a Chairman, who shall be a member of the Board, and two (2) or more persons who shall be Members; provided, however, so long as any Class B memberships are outstanding the Board may appoint persons who are not Members to the Election Committee. The Election Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations to serve on the Board may also be made from the floor at any meeting of the Members at which directors are elected.

Section 7 - Removal of Directors. At any special meeting of the Members notice of which has been properly given as provided in these Bylaws, the entire Board or any individual director may be removed from office as hereinafter set forth, provided that the same notice of said special meeting has also been given to said entire Board or any individual director whose removal is to be considered at said special meeting. The entire Board or any individual director may be removed from office by a majority of the affirmative votes cast in the voting on any motion or resolution for removal. However, unless the entire Board is removed, an individual director shall not be removed if the number of votes against the motion or resolution for his removal exceeds the quotient arrived at when the total number of outstanding votes entitled to vote is divided by one plus the authorized number of directors. Upon any such motion or resolution for removal, every Member may cumulate his vote or votes, as the case may be, in the same manner as provided for the election of directors in these Bylaws. In the event that any or all directors are so removed, new directors may be elected at the same meeting. Notwithstanding the foregoing, a director

elected pursuant to the special Class A voting rights set forth in the Declaration may only be removed by the vote or written assent of a majority of the Class A Members.

Section 8 - Vacancies. Vacancies on the Board may be filled by a vote of a majority of the remaining directors, though less than a quorum, and each director so elected shall hold office until his successor is elected at an annual meeting of Members or at a special meeting called for that purpose. A vacancy or vacancies shall be deemed to exist in case of the death, resignation or removal of any director. If the Members shall increase the authorized number of directors but shall fail to elect the additional directors as provided for at the meeting at which such increase is authorized, or at an adjournment thereof, or in case the Members fail to at anytime elect the full number of the authorized directors, a vacancy or vacancies shall be deemed to exist. The Members may at any time elect a director to fill any vacancy not filled by the directors, and may elect the additional directors at the meeting at which an amendment of the Bylaws is voted authorizing an increase in the number of directors. If any director tenders his resignation to the Board, the Board shall have power to elect a successor to take office at such time as the resignation shall become effective. No reduction of the number of directors shall have the effect of removing any director prior to the expiration of his term of office. Notwithstanding the foregoing, a vacancy caused by the death, resignation or removal of any director elected pursuant to the special Class A voting rights set forth in the Declaration may only be filled by the vote or written assent of a majority of the Class A Members.

Section 9 - Place of Meetings. All meetings of the

Board shall be held at the principal office of the Association, or at any other place or places within said County designated at any time by resolution of the Board.

Section 10 - Organization Meeting. Immediately following each annual meeting of the Members, the Board shall hold a regular meeting for the purpose of organization, election of officers and the transaction of other business. Notice of such meeting is hereby dispensed with.

Section 11 - Other Regular Meetings. Other regular meetings of the Board may be held without call at such place, day and hour as may be fixed from time to time by resolution of the Board; provided, however, should said day fall upon a legal holiday, then the meeting which otherwise would be held on said day shall be held at the same time on the next day thereafter ensuing which is not a legal holiday. Notice of all such regular meetings of the Board is hereby dispensed with; provided, however, notice of the time and place of any regular meeting shall be posted at a prominent and accessible place or places within the Project. In no event shall regular meetings of the Board be held less than once every six (6) months.

Section 12 - Special Meetings; Notices. Special meetings of the Board for any purpose may be called at any time by the Chairman or by the President, or if they are unable or refuse to act, by any two (2) directors. Not less than seventy-two (72) hours prior to the scheduled time set for any special meeting of the Board, written notice of the time and place of such special meeting shall be posted in a prominent and accessible place or places in the Project and delivered personally to the directors or sent to each director by letter or telegram, postage or charges prepaid, addressed to him at his address

as it is shown upon the records of the Association. In case such notice is mailed or telegraphed, it shall be deposited in the United States Mail or delivered to the telegraph company at or near the place in which the principal office of the Association is located at least seventy-two (72) hours prior to the time of the holding of the meeting. Such mailing, telegraphing or delivery as provided herein shall be due, legal and personal notice to each director.

Section 13 - Notice of Adjournment. Notice of adjournment of any Board meeting, either regular or special, need not be given to absent directors, if the time and place are fixed at the meeting adjourned.

Section 14 - Entry of Notice. Whenever any director has been absent from any special meeting of the Board, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such special meeting was given to such director as required by law and by these Bylaws.

Section 15 - Waiver of Notice. The transaction of any business at any meeting of the Board, however called and noticed to the directors, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the directors not present signs a written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the records of the Association or made a part of the minutes of the meeting.

Section 16 - Quorum. A majority of the number of directors as fixed by the Articles or these Bylaws shall be

necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision made or done by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board.

Section 17 - Adjournment. A quorum of the directors may adjourn any Board meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the directors present at any Board meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

Section 18 - Compensation. No director shall receive any compensation for any service he may render to the Association; provided, however, he may be reimbursed for actual out-of-pocket expenses incurred by him in the performance of his duties as a director.

Section 19 - Presiding Officer. The members of the Board shall elect one of their number to act as Chairman. The Chairman shall preside at all meetings of the Board.

Section 20 - Indemnification of Directors, Officers and Employees. Except to the extent prohibited by then applicable law, this Association shall reimburse, indemnify and hold harmless each past, present and future director, officer and employee of this Association and each person who, at the request of this Association acts as a director, officer or employee of any other Association or corporation in which this Association has an interest, from and against all loss, cost, liability and expense which may be imposed upon or reasonably incurred by him, including reasonable settlement payments in connection with any claim, action, suit or proceeding, or threat thereof, made or instituted, in which he may be involved or be made a party

by reason of his being or having been a director, officer or employee of this Association or such other Association or corporation, or by reason of any action alleged to have been taken or omitted by him in such capacity, if a disinterested majority of the Board (or, if a majority of the Board is not disinterested, then independent legal counsel) determines in good faith that such person was acting in good faith (a) within what he reasonably believed to be the scope of his authority or employment, and (b) for a purpose which he reasonably believed to be in the best interests of this Association. The right of indemnification provided in this Section shall inure to each person referred to in this Section, whether or not the claim asserted against him is based on matters which arose in whole or in part prior to the adoption of this Section, and in the event of his death shall extend to his legal representatives. The right of indemnification provided in this Section shall not be exclusive of any other rights to which any such person, or any other individual, may be entitled as a matter of law (including, without limitation, his rights under the California Corporations Code), or under any agreement, vote of directors or Members or otherwise.

Section 21 - Records. The Board shall cause to be kept a complete record of all its acts and Association affairs and to present a statement thereof to the Members at annual meetings of Members or at any special meeting where such statement is requested in writing by one-fourth (1/4) of the Members entitled to vote thereat.

Section 22 - Attendance of Board Meetings by Members. Regular and special Board meetings shall be open to all Members; provided, however, no Member who is not an officer or director

shall participate in any deliberation or discussion unless expressly authorized by a majority of a quorum of the Board. The Board may, upon the vote of a majority of the Board's quorum, adjourn a Board meeting and reconvene in executive session exclusive of all Members who are not directors to discuss and vote upon personnel matters, litigation in which the Association is involved and other similar matters requiring confidentiality. The nature of any and all business to be so considered in executive session shall be announced in open session.

Section 23 - Action by Written Consent in Lieu of Meeting. Any action required or permitted to be taken by the Board may, prior to the closing of the first sale of a Condominium within the Project, be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board and shall state that the action was taken by unanimous written consent of the Board without a meeting, and that these Bylaws authorized the directors to so act. Such action by written consent shall have the same force and effect as a unanimous vote of such directors.

ARTICLE VI

Officers

Section 1 - Officers. The officers shall be a President, a Vice President, a Secretary and a Treasurer, which officers shall be elected by and hold office at the pleasure of the Board. The offices of Secretary and Treasurer may be held by the same person. All offices except the President and Vice President may be held by someone who is not a member of the Board.

Section 2 - Election. The officers of the Association, except such officers as may be appointed in accordance with the provisions of the Sections entitled "Subordinate Officers" and "Vacancies" of this Article, shall be chosen annually by the Board and each shall hold office until he shall resign or shall be removed or otherwise be disqualified to serve, or until his successor shall be elected and qualified.

Section 3 - Subordinate Officers. The Board may appoint such other officers as the business of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in these Bylaws or as the Board may from time to time determine.

Section 4 - Removal and Resignation. Any officer may be removed, either with or without cause, by the vote of a majority of all the directors then in office at any regular or special meeting of the Board at which a quorum is present. Any officer may resign at any time by giving written notice to the Board or to the President or to the Secretary of the Association. Any such resignation shall take effect as of the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5 - Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to such office.

Section 6 - President. The President shall be the chief executive officer of the Association and shall, subject to the control of the Board, have general supervision, direction

and control of the business and affairs of the Association. The President may, but need not, be the Chairman of the Board. He shall be an ex-officio member of all standing committees, if any, and shall have the general powers and duties of management usually vested in the office of the President of a corporation, and shall have other powers and duties as may be prescribed by the Board or these Bylaws.

Section 7 - Vice President. In the absence or disability of the President, the Vice President shall perform all the duties of the President, and when so acting shall have the powers of, and be subject to all the restrictions upon, the office of President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed for him by the Board or these Bylaws.

Section 8 - Secretary. The Secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board may order, of all meetings of directors and Members, with the time and place of the holding of same, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present or represented at Members' meetings and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office, a membership register showing the following: (1) the names and addresses of all members of the Board; (2) the names of the Members and their addresses; (3) the property to which each membership relates; (4) the number of votes represented by each Member; (5) the number and date of membership certificates issued, if any; and (6) the number and date of cancellation of membership certificates, if any. The Secretary shall give, or cause to be given, notice of all meetings of the Members and

of the Board required by the Bylaws or by law to be given, and he shall keep the seal of the Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board or by these Bylaws.

Section 9 - Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association. The books of account shall at all reasonable times be open to inspection by any director or by any Member. The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board. He shall disburse the funds of the Association as may be ordered by the Board, shall render to the President and directors, whenever they request it, an account of all of his transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws.

Section 10 - Compensation. No officer shall receive any compensation for any service he may render to the Association; provided, however, any officer may be reimbursed for actual out-of-pocket expenses incurred by him in the performance of his duties as such officer.

ARTICLE VII

Miscellaneous

Section 1 - Record Date. The Board may fix a time, in the future, not exceeding fifteen (15) days preceding the date of any annual or special meeting of the Members, as a record date for the determination of the Members entitled to notice

of and to vote at any such meeting, and in such case only Members of record on the date so fixed shall be entitled to notice of and to vote at such meeting, notwithstanding any transfer of any membership on the books of the Association after any record date so fixed.

Section 2 - Inspection of Corporate Records.

(a) The membership register, books of account and minutes of meetings of the Members, of the Board and any committees of the Board, shall be made available for inspection and copying by any Member or his duly appointed representative at any reasonable time and for a purpose reasonably related to his interest as a Member, at the principal office of the Association or such other place within the Project as the Board shall prescribe, all as provided in the Corporations Code of the State of California.

(b) The Board shall establish reasonable rules with respect to notice to be given to the custodian of the records by the Member desiring to make the inspection, hours and days of the week when such inspection may be made and payment of the cost of reproducing copies of documents requested by a Member.

(c) Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association, all as provided in the Corporations Code of the State of California. Without limiting the generality of the foregoing, the right of inspection by a director includes the right to make extracts and copies of documents.

Section 3 - Checks and Drafts. All checks, drafts, or other orders for payment of money, notes or other evidences

of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such officer or officers and in such manner as, from time to time, shall be determined by resolution of the Board.

Section 4 - Contracts; How Executed. The Board, except as in the Declaration and these Bylaws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or to engage its credit or to render it liable for any purpose or for any amount.

Section 5 - Financial Reports. The Board shall cause the financial statements and information for the Association set forth below to be sent to each Member within the respective time limits, as follows:

(a) A balance sheet and operating statement within ninety (90) days after the last day of the Association's fiscal year;

(b) A balance sheet as of an accounting date which shall be the last day of the month closest in time to six (6) months from the date of the first conveyance of a Condominium and an income statement for an accounting period from the aforesaid date of first conveyance to the aforesaid accounting date within sixty (60) days of said accounting date. Said income statement for the first six (6) months accounting period shall include a schedule of Assessments received or receivable itemized for each Condominium within the Project and

by the name of the person or entity assessed therefor; and

(c) A pro forma operating statement (budget) for the next fiscal year, no later than sixty (60) days before the beginning of such fiscal year.

Section 6 - Inspection of Bylaws. The Association shall keep in its principal office for the transaction of business the original or a copy of these Bylaws and any amendments hereto, certified by the Secretary, which shall be open to inspection by all of the Members at all reasonable times.

Section 7 - Annual Independent Audit. An annual independent audit of the account or accounts of the Association or any management body shall be made for any fiscal year in which the Association's gross income exceeds Seventy-Five Thousand Dollars ($75,000.00). A copy of such audit shall be available for the inspection of each Member, officer or director of the Association.

Section 8 - Singular Includes Plural. Wherever the context of these Bylaws requires same, the singular shall include the plural and the masculine shall include both the feminine and the neuter.

Section 9 - Fiscal Year. The fiscal year of the Association shall be a calendar year unless and until a different fiscal year is adopted by the Board.

Section 10 - Proof of Membership. No person shall exercise the rights of membership in the Association until satisfactory proof thereof has been furnished to the Secretary. Such proof may consist of either a copy of a duly executed and acknowledged grant deed or title insurance policy showing said person to be the Owner of an interest in a Condominium entitling him to membership. Such deed or policy shall be deemed conclu-

sive in the absence of a conflicting claim based on a later deed or policy.

Section 11 - Absentee Ballots. The Board may make such provisions as it may consider necessary or desirable for absentee ballots.

Section 12 - Roster of Mortgagees. The Owner or Owners of each Condominium shall provide the Board with the names and addresses of all Mortgagees encumbering such Condominium, and the Board, acting on behalf of the Association, shall maintain a Roster of Mortgagees of all Condominiums.

Section 13 - Conflicts. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in case of any conflict between the Declaration and the Articles, the Declaration shall control.

ARTICLE VIII

Amendments

Section 1 - Powers of Members. Bylaws may be amended or repealed, and new Bylaws may be adopted, by the vote or written assent of a majority of the voting power of the Members present and entitled to vote at a meeting of Members duly called for such purpose, which majority shall include not less than a majority of the voting power of members other than Declarant. Notwithstanding the foregoing, as long as there is a Class B membership, these Bylaws may be amended or repealed, and new Bylaws may be adopted, only by the vote or written assent of a majority of the voting power of the Members present and entitled to vote at a meeting of Members duly called for such

purpose, which majority shall include not less than a majority of the voting power of each of the Class A and Class B membership.

Section 2 - Record of Amendments. Whenever an amendment or new Bylaw is adopted, it shall be placed in the book of Bylaws in the appropriate place. If any Bylaw is repealed, the fact of repeal, with the date of the meeting at which the repeal was enacted or written assent was filed, shall be stated in said book.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

(1) That I am the duly elected and acting Secretary of

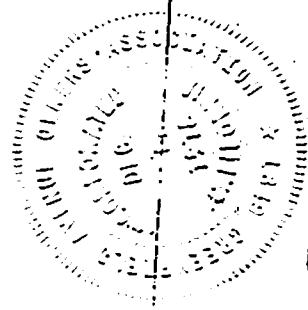
1849 GREENFIELD AVENUE OWNERS ASSOCIATION

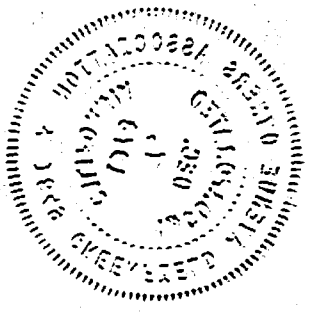
a California corporation; and

(2) That the foregoing Bylaws constitute the original Bylaws of said corporation as duly adopted at the first meeting of the Board of Directors thereof duly held.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation this _____ _____.

_____
Secretary





1849 Greenfield HOA

Open board Meeting

February 19, 2026

Meeting called to order at 5:32 pm

Guest parking:

Issue is not resolved

Consider updating rules and regulations to:

- limit parking to 3-4 days max.
- Parking fine schedule
- fine for having items in garage outside of assigned locker
- No EV charging using building due to building has no capacity to have EV chargers.

Collin will send email to confirm that each unit is using their assigned locker

Balcony repair:

Inspection report: owners are responsible for cleaning balcony. HOA is responsible for actual structure, but not clear in CC&R of who is responsible for repairs. Consider having attorney review CC &R for clarity.

Unit 208 had wood blocks that prevented inspection. The inspectors couldn't inspect the floor due to obstruction. The balcony is "rotten." 208 needs to fix their own balcony and wood rails due to damage from negligence from 2 years ago.

Consider to get bids to fix balcony. Need to get a few quotes from contractors. Recommended for all repairs to be completed. Collin will follow up with contractor recommendations.

Laundry Room:

Window screen is missing. Jeff will repair it and get reimbursed.

Laundry contract is for 5 years. Jeff proposes to considering to cancel the contract. Christina proposes to increase laundry cost to break even with cost of laundry. Franky and Jeff will calculate new cost to owners.

Garage

Has holes in ceiling in main garage. Jeff to repair it.

Termites

We need entire building inspected due to multiple units complaints. We need a few inspections and bids.

Consider tenting the building. HOA members are in agreement to tent the building if needed.

Open Forum:

Christina: Items below locker. Consider to have garage cleaned. No items outside the lockers.

Neighbors are having parties after 11pm.

Meeting adjourned 7:15 pm

ALLSTATE HOA MANAGEMENT
HOMEOWNER ASSOCIATION MANAGEMENT SERVICES

11030 SANTA MONICA BOULEVARD SUITE 100 LOS ANGELES CA 90025

T: 310.444.7444 F: 310.496.3168 INFO@HOAMGMT.COM

Dear Homeowner:

As required by your association's CC&Rs and the California Civil Code, we are enclosing the Annual Budget Report and Annual Policy Statement.

In accordance with the budget, the monthly assessment for all units will not be changed at this time.

Sincerely,

Allstate HOA Management

1849 Greenfield

GL Code	Next Year Budget	
Revenue		
Revenues		
7000 - Assessment: Regular	$	84,480.00
7220 - Facility Income	$	2,028.75
Total: Revenues	$	86,508.75
Total: Revenue	$	86,508.75
Expense		
Expenses		
8000 - Utility: Electricity	$	4,375.49
8010 - Utility: Gas	$	4,193.21
8020 - Utility: Trash	$	7,459.89
8030 - Utility: Phone	$	1,172.62
8060 - Utility: Water	$	5,621.07
8070 - Utility: Sanitation	$	3,715.73
8100 - Insurance: Master Policy	$	11,521.00
8200 - Gardening: Contracted	$	2,625.00
8260 - Tree Trimming: Contracted	$	3,000.00
8300 - Janitorial: Contracted	$	2,700.00
8360 - Pest Control: Contracted	$	1,957.50
8470 - Security: Gate/Door/Lock Supplies	$	289.34
8480 - Security: Gate/Door/Lock Extras	$	637.50
8800 - Plumbing: General	$	4,500.00
9100 - Admin: Contracted Management	$	8,700.00
9130 - Admin: Printing and Postage	$	250.00
9160 - Admin: Tax Preparation	$	445.00
9170 - Admin: Audit/Review	$	1,300.00
9360 - Taxes: Licenses Fees and Permits	$	138.00
9520 - Community: Meeting Expense	$	637.50
9999 - Reserve Allocation	$	21,269.91
Total: Expenses	$	86,508.75
Total: Expense	$	86,508.75
Net Income	$	0.00

SUMMARY
1849 GREENFIELD AVENUE OWNERS ASSOCIATION

ASSUMPTIONS:			
(A) FISCAL (12 MONTH) PERIOD RESERVE STUDY IS TO COVER:	1/1/2025	through	12/31/2025
(B) INFLATION FACTOR (30 year average CPI per Bureau of Labor Statistics):			2.49%
(C) INTEREST % ON RESERVE FUNDS (unless provided, assumed to be 3%):			3.0000%
(D) BEGINNING RESERVE BALANCE PER ASSOCIATION AS OF:	1/1/2025		$81,050
(E) NUMBER OF UNITS:			16

ANALYSIS OF MONTHLY RESERVE CONTRIBUTION	PERIOD			TOTAL	PER UNIT[1]
(F) CURRENTLY BUDGETED PER ASSOCIATION:	1/1/2024	through	12/31/2024	$1,666.67	$104.17
(G) RECOMMENDED TO BUDGET (see Funding Plan #3[2]):	1/1/2025	through	12/31/2025	**$2,170.00**	**$135.63**
(H) DOLLAR INCREASE / (DECREASE) ("G" less "F"):	1/1/2025	through	12/31/2025	$503.33	$31.46
(I) % INCREASE / (DECREASE) ("H" divided by "F"):	1/1/2025	through	12/31/2025	30.20%	30.20%
(J) SPECIAL ASSESSMENT (ANNUAL) - IN ADDITION TO "G":	1/1/2025	through	12/31/2025	$0.00	$0.00
(K) FUTURE ANNUAL % INCREASES / (DECREASES):	1/1/2026	through	12/31/2027	30.20%	30.20%

ANALYSIS OF MONTHLY ASSESSMENT ("DUES"):	PERIOD			TOTAL	PER UNIT[1]
(L) CURRENTLY BUDGETED PER ASSOCIATION:	1/1/2024	through	12/31/2024	$6,400.00	$400.00
(M) RESERVE CONTRIBUTION % (item "F" divided by "L"):	1/1/2024	through	12/31/2024	26.04%	26.04%
(N) % CHANGE IN ASSESSMENT ("H" divided by "L") (if recommended reserve contribution implemented)	1/1/2025	through	12/31/2025	7.86%	7.86%

ACCUMULATED DEPRECIATION:	PERIOD			TOTAL	PER UNIT[1]
("ideal reserve balance" / funds in reserve accounts necessary to achieve 100% funding for the current year)	1/1/2025	through	12/31/2025	$310,014	$19,376

OVERAGE / (DEFICIT):	PERIOD			TOTAL	PER UNIT[1]
(between "actual" and "ideal" reserve balance)	1/1/2025	through	12/31/2025	($228,964)	($14,310)

PERCENT FUNDED[3]		
as of 1/1/2025		**26.14%**
as of 12/31/2025	(if Funding Plan #3[2] recommended above is followed)	**15.84%**

FOOTNOTES:

1. Per Unit amounts reflect "Total" amounts divided by units - no adjustments made for variable rate assessments.
2. Funding Plan #3 reflects minimum funding and may only marginally cover total annual expenditures in some years.
3. Actual reserve balance (item "D") divided by accumulated depreciation (per schedule).

Copyright 2024: Reserve Studies Inc., 17315 Studebaker Road #213, Cerritos, CA 90703 phone (800) 485-8056 fax (800) 485-8057

Annual Policy Statement

This Annual Policy Statement or a summary of it shall be distributed to the members within 30 to 90 days before the end of its fiscal year. (Civil Code §§ 5310, 5320)

1. The name and address of the person designated to receive official communications to the Association is:

   Name: Allstate HOA Management
   Address: 11030 Santa Monica Blvd Ste 100
   Los Angeles CA 90025

2. A member may submit a request to have notices sent to up to two different specified addresses. The notices that owners may request be sent to two addresses are:
   - Annual disclosures (the annual budget report, the review of the annual financial statement, and this annual policy statement)
   - Assessment and collection notices (notices of special assessments or assessment increases, pre-lien notice, copy of recorded lien, copy of recorded lien release or recorded notice of rescission, notice of default, and related records)

   (Civil Code § 4040(b))

3. The location, if any, designated for posting of a general notice is:

   In the central common area.

   (Civil Code § 4045(a)(3))

   Notices that may be posted in this location by the Association include:
   - Notices re: proposed and approved operating rule changes
   - Notices and agendas of Board meetings
   - Results of elections and other membership votes
   - Board decisions to borrow from the reserve account to fund litigation

4. Members have the option to receive general notices by individual delivery.
   - General notices are delivered by inclusion in a billing statement, newsletter, or other document that is delivered by one of the methods listed in this paragraph 4; posting the printed document at the location listed above; if the Association broadcasts television programming for the purpose of distributing information on association business to its members, by inclusion in the programming; or by individual delivery.
   - Individual delivery includes first-class mail, postage prepaid; registered or certified mail; express mail; or overnight delivery by an express service carrier. It also includes e-mail, facsimile, or other electronic means if the recipient has consented in writing. (Civil Code § 4045(b))

5. Members have the right to receive copies of minutes of board meetings other than executive session meetings.

   How to obtain copies: Submit request in writing with dates of meetings requested. Deliver request to:
   Allstate HOA Management
   11030 Santa Monica Blvd Ste 100
   Los Angeles CA 90025

Where to obtain copies: Copies may be mailed to you or, if you are set up to receive emails from the Association and if the minutes are scanned, they will be emailed to you. If you request to pick them up in person, you can do so at Allstate HOA Management
11030 Santa Monica Blvd Ste 100
Los Angeles CA 90025 after you have been notified that they are ready for pickup.

(Civil Code § 4950(b))

6. The "Notice Assessments and Foreclosure" required by Civil Code Section 5730 is attached.

7. The Association's collection policy, if any, is attached. (Civil Code § 5730)

8. The Association's discipline policy, if any, including any schedule of penalties for violations of the governing documents, is attached.
(Civil Code § 5850)

9. A summary of the Association's internal dispute resolution procedure ("IDR" or "meet and confer") is attached.
(Civil Code § 5920)

10. A summary of the Association's alternative dispute resolution procedure ("ADR") is attached.
(Civil Code § 5965)

11. A summary of any requirements for Association approval of a physical change to property is attached.
(Civil Code § 4765)

12. A copy of the completed "Charges For Documents Provided" disclosure is attached. The "Fee for Document" section of this form individually identifies the costs associated with providing each document listed on the form. (Civil Code § 4528)

13. The mailing address for overnight payment of assessments is:

Name: c/o Sunwest Bank
Address: PO Box 25185 (Civil Code § 5655)(c)
Santa Ana CA 92799

14. The annual budget report is attached.
(Civil Code § 5300)

15. Financials, including the annual report, are published on Allstate HOA Management's website. You may request a copy of the annual report from Allstate HOA Management, which also maintains the HOA's member list.

ALTERNATIVE DISPUTE RESOLUTION

Summary of Civil Code ' ' 5925 - 5965

Civil Code Sections 5925 to 5965 contain requirements that apply before owners and associations file lawsuits against each other to enforce the association=s governing documents, the Davis-Stirling Act (Civil Code Sections 4000 *et seq.*), or the California Nonprofit Mutual Benefit Corporation Law (Corporations Code Sections 7110 *et seq.*). Civil Code Sections 5925, *et seq.* apply to actions for declaratory, injunctive, or writ relief, or for that relief in connection with a claim for money damages under the small claims limit. They do not apply to:

1. Cross-complaints.
2. Small claims actions.
3. Assessment disputes, except as otherwise provided by law.
4. Claims for money damages in excess of the small claims limits in conjunction with a claim for declaratory, injunctive or writ relief.
5. Actions where preliminary or temporary injunctive relief is necessary.

If a claim is subject to Civil Code Sections 5925 *et seq.*, the filing party shall endeavor to submit the dispute to alternative dispute resolution ("ADR"). Forms of ADR include mediation, negotiation, and binding or nonbinding arbitration. The ADR process is initiated by one party serving a *Request for Resolution* upon the other parties to the dispute. This document must be served by personal delivery, first-class mail, express mail, fax, or any other means reasonably calculated to provide the party being served with actual notice of the request. The *Request for Resolution* must include (i) a brief description of the dispute, (ii) a request for ADR, (iii) a notice that a response must be received within thirty (30) days or it will be deemed rejected, and (iv) if the party being served is a homeowner, a copy of Civil Code Sections 5925 to 5965.

If the individual receiving the request agrees to ADR, the process must be completed within 90 days unless otherwise extended by agreement. The cost of ADR is to be paid by the participating parties. If a civil suit is filed, the filing party must submit to the court a *Certificate of Compliance* indicating the party has complied with the requirements of Sections 5925 to 5965. Failing to do so would be grounds for challenging the lawsuit. Although the prevailing party is entitled to reasonable attorneys= fees and costs, the court may consider a party=s refusal to participate in ADR when making the award.

Failure by any member of the Association to comply with the alternative dispute resolution requirements of Civil Code Section 5930 may result in the loss of your rights to sue the Association or another member of the Association regarding enforcement of the governing documents or the applicable law.

INTERNAL DISPUTE RESOLUTION PROCEDURE
("IDR" or "MEET AND CONFER") Civil Code
Sections 5900 *et seq.*

1. **Application**. This policy applies to a dispute between the Association and an Association homeowner involving their rights, duties, or liabilities under the Davis-Stirling Act, under the provisions of the Corporations Code relating to mutual benefit corporations (commencing with Corporations Code Section 7110), or under the Association's governing documents.

2. **Procedure**.

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

   B. The homeowner may refuse a request to meet and confer. The Association shall accept, unless the parties have already used this procedure to meet and discuss the same dispute within the past three (3) months and to the Association's knowledge there has been no change in any relevant circumstances since that prior meeting. In that case, the Association may accept or reject the homeowner's request at its option.

   C. The Association's Board of Directors shall designate one or more members of the Board to meet and confer.

   D. At their own cost, and after giving at least two days' notice to the other side of their intent, either the Owner or the Association may bring an attorney or other person to the meet and confer to help explain their position.

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

3. **Agreement.** A resolution of the dispute agreed to by the parties shall be valid only if it is in writing and signed by the parties, including the Board designee on behalf of the Association; it is not in conflict with applicable law or the Association's governing documents; and it does not exceed the scope of authority given to the Board's designee who signed the agreement, or the Board later ratifies it.

4. **Appeal**. If the dispute is resolved by a means other than with the homeowner's agreement, the homeowner shall have a right of appeal to the Association's Board. The homeowner shall submit his or her appeal in writing to the Board.

5. **No Fee**. No homeowner will be charged a fee to participate in the process.

NOTICE ASSESSMENTS AND FORECLOSURE

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

ASSESSMENTS AND FORECLOSURE

Assessments are due on the 1st of each month and become delinquent 15 days after they are due, unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars ($1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars ($1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with Section 5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5700 through 5720 of the Civil Code, inclusive)

Please be advised, costs of collection may include additional fees and costs incurred by a party hired by the association to collect all amounts stated above including but not limited to, management company collection administration fees, file cost, copies, mailers, forms, demands, statements, letters, handling, accounting, default accounting, audits, payment processing, correspondence, Intent to Lien and Lien fees and charges, forbearance agreements, trustee’s fees and costs, postponement and postponement notification fees and costs, mailing charges and costs, notary fees, title, title searches and date-down charges, recording and service charges, document preparation, lien resolution and foreclosure resolution package preparation charges, publication/posting/service of process charges, preparation and handling charges, file set up charges, phone/email time and research, all charged on a piece basis or by the hour as may be appropriate.

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common area damaged by a member or a member's guests, if the governing documents provide for this. (Section 5725 of the Civil Code)

The association must comply with the requirements of Article 2 (commencing with Section 5650) of Chapter 8 of Part 5 of Division 4 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (Section 5675 of the Civil Code)

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 5660 of the Civil Code)

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (Section 5685 of the Civil Code)

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

PAYMENTS

When an owner makes a payment, the owner may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Section 5655 of the Civil Code)

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 2 (commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section 5685 of the Civil Code)

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a time-share interest may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exists. (Section 5665 of the Civil Code)

The board must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 5665 of the Civil Code)

CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION 4525*

The seller may, in accordance with Section 4530 of the Civil Code, provide to the prospective purchaser, at no cost, current copies of any documents specified by Section 4525 that are in the possession of the seller.

A seller may request to purchase some or all of these documents, but shall not be required to purchase ALL of the documents listed on this form.

Property Address_____

Owner of Property_____

Owner's Mailing Address _____
(If known or different from property address.)

Provider of Section 4525 Items:

_____
Print Name Position or Title Association or Agent

_____
Date Form Completed

Check or Complete Applicable Column or Columns Below

Document	**Civil Code Section Included**	**Fee for Document**	**Not Available (N/A), Not Applicable (N/App), or Directly Provided by Seller and confirmed in writing by Seller as a current document (DP)**
Articles of Incorporation or statement that not incorporated	Section 4525(a)(1)	$75	
CC&Rs	Section 4525 (a)(1)	$75	
Bylaws	Section 4525(a)(1)	$75	
Operating Rules	Section 4525(a)(1)	$25	
Age restrictions, if any	Section 4525(a)(2)	$20	

Document	Civil Code Section Included	Fee for Document	Not Available (N/A), Not Applicable (N/App), or Directly Provided by Seller and confirmed in writing by Seller as a current document (DP)
Rental Restrictions, if any	Section 4525(a)(9)	$35	
Annual budget report or summary, including reserve study	Sections 5300 and 4525(a)(3)	$45	
Assessment and reserve funding disclosure summary	Sections 5300 and 4525(a)(4)	$45	
Financial statement review	Sections 5305 and 4525(a)(3)	$45	
Assessment enforcement policy	Sections 5310 and 4525(a)(4)	$25	
Insurance summary	Sections 5300 and 4525(a)(3)	$75	
Regular assessment	Section 4525(a)(4)	$40	
Special assessment	Section 4525(a)(4)	$40	
Emergency assessment	Section 4525(a)(4)	$38	
Other unpaid obligations of seller	Sections 5675 and 4525(a)(4)	$35	
Approved changes to assessments	Sections 5300 and 4525(a)(4),(8)	$35	
Settlement notice regarding common area defects	Sections 4525(a)(6),(7) and 6100	$50	
Preliminary list of defects	Sections 4525(a)(6), 6000 and 6100	$50	

Document	**Civil Code Section Included**	**Fee for Document**	**Not Available (N/A), Not Applicable (N/App), or Directly Provided by Seller and confirmed in writing by Seller as a current document (DP)**
Notice(s) of violation	Sections 5855 and 4525(a)(5)	$30	
Required statement of fees	Section 4525	$30	
Minutes of regular board meetings conducted over the previous 12 months, if requested	Section 4525(a)(10)	$80	

Total fees for these documents: $968

***The information provided by this form may not include all fees that may be imposed before the close of escrow. Additional fees that are not related to the requirements of Section 4525 may be charged separately.**

COLLECTION AND LIEN ENFORCEMENT PROCEDURES
AND NOTICE OF OWNERS RIGHTS

The following is a general description of the collection and lien enforcement procedures for your association and notice of owners' rights regarding your association. This document is also a summary of various provisions of the Davis Stirling Act as it relates to the Association's right to collect unpaid assessments and costs. Our demand for payment does not eliminate your right to dispute this debt within thirty days of your receipt of this letter as described in the Debt Validation Notice accompanying this communication.

NOTICE ASSESSMENTS AND FORECLOSURE

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

ASSESSMENTS AND FORECLOSURE

1. A regular or special assessment and any late charges, reasonable fees and costs of collection, reasonable attorney's fees, if any, and interest, if any, as determined in accordance with California Civil Code Section 5650 subdivision (b), shall be a debt of the owner of the separate interest at the time the assessment or other sums are levied (California Civil Code Section 5650(a)). Please be advised, costs of collection may include additional fees and costs incurred by a party hired by the association to collect all amounts stated above including but not limited to, management company collection administration fees, file cost, copies, mailers, forms, demands, statements, letters, handling, accounting, default accounting, audits, payment processing, correspondence, Intent to Lien and Lien fees and charges, forbearance agreements, trustee's fees and costs, postponement and postponement notification fees and costs, mailing charges and costs, notary fees, title, title searches and date-down charges, recording and service charges, document preparation, lien resolution and foreclosure resolution package preparation charges, publication/posting/service of process charges, preparation and handling charges, file set up charges, phone/email time and research, all charged on a piece basis as set by the collections company. For a complete fee schedule, you may request one from Allstate HOA Management at accounting@hoamgmt.com.

2. Regular assessments shall be due and payable on the 1st day of each month. A courtesy billing statement may be sent each month to the billing address on record with the Association. However, it is the owner of record's responsibility to pay each assessment in full each month regardless of whether a statement is received. All other assessments, including special assessments, are due and payable on the date specified by the Board on the Notice of Assessment, which date will not be less than thirty (30) days after the date of the notice of special assessment.

3. Assessments become delinquent within 15 days after they are due unless the governing documents provide for a longer time. The failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars ($1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars ($1,800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with California Civil Code Section 5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (California Civil Code Sections 5700 through 5720 inclusive)

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection,

reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common area damaged by a member or a member's guests, if the governing documents provide for this. (California Civil Code Section 5725).

The association must comply with the requirements of Article 2 (commencing with California Civil Code Section 5650) of Chapter 8 of Part 5 of Division 4 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (California Civil Code Section 5675 of the Civil Code).

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (California Civil Code Section 5660).

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (California Civil Code Section 5685).

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws. (California Civil Code Section 5660)

Payments that are delinquent and may be subject to a late charge of $10.00 or 10% of the delinquent assessment, or the amount specified in the governing documents if different, the amount specified in the governing documents may be assessed to your account. An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (California Civil Code Section 5685)

4. Payments that are delinquent may incur an interest charge at the maximum amount permitted by law (12% per annum) or the rate specified in the governing documents, whichever interest rate is less, and may be added to any outstanding balance, including delinquent assessments, fees and costs of collection, and reasonable attorney's fees. Such interest charges shall accrue thirty (30) days after the assessment becomes due and shall continue to be assessed until the account is brought current.

5. Upon any installment becoming delinquent, the Association, through its designated agent, may mail a pre-lien notice, Notice of Intent to Lien ("NOI"), to the record owner at the billing address on record with the Association via regular and certified mail notifying owner to pay the account in full within thirty (30) days after receipt of the Notice of Intent to Lien or a lien may be recorded against the owner's property.

6. Per California Civil Code Section 5658(a) indicates that if a dispute exists between the owner of a separate interest and the association regarding any disputed charge or sum levied by the association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and the amount in dispute does not exceed the jurisdictional limits of the small claims court stated in Sections 116.220 and 116.221 of the California Code of Civil Procedure, the owner of the separate interest may, in addition to pursuing dispute resolution pursuant to Article 3 (commencing with California Civil Code Section 5925) of Chapter 10, pay under protest the disputed amount and all other amounts levied, including any fees and reasonable costs of collection, reasonable attorney's fees, late charges, and interest, if any, pursuant to subdivision (b) of California Civil Code Section 5650, and commence an action in small claims court pursuant to Chapter 5.5 (commencing with Section 116.110) of Title 1 of the Code of Civil Procedure. (b) Nothing in this section shall impede an association's ability to collect delinquent assessments as provided in this article or Article 3

(commencing with California Civil Code Section 5700). At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (California Civil Code Section 5660).

7. As an owner, you are hereby offered and advised that you have the right to dispute the assessment debt by submitting a written request for dispute resolution to the association pursuant to the association's "meet and confer" program required in Article 2 (commencing with California Civil Code Section 5900) of Chapter 10. You are offered and advised that you have the right to request a meeting with the board as provided in California Civil Code Section 5665. You have the right to request that the Association participate in some form of Internal Dispute Resolution process ("IDR"). You may be charged the costs of the NOI.

8. If an owner fails to fully cure and bring their account into a current status or fails to request IDR within thirty (30) days after receipt of the NOI, a lien may be recorded for the amount of any delinquent assessments, late charges, interest and/or costs of collection, including attorneys' fees, against the owner's property. The owner may also be charged for the additional fees and costs incurred by a party hired by the association to prepare and record a lien against your separate interest in the association. The lien may be enforced in any manner permitted by law, including, without limitation, judicial or non-judicial foreclosure (California Civil Code Section 5700 – 5720 et seq.). Prior to the recording of the lien the Board shall authorize a lien to be recorded, in accordance with California Civil Code Section 5673. The Association may not use judicial or non judicial foreclosure to enforce a lien unless the delinquent assessments exceed one thousand eight hundred dollars ($1,800) or the delinquent assessments secured by the lien are more than 12 months delinquent. California Civil Code Section 5720 (b) (2).

9. As an owner, you are hereby offered and advised that you have the right to request Alternative Dispute Resolution ("ADR") with a neutral third party pursuant to California Civil Code Section 5925 before the association may initiate foreclosure against your separate interest, except that binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

10. Under California Civil Code Section 5700 (a) the Association may authorize a Trustee to enforce the lien through judicial or non-judicial foreclosure thirty (30) days after recordation of the lien unless otherwise prohibited. For liens recorded on and after January 1, 2006, an association may use judicial or non-judicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is in excess of one thousand eight hundred dollars ($1,800) or more than 12 months delinquent. An association may use judicial or non-judicial foreclosure subject to the conditions set forth in California Civil Code Section 5700 of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or non-judicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5700 through 5720 of the Civil Code, inclusive) The owner will be responsible for significant additional fees and costs of collection if a foreclosure action is commenced against the owner's property.

11. An owner shall have the right to request a meeting with the Board of Directors of the Association to discuss a payment plan. To request a meeting with the board of directors to request a payment plan, your request must be submitted in writing and mailed to the Association at:
c/o Allstate HOA Management
11030 Santa Monica Blvd Ste 100
Los Angeles, CA 90025
Your written request must be postmarked no later than fifteen (15) days from the date of receipt of the NOI. The Association shall provide the owner the standards for payment plans, if any exist. The board shall meet with the owner in executive session within 45 days of the postmark of the request, if the request is mailed within 15 days

of receipt of the NOI, unless there is no regularly scheduled board meeting within that period in which case the board may designate a committee of one or more members to meet with the owner. Payment plans may incorporate any assessments that accrue during the payment plan period. Payment plans may not impede an association's ability to record a lien on the owner's separate interest to secure payment of delinquent assessments. Additional late fees shall not accrue during the payment plan period if the owner is in compliance with the terms of the payment plan.

12. Upon an Owner's written request, the Association shall make specified Association records available for inspection and copying pursuant to Sections 5200-5240 of the California Civil Code.

PAYMENTS

When an owner makes a payment, the owner may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Section 5655 of the Civil Code). The mailing address for overnight payment of assessments during this collection process may be obtained by contacting Allstate HOA Management at accounting@hoamgmt.com.

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the association as set forth in Article 2 (commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (California Civil Code Section 5685)

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a time-share interest may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exists. (California Civil Code Section 5665)

The board must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (California Civil Code Section 5665)"

HOA Name or Address: _____

Unit or Unit Account Number: _____

REQUEST FOR ANNUAL NOTICE OF ADDRESS, REPRESENTATIVE AND RENTAL STATUS
(Civil Code section 4041)

Civil Code, §4041 requires each homeowner to provide the Association with the following information on an annual basis. This request for information is also required to be sent by associations to their members at least 30 days prior to making the Association's own Annual Budget Report disclosures under Civil Code §5300.

Please complete this form and return it to the Association within 30 days:

1. The address or addresses to which notices from the Association are to be delivered:

_____

2. An alternate or secondary address to which notices from the Association are to be delivered:

_____

3. The name and address of your legal representative, if any, including any person with power of attorney, or other person who can be contacted in the event of your extended absence:

_____

4. Is the separate interest that you own (check one):

☐ Owner-occupied? ☐ Rented out?

☐ Developed, but vacant? ☐ Undeveloped?

5. Preferred delivery option for HOA notices:

☐ Mail ☐ Email

If choosing email, please provide a valid email address: _____

Notice: Members do not have to provide an email address to the Association. If a valid email address is not provided by an owner choosing email as the preferred method of delivery, the preferred method will be updated to mail.

NOTE: If an owner fails to provide the notices set forth in paragraphs 1 and 2, above the property address of the Owner's Separate Interest within the development shall be deemed to be the address to which notices are to be delivered.

PLEASE RETURN THIS INFORMATION USING ONE OF THE FOLLOWING METHODS:

MAIL: Allstate HOA Management, 11030 Santa Monica Blvd Ste 100, Los Angeles CA 90025
EMAIL: accounting@hoamgmt.com
FAX: 310-496-3168

ALLSTATE HOA MANAGEMENT

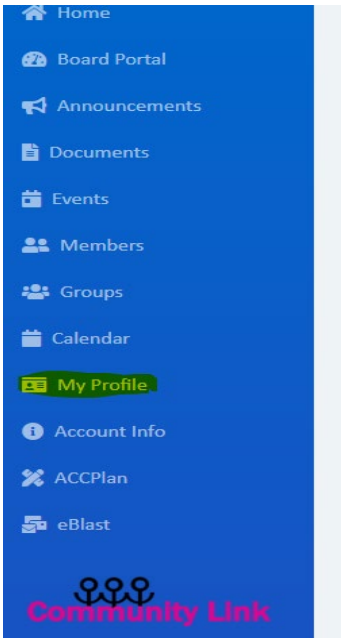
HOMEOWNER ASSOCIATION MANAGEMENT SERVICES

11030 SANTA MONICA BOULEVARD SUITE 100 LOS ANGELES CA 90025

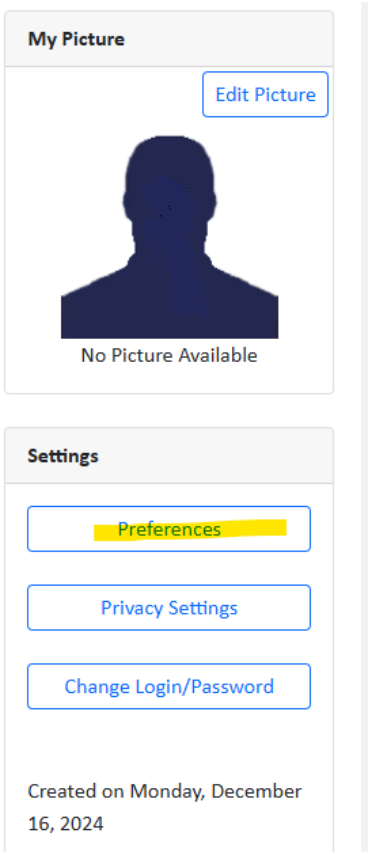
T: 310.444.7444 F: 310.496.3168

Individual Delivery Communication Preferences Instructions

1. To update your individual delivery communication preferences, please log in to your owner portal. This is related to any formal HOA documents/notices where CA Civil Code requires them to be delivered based on owner communication preferences. For example, special assessment notices, annual disclosures, violation notices, hearing/fine notices, etc.
2. Once logged in, please click on My Profile from the left-hand menu.



3. On the right side under Settings, please click on Preferences.



4. You will then see under Notification Preferences a drop-down menu for General Communication Preference.



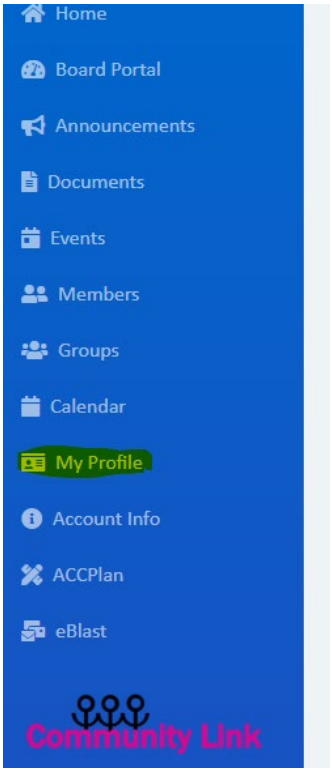
5. Please choose to receive notices via Email or Paper moving forward and click Save.

Please continue to next page for additional information and instructions.

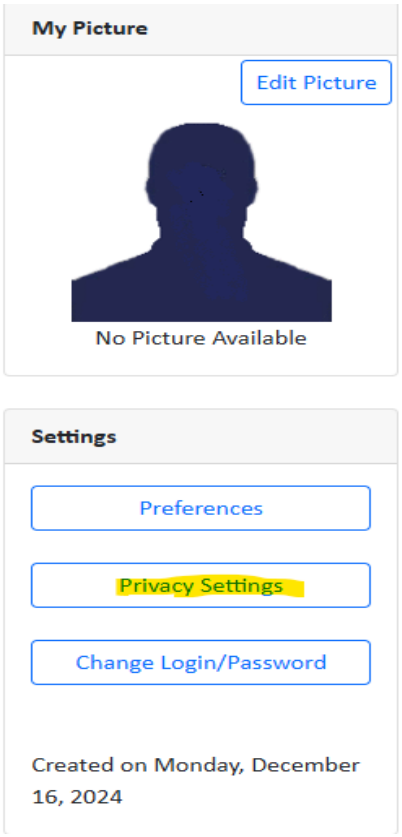
Membership List/Directory Opt In/Out Instructions

1. To update your membership list/directory privacy settings, please log in to your owner portal. This will allow you to opt out altogether or choose what information you wish to include in the HOA's membership list/directory. For example, you can choose to hide/show your name, unit address, mailing address, phone number, and email address.

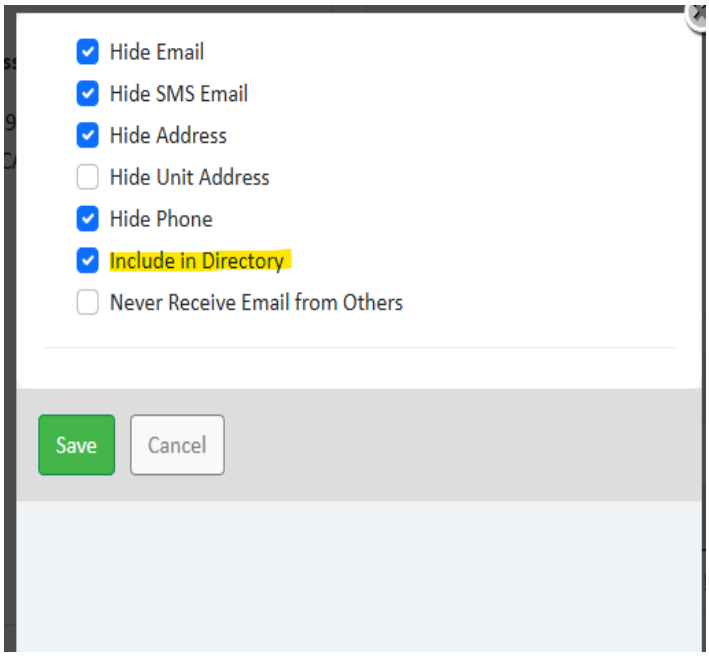
2. Once logged in, please click on My Profile from the left-hand menu.



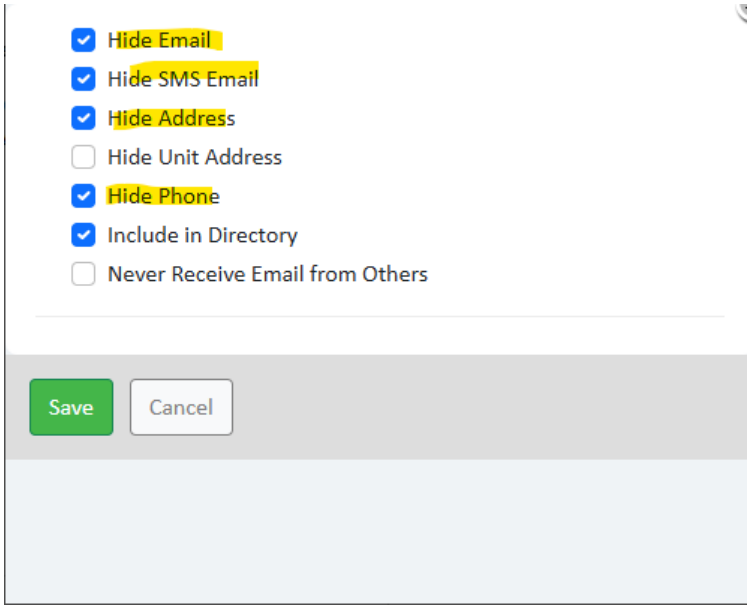
3. On the right side under Settings, please click on Privacy Settings.



4. If you'd like to opt out of being included in the membership list/directory altogether, please uncheck Include in Directory and click Save.



5. If you'd like to be included in the membership list/directory, you may choose to hide any information that you wish not to be included. Click the checkboxes for items you wish to hide. Uncheck checkboxes for items you wish to include. Click Save once done.



Notice about included insurance disclosure

This summary of the association's policies of insurance provides only certain information, as required by Section 5300 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and provision of reasonable notice, review the association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage.

CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY): 06/24/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

PRODUCER

StateFarm

Kelly Duong
14256 Beach Blvd

Westminster, CA 92683-4562

CONTACT NAME: Kelly Duong
PHONE (A/C, No, Ext): (714) 891-5500 FAX (AC, NO): (714) 891-5525
E-MAIL ADDRESS: kelly.duong.m8wt@statefarm.com
PRODUCER CUSTOMER ID

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : State Farm General Insurance Company	25151
INSURER B :	
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED

1849 GREENFIELD HOA
C/O ALLSTATE HOA MANAGEMENT 11030 SANTA MONICA BLV

LOS ANGELES, CA 90025-7530

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

LOCATION OF PREMISES / DESCRIPTION OF PROPERTY (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

REFER TO ACORD 101.

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	COVERED PROPERTY	LIMITS
	[X] **PROPERTY** CAUSES OF LOSS / DEDUCTIBLES [ ] BASIC — BUILDING $1,000.00 [ ] BROAD — CONTENTS [X] SPECIAL [ ] EARTHQUAKE [ ] WIND [ ] FLOOD	92-C0-4172-0	05/19/2025	05/19/2026	[X] BUILDING [ ] PERSONAL PROPERTY [ ] BUSINESS INCOME [ ] EXTRA EXPENSE [ ] RENTAL VALUE [ ] BLANKET BUILDING [ ] BLANKET PERS PROP [ ] BLANKET BLDG & PP	$ $3,599,500 $ $ SEE ACORD 101 $ SEE ACORD 101 $ SEE ACORD 101 $ $ $
	[ ] **INLAND MARINE** CAUSES OF LOSS [ ] NAMED PERILS	TYPE OF POLICY POLICY NUMBER				$ $ $ $
	[ ] **CRIME** TYPE OF POLICY					$ $ $
	[ ] **BOILER & MACHINERY / EQUIPMENT BREAKDOWN**					$ $
						$ $

SPECIAL CONDITIONS / OTHER COVERAGES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

REFER TO ACORD 101.

CERTIFICATE HOLDER

Allstate HOA Management
11030 Sta Mon Blvd Ste 100

Los Angeles, CA 90025-7553

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

IF SIGNATURE IS REQUIRED, PLEASE CONTACT AGENT.

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AGENCY CUSTOMER ID: _____

LOC #: _____

ADDITIONAL REMARKS SCHEDULE

AGENCY		NAMED INSURED
Kelly Duong		1849 GREENFIELD HOA
POLICY NUMBER		
92-C0-4172-0		
CARRIER	NAIC CODE	
State Farm General Insurance Company	25151	EFFECTIVE DATE: 05/19/2025

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM.

FORM NUMBER: 24 **FORM TITLE:** Certificate of Property Insurance

Unit Owner:

na - na - na, - CA - 90025 - Unit Loan Number:na - Number Of Units: 0016

Association Type: Residential Community Association Policy

Forms, Options and Endorsements:

CMP-4101	Businessowners Coverage Form
FE-6999.3	Terrorism Insurance Cov Notice
CMP-4696	Residential Community Assoc
CMP-4508	Money and Securities
CMP-4260.2	Amendatory Endorsement - Ca

Forms, Options and Endorsements:

CMP-4814	Dir & Officers $2,000,000
FE-1313	Form 438bfu Ns Lndr Loss Pay
CMP-4710	Emp Dishonesty $25,000
CMP-4705.2	Loss of Income & Extra Expense

Coverages:

Business Liability	$2,000,000
Medical Payments	$5,000
Products-Completed Operations	$4,000,000
General Aggregate	$4,000,000

Coverage

Unless otherwise endorsed, this policy provides replacement cost coverage on described property and common areas detailed within the Association Covenants, Conditions, and Restrictions (CC&Rs) including the following types of property within a unit, regardless of ownership:

1. Fixtures, improvements and alterations that are a part of the building or structure; and
2. Appliances such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping.

Replacement cost coverage is subject to the terms and conditions of the policy and any endorsements.

Coverage under this policy may have been modified to provide actual cash value coverage rather than replacement cost coverage, or to remove specified property from coverage, if any endorsement containing in its title “ACV” or “Actual Cash Value,” or “Additional Property Not Covered” is identified on this Certificate of Insurance.

Endorsements: FE-3650, FE-3653, FE-3658, and FE-3659 (Actual Cash Value) - These endorsements describe what the term "actual cash value" means where used in the policy. ***However, these endorsements do not change any replacement cost coverage provided by the policy.***

This policy provides coverage on a standalone/individual condominium association.

Commercial General Liability

State Farm refers to this coverage as Business Liability Coverage. Coverage amount shown is Per Occurrence.

Loss of Rents, Loss of Income and Extra Expense

If this coverage is shown, limits are “Actual Loss Sustained”. Contact the agent to confirm the number of day's coverage.

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1849 GREENFIELD AVENUE OWNERS ASSOCIATION

MEMBERSHIP ELECTION RULES

Adopted _____, 202___

TABLE OF CONTENTS

MISCELLANEOUS – ALL MEMBERSHIP VOTES

1. Application
2. Email Ballots or Mail Ballots
3. No Email Votes on Assessments
4. Membership Voting Rights
5. Voter List
6. Proxies
7. Definitions
8. Amendments
9. Campaigning - Equal Access to Media
10. Campaigning - Equal Access to Meeting Space
11. Campaigning - Use of Association Funds
12. Candidate Qualifications
13. Appoint Inspector of Election
14. Inspector of Election's Duties

PRE-BALLOT PROCEDURES
DIRECTOR ELECTIONS AND VOTES TO RECALL DIRECTORS

15. 60 Days Before Call for Nominations – Optional Procedures to Preserve Vote by Acclamation
16. 60 Days Before Ballots are Distributed – Members' Choice of Voting Method
17. 60 Days Before Ballots are Distributed – Call for Nominations
18. After Close of Nominations – Uncontested Election
19. 30 Days Before Ballots are Distributed – Pre-Ballot Notice
20. 30 Days Before Ballots are Distributed – Verification of Member Information

PRE-BALLOT PROCEDURES
ALL OTHER VOTES

21. 60 Days Before Ballots are Distributed – Members' Choice of Voting Method
22. 30 Days Before Ballots are Distributed – Verification of Member Information
23. Before Ballots are Distributed – Use of Email Voting System

BALLOTING PROCEDURES – ALL VOTES

24. No Assessment Votes by Email
25. 30 Days Before Ballot Due Date – Election Rules
26. 30 Days Before Ballot Due Date – Ballot Package
27. The Ballot
28. Ballots are Irrevocable
29. Non-Members
30. Quorum
31. Extending Ballot Deadline
32. Meeting to Count the Ballots
33. Approval Requirement

POST-VOTING PROCEDURES
34. Voting Results
35. Storage and Access to Election Materials
36. Termination of Inspector's Duties

EXHIBIT A - OPTIONAL PROCEDURE TO PRESERVE RIGHT TO ELECTION OF DIRECTORS BY ACCLAMATION

EXHIBIT B – TIMELINES FOR MEMBERSHIP VOTES

MEMBERSHIP ELECTION RULES

Miscellaneous
All Membership Votes

1. **Application**. These Election Rules apply to all membership votes on the following:

   A. Assessments.
   B. Election or removal of directors.
   C. Amendments to the Association's governing documents.
   D. Grants of the exclusive use of common area, as described in California Civil Code Section 4600.

2. **Email Ballots or Mail Ballots.** The Board may decide to conduct a membership vote entirely by mail ("Mail Ballots"), by electronic secret ballot ("Email Ballots") sent out by the Inspector of Election, or by a combination of the two, as set out in these Election Rules.

3. **No Email Votes on Assessments**. However, votes on assessments must be taken by Mail Ballots unless otherwise allowed by law.

4. **Membership Voting Rights**. Each member's voting power is one vote per Unit owned. In any Board election, each Unit shall have one vote for each director to be elected.

5. **Voter List**. The Association shall maintain a voter list that includes:
   (1) The members' names.
   (2) The members' voting power, which is one vote per membership.
   (3) Either the Unit's physical address, its parcel number, or both.
   (4) Whether each member will vote by Email Ballot or by Mail Ballot.
   (5) The procedure to opt into or out of voting by Email Ballot.
   (6) The members' mailing address for the Mail Ballot, if it differs from the physical address of the Unit or if only the parcel number is used.
   (7) Valid email addresses for members voting by Email Ballot.

6. **Proxies.** The authenticity, validity, and effect of proxies is as follows: Proxies are not allowed for any membership votes

7. **Definitions**.

   A. "Individual Delivery" means delivery by the delivery method specified by the member, which may be by email. Or if the member hasn't specified, "Individual Delivery" shall be made by prepaid first-class mail or overnight delivery service.

   B. "General Delivery" means delivery by "Individual Delivery" or by posting the document in a prominent location that is accessible to all the members, if the location has been

designated for the posting of general notices by the Association in its annual policy statement.

8. **Amendments**. These Election Rules may not be amended during the 90-day period before a vote is counted.

9. **Campaigning - Equal Access to Media**. If any candidate or member advocating a point of view is provided access to Association media, newsletters, or internet websites during a campaign, for purposes that are reasonably related to that election, equal access shall be provided to all candidates and members advocating a point of view, including those not endorsed by the Board, for purposes that are reasonably related to the election. The Association shall not edit or redact any content from these communications, but may include a statement specifying that the candidate or member, and not the Association, is responsible for that content.

10. **Campaigning - Equal Access to Meeting Space**. Access to the common area meeting space, if any exists, during a campaign, is granted at no cost, to all candidates, including those who are not incumbents, and to all members advocating a point of view, including those not endorsed by the Board, for purposes reasonably related to the election.

11. **Campaigning - Use of Association Funds**.

    A. Association funds shall not be used for campaign purposes in connection with any Board election. Association funds shall not be used for campaign purposes in connection with any other type of vote except to the extent necessary to comply with duties of the Association imposed by law.

    B. "Campaign purposes" include, but are not limited to, expressly advocating the election or defeat or any candidate, or including the photograph or prominently featuring the name of any candidate on a communication from the Association or its Board, excepting the ballot and ballot materials, within 30 days of an election. "Campaign purposes" do not include communications for which Rule 9, above, requires equal access.

12. **Candidate Qualifications**. The qualifications for candidates for the Board are as follows. During their tenure, directors must meet these qualifications as well and are subject to the same procedures for removal from the Board as set out herein for the disqualification of candidates. As set out in California Civil Code Sections 5103(b) and 5105, this overrides anything to the contrary in the Bylaws.

    A. If title to a Unit is held by a legal entity that is not a natural person, the governing authority of that legal entity shall have the power to appoint a natural person to be a member for purposes of qualification to serve on the Board.

    B. Any person is automatically disqualified from a nomination as a candidate if, as of the close of nominations:

        (1) That person is not a member of the Association; or

        (2) The person has been declared of unsound mind by a final order of court.

C. The Board may disqualify members from nomination as a candidate for the following reasons if any of these factors exist as of the date of close of nominations, but only if the member has first been provided the opportunity to engage in a "meet and confer" (internal dispute resolution) as defined in Civil Code Section 5900 *et seq*.

(1) The member is not current in the payment of regular and special assessments. However, a member cannot be disqualified (i) for nonpayment of fines, fines renamed as assessments, collection charges, late charges, or costs levied by a third party, or (ii) for delinquent assessments if the person has entered into a payment plan pursuant to Civil Code Section 5665 and is in compliance with that plan.

(2) The member, if elected, would be serving on the Board at the same time as a co-owner of the same Unit, and the co-owner is either properly nominated for the current election or an incumbent director.

(3) The member discloses, or the Association is aware or becomes aware of, a past criminal conviction that would, if the member was elected, disqualify the Association from maintaining the fidelity insurance coverage required by Civil Code Section 5806.

(4) The member has been convicted of a felony.

13. **Appoint Inspector of Election**. Before starting the nomination process (for director elections or votes to recall directors) or voting process (all other membership votes), the Board shall appoint one or three independent third parties to serve as inspector(s) of election.

A. The inspector(s) may be Association members or non-members.

B. The inspector(s) may not be directors or candidates for election, family members of a director or candidate, the Association's manager, its accountant, its attorney, or any other person who is employed by the Association or otherwise under contract to provide services to the Association other than serving as the inspector of election.

C. The inspector(s) may appoint and oversee additional persons to verify signatures and to count and tabulate votes as the inspector(s) deem appropriate, provided that the persons are independent third parties.

14. **Inspector of Election's Duties**. The inspector of election shall do all of the following:

A. Determine the number of memberships entitled to vote and the voting power of each.

B. Determine the authenticity, validity, and effect of proxies, if any.

C. Receive ballots.

D. If authorized by the Board, the inspector of election may conduct a vote, except for a vote on assessments, by Email Ballot. If so, s/he shall provide each member voting by Email Ballot with all of the following:

(1) A method to authenticate the member's identity to the internet-based voting system.
(2) A method to transmit an Email Ballot to the internet-based voting system that ensures the secrecy and integrity of each ballot.
(3) A method to confirm at least 30 days before the voting deadline that the member's electronic device can successfully communicate with the internet-based voting system.

E. If the vote is taken by Email Ballot, the internet-based voting system used by the inspector of election shall be able to do all of the following:

(1) Authenticate the member's identity.
(2) Authenticate the validity of each Email Ballot to ensure that it is not altered in transit.
(3) Transmit a receipt from the internet-based voting system to each member who casts an Email Ballot.
(4) Permanently separate any authenticating or identifying information from the Email Ballot, rendering it impossible to connect an election ballot to a specific member.
(5) Store and keep Email Ballots accessible to elections officials or their authorized representatives for recount, inspection, and review purposes.

Pre-Ballot Procedures
Director Elections and Votes to Recall Directors

15. **60 Days Before Call for Nominations**
Optional Procedure to Preserve Acclamation. If the Association chooses to preserve the ability to declare an election by acclamation, it shall follow other process given in Exhibit A to these Election Rules. Acclamation can be used as explained in Exhibit A if at the close of nominations there are no more candidates for election to the Board than there are open Board positions. In that case, the Board can declare the candidates elected without having to distribute ballots.

16. **60 Days Before Ballots are Distributed**
Members' Choice of Voting Method. If the Association is making available the ability to vote by Email Ballot, members may change their preferred method of voting, either Email Ballot or Mail Ballot. Any change in a member's preferred method must be communicated to the Association at least 90 days before the votes are counted, along with a valid email address if the member is selecting an Email Ballot.

17. **60 Days Before Ballots are Distributed**
Call for Nominations. For the election of directors, the procedures for the nomination of candidates, consistent with the governing documents, are as follows:

A. At least 30 days before the deadline for submitting a nomination, the Association shall provide General Delivery (*see* Rule 6) of the procedure and deadline for submitting a nomination. If any member asks for Individual Delivery (*see* Rule 6) of the procedure, the Association shall provide it.

B. Nominations must be submitted in writing. Candidates may not be nominated from the floor of a membership meeting.

C. Members may nominate themselves for election to the Board. Only members may nominate candidates.

D. Write-in candidates are not allowed on ballots for the election of directors.

18. **After Close of Nominations**
Uncontested Election. The election may be canceled for any year in which both of the following occur, even if the Board has not followed the procedure for declaring an election by acclamation. However, the Association must hold an election at least once every four years:

A. At the close of nominations there are not more candidates than there are Board positions to be filled, and

B. At least 30 days later, as of the date by which ballots were to be mailed out, the Board consists of the same directors as if the nominees were all elected.

If the election is canceled, the current directors will stay in office until the next annual election is concluded.

19. **30 Days Before Ballots are Distributed**
Pre-Ballot Notice. At least 30 days before the ballots are distributed, the Association shall deliver to the members by General Delivery (*see* Rule 6) a Pre-Ballot Notice containing all of the following:

A. The due date and time for return of Mail Ballots.

B. If voting is by Email Ballot, the date and time by which Email Ballots are to be transmitted to the internet-based voting system and preliminary instructions on how to vote by Email Ballot once the voting period starts.

C. If voting is by Email Ballot, instructions on how to access to the internet-based voting system and how to vote by Email Ballot. This notice may be sent by email to an email address designated by the member.

D. The physical address where Mail Ballots are to be returned by mail or handed to the inspector(s) of election.

E. The date, time, and location of the meeting at which ballots will be counted.

F. A candidate registration list containing the names and addresses of all candidates nominated for election to the Board.

G. The following statement: "As provided by Section 3.4(h) of our Bylaws, each member has the right to verify the accuracy of their individual information on the Voter List and Candidate Registration List created for this election pursuant to Sections 3.4(e), 3.4(f), and 5.4(d) of our Bylaws."

H. The following statement: "The Board reserves the right to extend the voting deadline for additional periods in order to allow for additional solicitation of members who have not yet cast a ballot."

20. **30 Days Before Ballots are Distributed**
Verification of Member Information. Members may verify the accuracy of their individual information on the Association's voter list. The Association or member shall report to the inspector of election any errors or omissions to the list at least 30 days before the ballots are distributed to the inspector of election. The inspector of election shall make the corrections within two business days.

Pre-Balloting Procedures
All Other Votes

21. **60 Days Before Ballots are Distributed**
Members' Choice of Voting Method. Members may change their preferred method of voting to either Email Ballot or Mail Ballot. Any change in a member's preferred method must be communicated to the Association at least 90 days before the votes are counted, along with a valid email address if the member is selecting an Email Ballot.

22. **30 Days Before Ballots are Distributed**
Verification of Member Information. Members may verify the accuracy of their individual information on the Association's voter list. The Association or member shall report to the inspector of election any errors or omissions to the list at least 30 days before the ballots are distributed to the inspector of election. The inspector of election shall make the corrections within two business days.

23. **Before Ballots are Distributed (Email Ballots Only)**
Use of Email Voting System. The inspector of election shall provide each member voting by Email Ballot with all of the following:

A. A method to authenticate the member's identity to the internet-based voting system.
B. A method to transmit an Email Ballot to the internet-based voting system that ensures the secrecy and integrity of each ballot.
C. A method to confirm at least 30 days before the voting deadline that the member's electronic device can successfully communicate with the internet-based voting system.

24. **No Assessment Votes by Email.** As of the date of these Election Rules, statute prohibits membership votes on large special assessments or large increases of regular assessments by Email Ballot. All such votes must be taken by Mail Ballot. If statute is subsequently revised, membership assessment votes may be taken by any means allowed by law.

25. **30 Days Before Ballot Due Date**
Election Rules. The Election Rules must be delivered to members by Individual Delivery (*see* Rule 6) at least 30 days before the ballot due date. Or instead they may be delivered by posting them on an internet website and including the website's address on the ballot with the phrase in at least 12-point font: "The rules governing this election may be found here." Or the Election Rules may be delivered to the members by Individual Delivery. As of the date of these Election Rules, the Association's website is www.condomanager.com.

26. **30 Days Before Ballot Due Date**
Ballot Package. At least 30 days before the Ballots are due, the inspector of election must cause to be delivered to each member a ballot package. The Association will only send one ballot to each member, either by email or mail. The ballot package for Mail Ballots shall be delivered by Individual Delivery (*see* Rule 6). If the Association does not have a member's email address for Email Ballots by the time that ballots are to be distributed, that member will receive a Mail Ballot.

The ballot package shall contain:

A. A ballot.

B. The following information, which may be included in the ballot or in a separate notice:

- The due date and time for returning the ballot. Unless otherwise stated in the ballot package, ballots shall be due at 5:00 p.m. on the due date if delivered to the address on the return envelope, or if hand delivered to the meeting to count ballots which is held on the due date, by close of polls as announced at the meeting.

- The number of responses needed to satisfy the quorum requirement.

- For actions other than Board elections, the percentage of members required to pass the proposal.

An Email Ballot may be accompanied by or contained in an email notice.

C. For Mail Ballots only, two envelopes, as follows:

- An inner envelope containing no information to identify the member using it. The member is to fill in the ballot, put it in this blank inner envelope, seal the envelope, and place it in the outer envelope.

- An outer envelope containing in the upper left-hand corner the following information, or a place for the member to fill in the following:
  - Signature line;
  - Member's printed name; and
  - The address of the member's Unit.

This outer envelope is to be returned to an address designated by the inspector of election.

D. In any vote of the members to approve an amendment to the Bylaws, CC&Rs, or any other governing document, the text of the proposed amendment shall be included with the ballot delivered to the members.

(1) For Members voting by email, the Association may deliver by email or other electronic means the text of the proposed amendment.

(2) The Association shall also deliver, without charge, a written copy of the text of the proposed amendment to members upon request

27. **The Ballot.**

A. **Ballot Contents**. The ballot shall not include any place for members to sign or to write their names, addresses, or other identification. It shall include each proposed action and a space to specify approval or disapproval of it, and the following statement: "The Board reserves the right to extend the voting deadline for additional periods in order to allow for additional solicitation of members who have not yet cast a ballot."

B. **Measures Voted On**. The Email Ballots and Mail Ballots must contain the same list of items being voted on.

C. **Ballot Due Date**. The voting period for membership votes, including the times at which polls will open and close, is at least 30 days from the date the ballot is distributed. If the meeting to count Mail Ballots is held on the same date as the Mail Ballots are due, members may hand deliver their Mail Ballots to the inspector at that meeting even if the deadline for delivering Mail Ballots to the inspector's address closed earlier that day.

D. **Cumulative Voting - Director Elections Only.** Cumulative voting is not allowed in any election of directors, which means that members may not place more than one vote on any one candidate.

28. **Ballots are Irrevocable**. Once an Email Ballot is emailed to the address, location, or system designated by an inspector of election, it is effective and cannot be revoked. Once a Mail Ballot has been received by the inspector of election, it is effective and cannot be revoked. Any subsequent ballots received for the same Unit shall be deemed invalid.

29. **Non-Members**. Persons may only be denied ballots if they are not a member at the time the ballots are distributed. A person holding a general power of attorney for a member is entitled to receive a ballot and to vote the ballot on behalf of the member.

30. **Quorum**. For purposes of determining a quorum, a member voting by Email Ballot shall be counted as a member in attendance at the meeting. Once quorum is established, a substantive membership vote shall not be taken on any issue other than the ones identified on the Email Ballot.

31. **Extending Ballot Deadline**. The Board may, at its option, at any open Board meeting held before the deadline to return ballots, request that the Inspector of Election count the ballot envelopes received to date. If the number of ballots returned is insufficient to meet quorum or approval requirements, or if the Board otherwise determines an extension would be advisable, it may extend the voting deadline by a reasonable period. If so, the Board shall distribute to all members notice of the deadline extension by General Delivery (*see* Rule 8) before the original deadline has expired.

32. **Meeting to Count the Ballots.** No one may open or otherwise review any tally sheet of votes cast by Email Ballots before the time and place at which the ballots are counted and tabulated. The inspector of election shall open the envelopes for Mail Ballots and count the ballots at either a membership meeting or an open Board meeting, in a public location where the members can observe the counting process. The inspector of election can mark off a small area where members cannot enter to keep the ballots out of reach of the public, as long as the members can see and hear the counting process.

33. **Approval Requirement**.

    A. Unless a different percentage of approval is required by law or the governing documents, approval by ballot shall be valid only when (i) the number of ballots returned by the deadline equals or exceeds the quorum requirement, and (ii) over half of the ballots cast votes in favor of the measure voted on. In an election of directors, those candidates receiving the largest number of votes shall be elected to the Board.

    B. **Tie Vote**. If there is a tie for the election of directors, the result shall be determined by a run-off election conducted by Mail Ballot or Email Ballot. If a run-off election is conducted, all directors whose positions were up for election shall be removed from office, the remaining candidates elected to the Board shall take their positions immediately without waiting for the results of the runoff, and the position which was tied shall remain vacant until the run-off election is concluded, unless that would reduce the number of directors to less than a quorum of three out of five directors. In that case, the Board shall remain the same and the newly elected directors shall not take their seats until the runoff election is concluded.

Post-Voting Procedures

34. **Voting Results**. The results of every member vote by Mail Ballot or Email Ballot shall be recorded in the minutes of the meeting where the ballots were counted. In addition, within 15 days after the votes have been counted, the Board shall notify the members of the vote results by General Delivery (*see* Rule 6).

35. **Storage and Access to Election Materials**.

A. Ballots, voided ballots marked "Void" with the reason for their being voided, signed envelopes, the voter list, the candidate list, and tally sheet of votes cast by Email Ballot ("election materials") shall remain in the custody of the inspector of election, or at a location designated by the inspector, for one year after the election. After one year, the election materials shall be delivered to the Association. The Association may destroy the election materials at any time after one year from the subject vote.

B. For one year after the ballots are counted, in the event of a recount or other challenge to the voting process, the election materials shall be made available for inspection and review by a member or their authorized representatives. Any recount shall be conducted in a manner that shall preserve the confidentiality of the vote.

36. **Termination of Inspector's Duties**. The inspector of election's authority terminates when the inspector reports to the Board, or should have reported to the Board, the election results. Except for storage and access to the election materials, the inspector of election's duties and obligations terminate when the inspector actually reports the election results to the Board. The inspector's duties relating to storage and access to election materials shall terminate when the inspector delivers, or should have delivered, the election materials to the Association.

EXHIBIT A

OPTIONAL PROCEDURE TO PRESERVE RIGHT TO ELECTION OF DIRECTORS BY ACCLAMATION

This procedure may be used, at the Board's discretion, if all of the following is true:

- If after close of nominations the number of candidates does not exceed the number of directors to be elected, the Board wishes to declare the nominees to be elected without distributing ballots for the members' vote (election by acclamation); and

- The Association has held a regular election for the directors in the last three years. The three-year time period shall be calculated from the date ballots were due in the last full election to the start of voting for the proposed election; and

- The director election is not part of a vote to recall one or more directors and at the same time elect their replacement(s).

1. **60 Days Before the Call for Nominations is Sent Out.** The Association shall provide by Individual Delivery an initial notice of the election and the procedure for nominating candidates. The initial notice shall include all of the following:

   A. The number of Board positions that will be filled at the election.

   B. The deadline for submitting nominations, which shall be at least 90 days after this initial notice is sent out.

   C. How members can submit nominations.

   D. A statement informing members that if, at the close of the time period for making nominations, there are the same number or fewer qualified candidates as there are Board positions to be filled, then the Board of Directors may, after voting to do so, seat the qualified candidates by acclamation without sending out ballots.

2. **Call for Nominations**. The Association shall send out the regular call for nominations as set out in Rule 18 of these Election Rules.

3. **Seven to 30 Days Before Nominations are Due.** If the number of qualified candidates received by now does not exceed the number of Board positions to be filled, the Association shall send out by Individual Delivery (*see* Voting Rule 6) a reminder notice. The reminder notice shall include all of the following:

   A. The number of Board positions that will be filled at the election.

   B. The deadline for submitting nominations.

   C. How members can submit nominations.

D. A list of the names of all of the qualified candidates to fill the Board positions as of the date of the reminder notice.

E. A statement reminding members that if, by the deadline for submitting nominations, there are the same number or fewer qualified candidates as there are board positions to be filled, then the Board of Directors may, after voting to do so, seat the qualified candidates by acclamation without balloting.

4. **Nominations – Confirmation and Qualification**.

A. **To Member Nominating a Candidate**. Within seven business days of receiving a nomination, the Association shall provide to the member who submitted the nomination a written or electronic acknowledgement of the nomination.

B. **To Candidate**. Within seven business days of receiving a nomination, the Association shall provide to the nominee a written or electronic communication indicating either of the following:

(1) The nominee is a qualified candidate for the board of directors, or

(2) The nominee is not a qualified candidate for the Board of Directors, the basis for the disqualification, and the procedure for internal dispute resolution (Civil Code Sections 5900 *et seq.*) by which the nominee may appeal the disqualification.

If a Member nominated him/herself, these two notices may be combined into one.

C. **Disqualifying Candidates**. The Association shall permit all qualified candidates to run for the Board.

D. **Contesting Disqualification as Candidate**. Nominees who are members of the Association may contest their disqualification by requesting a "meet and confer" as set out in Rule 13.C of these Election Rules.

5. **Election by Acclamation**. If as of the nominations deadline the number of qualified candidates is not more than the number of vacancies to be elected, as determined by the inspector of election, the Board may, but is not required to, consider the qualified candidates elected by acclamation. The Board shall vote to consider the qualified candidates elected by acclamation at an open Board meeting for which the agenda item reflects the name of each qualified candidate that will be seated by acclamation if the item is approved.

Exhibit B

Timelines for Membership Votes

DIRECTOR ELECTIONS AND DIRECTOR RECALLS		
Day	**Description**	**Voting Rule**
Before starting the vote process	Appoint inspector of election	Rule 14
90 days before ballots are distributed	***Only if HOA chooses to preserve right to acclamation***: Notice that the Board may declare the vote by acclamation	Exh. A, ¶ 1
More than 60 days before ballots are distributed	Only where Email Ballots are allowed: Notify members they can choose to vote by either Mail or Email Ballots	Rule 17
60 days before ballots are distributed	Only where Email Ballots are allowed: Members' deadline to choose to vote by either Mail or Email Ballots	Rule 17
60 days before ballots are distributed	Call for nominations	Rule 18
7 days after receiving each nomination	***Only if HOA has preserved right to acclamation***: Acknowledgement of receipt of nomination; Notice to nominee whether they're qualified	Exh. A, ¶ 4
7 to 30 days before close of nominations	***Only if HOA has preserved right to acclamation***: Reminder to members of nomination deadline	Exh. A, ¶ 3
30 days before ballots are distributed	***Only if HOA has preserved right to acclamation***: After close of nominations, if conditions are met, the Board may declare the election decided by acclamation	Exh. A, ¶ 5
More than 30 days before sending out ballots	Notify members they may verify their contact information on the HOA's voting list	Rule 23
30 days before sending out ballots	Close of nominations	
After close of nominations	If election is uncontested, HOA may be able to cancel the election if certain conditions are met	Rule 19
After close of nominations, 30 days before sending out ballots	Distribute to members a pre-ballot notice with voting information and a copy of the candidate list	Rule 20
30 days before sending out ballots	Deadline for members to verify their contact information on the HOA's voting list	Rule 23
Sometime before ballots are sent out	Only where Email Ballots are allowed: Send members a notice on using the email voting system	Rule 24

30 days after pre-ballot notice (*see* Rule 20)	Send members the balloting package, giving 30 days to return ballots	Rule 27
30 days before balloting deadline	Send members copy of Election Rules	Rule 26
30 days after ballot mailing	Balloting deadline	Rule 28.C
On or after balloting deadline	Meeting to count ballots	Rule 33
Within 15 days after ballot counting	Notice to members of vote results	Rule 35
Within 15 days after meeting to count ballots	If there is no quorum at meeting, the meeting may be adjourned for 20 to 45 days	Rule 32.A
For 1 year after ballot counting	Retain ballots and make them available for inspection by the members	Rule 36

ALL VOTES OTHER THAN DIRECTOR ELECTIONS AND RECALLS		
Day	**Description**	**Voting Rule**
Before starting the vote process	Appoint inspector of election	Rule 14
More than 60 days before ballots are distributed	Only where Email Ballots are allowed: Notify members they can choose to vote by either Mail or Email Ballots ***Note**:* Email Ballots are not allowed for assessment votes.	Rule 17 Rule 9
60 days before ballots are distributed	Only where Email Ballots are allowed: Members' deadline to choose to vote by either Mail or Email Ballots	Rule 22
More than 30 days before ballots are distributed	Notify members they may verify their contact information on the HOA's voting list	Rule 23
30 days before ballots are distributed	Deadline for members to verify their contact information on the HOA's voting list	Rule 23
Sometime before ballots are distributed	Only where Email Ballots are allowed: Send members a notice on using the email voting system	Rule 24
Ballot mailing	Send members the balloting package, giving 30 days to return ballot	Rule 27
30 days before balloting deadline	Distribute to members a copy of the Election Rules	Rule 26
30 days after ballot mailing	Balloting deadline	Rule 28.C
On or after balloting deadline	Meeting to count ballots	Rule 33
Within 15 days after ballot counting	Notice to members of vote results	Rule 35
For 1 year after ballot counting	Retain ballots and make them available for inspection by the members	Rule 36

1849 Greenfield Homeowners Association
Rules and Regulations

Each Violation of the following Rules and Regulations of the 1849 Greenfield Homeowners Association will result in a $100 fine after an initial warning.

1. NOISE. Residents must be considerate of others by keeping radios, TV's, stereos, musical instruments and guests at a moderate volume so as not to disturb neighbors. This rule will be strictly enforced after 11 pm.

2. SECURITY. No one is to be admitted through the front door using the intercom/buzzer system unless you know the person is coming to see you. Do not push the entrance buzzer for more than a count of 6 or 7 and do not yell into the intercom.

All doors in the common area should be securely closed and locked at all times. This includes ALL doors leading to and from the garages. If you need to keep the garage door or the front door open to load groceries or to admit other residents, please remember to CLOSE THE DOOR when you are finished.

3. EMERGENCY KEYS. Each owner is required to give a key to his/her apartment to a neighbor or Board member in case of fire or other emergency. The location of each owner's key needs to be submitted to the board. When leaving your unit overnight or longer, alert a neighbor of your choice, leaving a key to any auto left in the garage and advising them of your date of departure and date of return. It is important for someone on the Board to know who this person is, in the event of an emergency.

4. TRASH. All trash needs to be deposited in the South Garage bin. All trash bags need to be tied and placed in the bin, such that the lid of the bin can be closed. Under no circumstances should trash be left outside a unit's front door or in any common area for later deposit. This includes the laundry room trash bin, which is NOT under any circumstances to be used to deposit household trash.

BULKY ITEMS. Owners need to make special arrangements with the city of Los Angeles for the removal of large items. The Bureau of Sanitation (BOS) will pick-up large or bulky household items, such as mattresses, couches, and other furniture from residents serviced by the City of Los Angeles. To arrange for the removal of these items from your curbside, please call 1-800-773-2489. Post a notice on the item for everyone to see that it has a pick up scheduled.

5. PLUMBING. Avoid pouring excess grease down your sinks as this may result in costly plumbing bills. All leaking toilets, taps and pipes should be repaired immediately to avoid leaking and increasing water bills.

6. MAIL/ NEWSPAPERS. All mail, newspapers and Fed-ex packages should be picked up daily. If you are going to be away, make arrangements to have someone pick them up and hold them until you return.

7. MOVE-IN FEE. A one-time fee of $150.00 will be charged for anyone moving into a condominium unit. This is to cover damage, clean-up, mat and floor repair. It is the responsibility of the Unit owner to make sure this fee is paid, regardless of occupancy by owner or a tenant.

8. GAS GRILLS. Only gas or electric grills are allowed on balconies. No charcoal.

9. COMMON AREA. Owner is responsible for any damage to Common Areas committed by owner, guest, tenant, workmen/serviceman. These persons are the owner's responsibility as long as they are in the building or on the premises.

No articles of clothing, sporting items, or indoor household objects of any kind should be placed outside a unit's front door. No signs, window art or other alterations of the façade facing the common area is permitted unless you bring it to vote with the homeowners.

10. PETS. Pets are permitted only if they do not create a disturbance that is annoying to other residents. No animal or fowl will be permitted to remain in a unit if, in the good faith judgment of the Board, its presence is an annoyance or is obnoxious to other residents. All animals anywhere on the premises except within a unit, are to be kept on a leash at all times. This will be strictly enforced in accordance with the above schedule of penalties.

11. GARAGES. Park only in the spaces assigned to you. Do not park in the aisles or in a space belonging to another unit - even if it is only for a few minutes.

It is the owner's responsibility to ensure that his/her parking space is free of oil or grease.

Garage space is not meant to be a storage area. PLEASE DO NOT STORE ITEMS IN YOUR PARKING SPOT(s).

12. LAUNDRY. All washing machine and dryer doors should be closed after use.

13. FLOOR COVERINGS. No flooring modifications are permitted in units without submission of a design review and approval. Design review is a simple, fast process. In

consideration of neighbors, underlayment is required in both upper and lower units. High quality soundproofing is required for 2nd story units. Construction rules and process are reviewed within the design review forms. Please feel free to reach out to a board member if you need any assistance.

14. WATER BEDS. Not allowed.

15. WASHER/DRYERS. No owner shall install or have installed in their individual units without express permission of the

16. AIR CONDITIONING. Additional Air Conditioners may not be installed without prior approval of the Board. A design review submission is required.

17. ANTENNAS/DISHES. No owner or resident shall install or have installed, anything of a mechanical or electronic nature on the roof or any other common area without the express consent and approval of the Board.

18. TENANTS. Tenants are to receive a copy of the Rules and Regulations and are expected to abide by them. It is the responsibility of Owners to make sure their tenants understand and respect all the Rules and Regulations.

19. BOARD OF DIRECTORS and MANAGEMENT. A list of the Board of Directors is posted on BASECAMP.

20. EMERGENCY PROCEDURES. In the event of an emergency regarding plumbing, gates, electric, please call Allstate HOA at 310-444-7444 (ext. 9 after-hours). Please feel free to contact a board member after you have alerted management.

As required by Civil Code §5300(b)(10):

Certification by the Federal Housing Administration may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest.

This common interest development [(is) /is not (circle one)] a condominium project. The association of this common interest development [is/(is not) (circle one)] certified by the Federal Housing Administration.

As required by Civil Code §5300(b)(11):

Certification by the federal Department of Veterans Affairs may provide benefits to members of an association, including an improvement in an owner's ability to refinance a mortgage or obtain secondary financing and an increase in the pool of potential buyers of the separate interest.

This common interest development [(is) /is not (circle one)] a condominium project. The association of this common interest development [is/(is not) (circle one)] certified by the Veterans Administration.

JUN 28 1979

Recording requested by, and when recorded mail to:

GREENFIELD LIMITED,
a limited partnership
1900 Avenue of the Stars, Suite 2630
Los Angeles, California 90067

79- 707476 #1

RECORDED IN OFFICIAL RECORDS OF LOS ANGELES COUNTY, CA
JUN 28 1979 AT 8 A.M.
Recorder's Office

RECORDED AT THE REQUEST OF CALIF. LAND TITLE CO.

DECLARATION OF

COVENANTS, CONDITIONS AND RESTRICTIONS

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP

FEE $9.00 G
16 94

THIS DECLARATION is made as of the date set forth below by the undersigned Declarant (defined hereinbelow).

R E C I T A L S:

A. Declarant is fee owner of certain real property located in the City of Los Angeles, County of Los Angeles (hereinafter referred to as "said County"), State of California, more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference, which real property is presently improved in the manner described in Exhibit "B" attached hereto and incorporated herein by this reference. Pursuant to this Declaration, Declarant intends to convert said real property, together with all improvements now or hereafter constructed thereon, to condominium ownership. Said real property, together with all improvements now or hereafter constructed thereon, will hereinafter be referred to as the "Project."

B. Declarant has deemed it desirable to establish covenants, conditions, restrictions and easements applicable to the Project as hereinafter set forth which will constitute a General Plan of Condominium Ownership for the management of the Project and for the use, occupancy and enjoyment thereof, all for the purpose of enhancing and protecting its value, desirability and attractiveness and the quality of life therein.

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JUN 28 1979

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JUN 28 1979

C. It is desirable for the efficient management of the Project to create a corporation to which should be delegated and assigned the powers of managing the Project, maintaining and administering the Common Area, administering and enforcing the covenants, conditions, restrictions and easements hereinafter set forth, collecting and disbursing funds pursuant to the assessments and charges hereinafter set forth and performing such other acts as shall generally benefit the Project.

D. The Association (defined hereinbelow), a nonprofit corporation, has been incorporated under the laws of the State of California for the purpose of exercising the powers and functions as aforesaid.

E. All purchasers of Condominiums within the Project shall be Owners as defined herein and shall thereby automatically become Members of the Association and shall be subject to its powers and jurisdiction.

F. Declarant will hereafter hold and convey title to the Project subject to certain protective covenants, conditions, restrictions and easements hereinafter set forth.

NOW, THEREFORE, Declarant hereby covenants, agrees and declares that all of its interests as the same may from time to time appear in the Project shall be held and conveyed subject to the covenants, conditions, restrictions and easements hereinafter set forth which are hereby declared to be for the benefit of said interests and for the benefit of all Owners of said interests and their respective successors and assigns. Said covenants, conditions, restrictions and easements shall run with said interests and shall be binding upon all parties having or acquiring any right or title therein and shall inure

79- 707476

JUN 28 1979

JUN 28 1979

to the benefit of each Owner thereof. Said covenants, conditions, restrictions and easements are hereby imposed upon each of said interests, and all rights and titles therein, as a servitude in favor of each and all other said interests as the dominant tenement or tenements.

79- 707476

JUN 28 1979

JUN 28 1979

EXHIBIT "A"

Lot 1 of Tract No. 33773, in the City of Los Angeles, County of Los Angeles, State of California, as per map filed in Book 913, pages 29 to 30, inclusive, of Maps, in the office of the County Recorder of said County.

79- 707476

JUN 28 1979

EXHIBIT "B"

1. Declarant proposes to convert the real property described in Exhibit "A" hereof, together with the improvements constructed thereon, to condominium ownership pursuant to this Declaration. Said improvements consist of 16 dwelling units and related improvements.

2. The respective undivided fractional interest in the Common Area to be conveyed with each Unit is as follows:

Unit Number	Interest in Common Area *
101, 102, 202	765/14,875
103, 106, 203, 206	1,035/14,875
104, 105, 204, 205	955/14,875
107, 207	725/14,875
108	1,000/14,875
201	1,065/14,875
208	1,105/14,875

* The above fractional interests are based on approximate square footages of interior dwelling area elements of Units.

79- 707476

JUN 28 1979

ARTICLE I

DEFINITIONS

Unless the context clearly indicates otherwise, the following terms used in this Declaration are defined as follows:

Section 1. "Articles" and "Bylaws" shall mean and refer to the Articles of Incorporation and Bylaws of the Association as the same may from time to time be duly amended.

Section 2. "Assessments" shall mean and refer to any or all of the following:

"Regular Assessment" shall mean the amount which is to be paid by each Member to the Association for Common Expenses.

"Special Assessment" shall mean a charge against a particular Owner and his Condominium, directly attributable to the Owner, to reimburse the Association for costs incurred in bringing the Owner and his Condominium into compliance with the provisions of this Declaration, the Articles, Bylaws or Association Rules, or any other charge designated as a Special Assessment in this Declaration, the Articles, Bylaws or Association Rules, together with attorneys' fees and other charges payable by such Owner, pursuant to the provisions of this Declaration, plus interest thereon and other fees and costs as provided for in this Declaration.

"Reconstruction Assessment" shall mean a charge against each Owner and his Condominium representing a portion of the cost to the Association for reconstruction of any portion or portions of the Common Area pursuant to the provisions of this Declaration.

"Capital Improvement Assessment" shall mean a charge against each Owner and his Condominium representing a portion of the cost to the Association for installation or construction

79- 707476

JUN 28 1979

707476

JUN 28 1979

of any capital improvements on the Common Area which the Association may from time to time authorize pursuant to the provisions of this Declaration.

Section 3. "Association" shall mean and refer to 1849 GREENFIELD AVENUE OWNERS ASSOCIATION, a nonprofit corporation, incorporated under the laws of the State of California, its successors and assigns.

Section 4. "Association Rules" shall mean and refer to rules adopted by the Association pursuant to the Article hereof entitled "Duties and Powers of the Association."

Section 5. "Board" shall mean and refer to the Board of Directors of the Association.

Section 6. "Common Area" shall mean and refer to all portions of the Project except the Units.

Section 7. "Common Expenses" shall mean and refer to the actual and estimated costs of:

(a) maintenance, management, operation, repair and replacement of the Common Area (unless repair and replacement is otherwise provided for elsewhere in this Declaration, including the Articles hereof entitled "Destruction of Improvements" and "Eminent Domain");

(b) unpaid Assessments;

(c) maintenance by the Association of areas not within the Project if provided for in this Declaration or pursuant to one or more separate agreements;

(d) management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and employees;

(e) utilities, trash pickup and disposal, gardening and other services not separately billed to Condominiums which generally benefit and enhance the value and desirability

79- 707476

JUN 28 1979

of the Project;

(f) fire, casualty, liability, workmen's compensation and other insurance covering the Common Area;

(g) any other insurance obtained by the Association;

(h) reasonable reserves as deemed appropriate by the Board;

(i) bonding of the members of the Board, any professional managing agent or any other person handling the funds of the Association;

(j) taxes paid by the Association;

(k) amounts paid by the Association for discharge of any lien or encumbrance levied against the Common Area, or portions thereof;

(l) obligations incurred by committees established by the Board; and

(m) other expenses incurred by the Association for any reason whatsoever in connection with the Common Area, or any other item or items designated by this Declaration, the Articles, Bylaws or Association Rules or incurred in furtherance of the purposes of the Association or in the discharge of any duties or powers of the Association.

Section 8. "Condominium" shall mean and refer to a fractional undivided interest in common with the other Owners within the Project in the Common Area, together with a separate interest in a Unit and all easements and other interests appurtenant to said fractional undivided interest and/or appurtenant to said Unit. Such fractional undivided interest in common of each Owner is described in Exhibit "B" hereto. Such fractional undivided interest shall not be changed except as provided in the Section entitled "Amendment of Condominium Plan" of the

79- 707476

JUN 28 1979

JUN 28 1979

Article hereof entitled "Destruction of Improvements" and the Section entitled "Change of Condominium Interest" of the Article hereof entitled "Eminent Domain."

Section 9. "Condominium Plan" shall mean and refer to that certain condominium plan recorded or to be recorded in the Office of the County Recorder of said County for the Project, and any amendments thereto.

Section 10. "Declarant" shall mean and refer to GREENFIELD LIMITED, a limited partnership (in this Section referred to as "Original Declarant") and such of Original Declarant's successors in title to all or a portion of the remainder of the Project as may be designated a "Declarant" in a recorded instrument executed by Original Declarant.

Section 11. "Exhibit" shall mean and refer to those documents so designated herein and attached hereto, and each such Exhibit is by this reference incorporated into this Declaration.

Section 12. "Final Subdivision Public Report" shall mean and refer to a final report issued by the Department of Real Estate of the State of California pursuant to Section 11018.2 of the California Business and Professions Code or any similar statute then in effect.

Section 13. "First Mortgage" shall mean and refer to a Mortgage which has priority over any other Mortgage encumbering a specific Condominium.

Section 14. "First Mortgagee" shall mean and refer to a Mortgagee under a First Mortgage.

Section 15. "Member" shall mean and refer to every person or entity who qualifies for membership pursuant to the Article hereof entitled "Membership," including Declarant so long as Declarant qualifies for membership pursuant to said

79- 707476

JUN 28 1979

Article.

Section 16. "Mortgage" shall mean and refer to any duly recorded mortgage or deed of trust encumbering a Condominium.

Section 17. "Mortgagee" shall mean and refer to the mortgagee or beneficiary under any Mortgage, or assignee thereof.

Section 18. "Owner" shall mean and refer to one or more persons or entities who are alone or collectively the record owner of a fee simple title to a Condominium, including Declarant, or the vendee of a Condominium under an installment land sales contract, but excluding those having any such interest merely as security for the performance of an obligation.

Section 19. "Trustee" shall mean and refer to the insurance trustee as more fully described in the Article hereof entitled "Insurance."

Section 20. "Unit" shall mean the elements of a Condominium not owned in common with the Owners of other Condominiums in the Project. Each unit shall be defined, identified and designated in the Condominium Plan. In interpreting recorded instruments, including deeds, declarations and plans, the existing physical boundaries of a Unit constructed in substantial accordance with the Condominium Plan shall be conclusively presumed to be its boundaries rather than the description expressed in any such recorded instrument, regardless of settling or lateral movement of any building and regardless of minor variances between boundaries as shown on any such recorded instrument and those of any building as constructed. For purposes of this Declaration, any appurtenant exclusive easements forming a portion of a Condominium shall be treated as if same were part of the Unit of such Condominium except as otherwise expressly provided in this Declaration.

79- 70476

JUN 28 1979

ARTICLE II

MEMBERSHIP

Section 1 - Membership. Every Owner shall be a Member of the Association. The terms and provisions set forth in this Declaration which are binding upon all Owners are not exclusive, as Owners shall, in addition, be subject to the terms and provisions of the Articles, Bylaws and Association Rules to the extent the provisions thereof are not in conflict with this Declaration. Membership of Owners shall be appurtenant to and may not be separated from the interest of such Owner in any Condominium. Ownership of a Condominium shall be the sole qualification for membership; provided, however, a Member's voting rights may be regulated or suspended as provided in this Declaration, the Bylaws or the Association Rules.

Section 2 - Transfer. The membership held by any Owner shall not be transferred, pledged or alienated in any way, except that such membership shall automatically be transferred to the transferee of the interest of an Owner required for membership. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association. The Association shall have the right to record the transfer upon the books of the Association without any further action or consent by the transferring Owner.

Section 3 - Voting Rights. Upon the first conveyance by Declarant of a Condominium to an individual Owner, voting rights shall commence as to all Condominiums within the Project. All voting rights shall be subject to the restrictions and limitations provided herein and in the Articles, Bylaws and Association Rules.

79- 707476

JUN 28 1979

707476

JUN 28 1979

Section 4 - Classes of Voting Membership. The Association shall have two (2) classes of voting membership.

Class A. Class A Members shall be all Owners with the exception of Declarant. Class A Members shall be entitled to one (1) vote for each Condominium in which they hold the interest required for membership (except in the case of cumulative voting as provided in the Bylaws). When more than one person owns a portion of the interest in a Condominium required for membership, each such person shall be a Member and the vote for such Condominium shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Condominium (except in the case of cumulative voting as provided in the Bylaws). The Association shall not be required to recognize the vote or written assent of any such co-Owner except the vote or written assent of the co-Owner designated in a writing executed by all of such co-Owners and delivered to the Association.

Class B. The Class B Member shall be Declarant. The Class B Member shall be entitled to three (3) votes for each Condominium in which it holds the interest required for membership (except in the case of cumulative voting as provided in the Bylaws); provided that the Class B Membership shall cease and be converted into Class A Membership on the happening of whichever of the following is first in time:

(a) when the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B Membership; or

(b) on the second anniversary of the original issuance of the Final Subdivision Public Report covering the Project.

79- 77476

JUN 28 1979

Section 5 - Special Class A Voting Rights. Notwithstanding the provisions of this Article, if the Class A Members do not have sufficient voting power pursuant to the voting rights se forth in this Declaration and the Bylaws to elect at least one director at any meeting of Members at which directors are to be elected, then such Class A Members shall, by majority vote, among themselves, elect one of the directors. Said director so elected may only be removed by majority vote of the Class A Members.

Section 6 - Approval of Members. Unless elsewhere otherwise specifically provided in this Declaration or the Bylaws, any provision of this Declaration or the Bylaws which requires the vote or written assent of a specified majority of the voting power of the Association or any class or classes of membership shall be deemed satisfied by the following:

(a) The vote of the specified percentage at a meeting duly called and noticed pursuant to the provisions of the Bylaws dealing with annual or special meetings of the Members, and such percentage must include the specified number of all Members entitled to vote at such meeting and not such a percentage of those Members present;

(b) A writing or writings signed by the specified percentage;

(c) A combination of votes and written assents, provided that Members shall not change their vote or written assent after it is cast or delivered, and provided further that only those written assents executed within sixty (60) days before or thirty (30) days after a meeting may be combined with votes cast at such meeting to constitute the specified percentage; and

(d) In any matter requiring the consent of the

79- 707476

JUN 28 1979

79- 707476

JUN 28 1979

Members, but not specifically provided for in this Declaration or the Articles, Bylaws or any contract executed by the Association, a simple majority of the voting power of Members entitled to vote on such matters shall suffice except as otherwise provided in the Section of this Article entitled "When Approval of Classes and Categories of Members Required."

Section 7 - When Approval of Classes and Categories of Members Required. Except for the Section entitled "Amendments" of the Article hereof entitled "General Provisions," (i) as long as there is a Class B membership, any provision of this Declaration, the Articles, Bylaws or Association Rules which expressly requires the approval of a specified percentage of the voting power of the Association before being undertaken shall require the approval of said specified percentage of each of the Class A and Class B membership, and (ii) when the Class B membership ceases to exist and at any time during which Declarant is fee owner of real property subject to this Declaration, any provision of this Declaration, the Articles, Bylaws or Association Rules which expressly requires the approval of a specified percentage of the voting power of the Association before being undertaken shall also require the approval of said specified percentage of the voting power residing in Members other than Declarant.

79- 707476

JUN 28 1979

ARTICLE III

COVENANT FOR ASSESSMENTS

Section 1 - Creation of Lien and Personal Obligation for Assessments. Each Owner, including Declarant to the extent Declarant is an Owner as defined herein, of any Condominium, by acceptance of a deed or other instrument creating in such Owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or other instrument, is deemed to covenant and agree to pay to the Association: Regular Assessments, Special Assessments, Capital Improvement Assessments and Reconstruction Assessments, such Assessments to be fixed, established and collected from time to time as provided in this Declaration. The Assessments, together with interest thereon, late charges, attorneys' fees, court costs and other costs of collection as hereinafter provided, shall be a continuing lien upon the Condominium against which each such Assessment is made. Each such Assessment, together with such interest, late charges, costs and attorneys' fees, shall also be the personal obligation of the Owner of such Condominium at the time the Assessment becomes due. The personal obligation shall not pass to the successors in title of an Owner unless expressly assumed by such successors.

Section 2 - Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purposes of promoting the recreation, health, safety and welfare of the Members, the management, maintenance, care, preservation, protection and architectural control of the Project, enhancing the quality of life in the Project and the value of the Project including, without limitation, the improvement and maintenance of the properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, or

79- 707476

JUN 28 1979

in furtherance of any other duty or power of the Association.

Section 3 - Regular Assessments. Not later than sixty (60) days prior to the beginning of each fiscal year, the Board shall distribute to each Member a pro forma operating statement or budget for the upcoming fiscal year which shall, among other things, estimate the total Common Expenses to be incurred for such fiscal year. The Board shall at that time determine the amount of the Regular Assessment to be paid by each Member. Each Member shall thereafter pay to the Association his Regular Assessment in installments as established by the Board. Each such installment shall be due and payable on a date established by the Board in the written notice sent to Members. In the event the Board shall determine that the estimate of total charges for the current year is, or will become, inadequate to meet all Common Expenses for any reason, it shall then immediately determine the approximate amount of such inadequacy and issue a supplemental estimate of the Common Expenses and determine the revised amount of Regular Assessment against each Member, and the date or dates when due. After the Association's first fiscal year of operation, the Board shall not impose a Regular Assessment which is increased by more than twenty percent (20%) over the amount of the Regular Assessment for the immediately preceding fiscal year without the approval of a majority of the voting power of the Association.

Section 4 - Capital Improvement Assessments. In addition to Regular Assessments, the Association may levy in any fiscal year a Capital Improvement Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction or replacement (other than due to destruction) of a described capital improvement upon the Common Area, including the necessary fixtures and personal pro-

79- 707476

JUN 28 1979

perty related thereto, to the extent the same is not covered by the provisions affecting Reconstruction Assessments of the Article hereof entitled "Destruction of Improvements." The Association shall not impose a Capital Improvement Assessment the total amount of which exceeds five percent (5%) of the estimated Common Expenses, as set forth in the Section of this Article entitled "Regular Assessments," without the approval of a majority of the voting power of the Association. Any reserves forming a part of Common Expenses and collected by the Association for the future maintenance and repair of the Common Area, or any portion thereof, shall not be included in determining said limitation. All amounts collected as Capital Improvement Assessments may only be used for capital improvements and shall be deposited by the Board in a separate bank account to be held in trust for such purposes. Said funds shall not be commingled with any other funds of the Association and shall be deemed a contribution to the capital account of the Association by the Members.

Section 5 - Uniform Assessments. Regular and Capital Improvement Assessments shall be fixed at an equal amount for each Condominium and may be collected at intervals selected by the Board.

Section 6 - Certificate of Payment. The Association shall, upon demand, furnish to any Member liable for Assessments a certificate in writing signed by an officer or authorized agent of the Association setting forth whether the Assessments relating to a specified Condominium have been paid and the amount of delinquency, if any. A reasonable charge not to exceed Fifteen Dollars ($15.00) may be collected by the Board for the issuance of each such certificate. Each certificate

79- 707476

JUN 28 1979

sh ll be conclusive evidence of payment of any Assessment therein stated to have been paid.

Section 7 - Exempt Property. Any property subject to this Declaration shall be exempt from Assessments if the same is dedicated to and accepted by a public authority. Notwithstanding the foregoing, no real property or improvements subject to this Declaration and devoted to residential dwelling use shall be exempt from Assessments; provided, however, that nothing herein shall be construed as accelerating the date on which the payment of Assessments commence as specified in the Section entitled "Date of Commencement of Assessments" of this Article.

Section 8 - Special Assessments. Special Assessments shall be levied by the Board against a Condominium and its Owner to reimburse the Association for:

(a) costs incurred in bringing an Owner and his Condominium into compliance with the provisions of this Declaration, the Articles, Bylaws or Association Rules;

(b) any other charge designated as a Special Assessment in this Declaration, the Articles, Bylaws or Association Rules; and

(c) attorneys' fees, interest and other charges relating thereto as provided in this Declaration.

In the event the Association undertakes to provide materials or services which benefit individual Units and which can be accepted or not by individual Owners, such Owners, in accepting such materials or services, agree that the costs thereof shall be a Special Assessment.

Section 9 - Date of Commencement of Assessments. Regular and other Assessments as to Condominiums within the Project shall commence as to all such Condominiums on the first

79- 707476

JUN 28 1979

day of the month following the conveyance of the first Condominium therein by Declarant to an individual Owner.

Section 10 - Reduction or Abatement of Regular Assessments. In the event the amount budgeted to meet Common Expenses for a particular fiscal year proves to be excessive in light of the actual Common Expenses, the Board in its discretion may either reduce the amount of the Regular Assessments or may abate collection of Regular Assessments as it deems appropriate. Nothing in this Section shall require the Board either to abate or reduce Regular Assessments. Notwithstanding the foregoing, neither an abatement nor a reduction in Regular Assessments shall be permitted so long as Declarant is possessed with or controls a majority of the voting power of the Association.

Section 11 - No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation, (i) a claim that the Association is not properly exercising its duties and powers as provided in this Declaration; (ii) a Member has made or elects to make no use of the Common Area; or (iii) any construction or maintenance performed pursuant to the Section entitled "Assumption of Maintenance Obligations" of the Article entitled "Repair and Maintenance" of this Declaration shall in any way postpone Assessments or entitle a Member to claim any such offset or reduction.

Section 12 - Homestead Waiver. Each Owner, to the extent permitted by law, does hereby waive, to the extent of

79- 707476

JUN 28 1979

any liens created pursuant to this Declaration, whether such liens are now in existence or are created at any time in the future, the benefit of any homestead or exemption laws of the State of California now in effect, or in effect from time to time hereafter.

Section 13 - Reserves. Regular Assessments shall include reasonable amounts collected as reserves for the future periodic maintenance, repair or replacement of the Common Area, or any other purpose as determined by the Board. All amounts collected as reserves, whether pursuant to this Section or otherwise, shall be deposited by the Board in a separate bank account or accounts to be held in trust for the respective purposes for which they are collected. Said amounts must be segregated from and not commingled with any other funds of the Association. Such reserves shall be deemed a contribution to the capital account of the Association by the Members.

79- 707476

JUN 28 1979

ARTICLE IV

NONPAYMENT OF ASSESSMENTS

Section 1 - Delinquency. Any Assessment provided for in this Declaration which is not paid when due shall be delinquent on said date (the "delinquency date"). If any such Assessment is not paid within thirty (30) days after delivery of notice of such delinquency from the Association, a late charge of Ten Dollars ($10.00) shall be levied and the Assessment shall bear interest from the delinquency date at the rate of ten percent (10%) per annum. The Association may, at its option, and without waiving the right to judicially foreclose its lien against the Condominium, pursue any available remedies, including, without limitation, the bringing of an action at law against the Member personally obligated to pay the same and/or, upon compliance with the notice provisions set forth in the Section entitled "Notice of Lien" of this Article, foreclose the lien against the Condominium. If an action at law is commenced, there shall be added to the amount of such Assessment the late charge, interest, costs of such action, costs of collection and attorneys' fees incurred in connection with such action; and in the event a judgment is obtained, such judgment shall include said late charge, interest and attorney's fees, together with such costs. Each Member vests in the Association or its assigns, the exclusive right and power to bring all actions at law or lien foreclosures against such Member for the collection of such delinquent Assessments.

Section 2 - Notice of Lien. No action shall be brought to foreclose said Assessment lien or to proceed under the power of sale herein provided until thirty (30) days after

79- 707476

JUN 28 1979

707476

JUN 28 1979

the date a notice of claim of lien is deposited in the United States mail, certified or registered, postage prepaid, to the Owner of said Condominium, and a copy thereof is recorded by the Association in the office of the County Recorder of said County; said notice of claim of lien must recite a good and sufficient legal description of such Condominium, the record Owner or reputed Owner thereof, the amount claimed (which shall include interest on the unpaid Assessment at the rate of ten percent (10%) per annum from the delinquency date, a late charge of Ten Dollars ($10.00), plus attorneys' fees and costs of collection incurred in connection with the debt secured by said lien) and the name and address of the claimant.

Section 3 - Foreclosure Sale. Said Assessment Lien may be enforced by sale by the Association, its attorney or any other person authorized by the Board to make the sale, after failure of the Owner to make the payments specified in the notice of claim of lien within said thirty (30) day period. Any such sale provided for above is to be conducted in accordance with the provisions of Sections 2924, 2924b, 2924c, 2924g and 2924h of the Civil Code of the State of California, as said sections may from time to time be amended, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted or provided by law. The Association, through the Board or through the Association's duly authorized agents, shall have the power to bid on the Condominium at the sale using Association funds or funds borrowed for such purpose, and to acquire and hold, lease, mortgage and convey the same.

Section 4 - Curing of Default. Upon the timely payment or other satisfaction of: (i) all delinquent Assessments

79- 707476

JUN 28 1979

specified in the notice of claim of lien, (ii) all other Assessments which have become due and payable with respect to the Condominium as to which such notice of claim of lien was recorded and (iii) interest, late charges, attorneys' fees and other costs pursuant to this Declaration and the notice of claim of lien which have accrued, officers of the Association or any other persons designated by Board are hereby authorized to file or record, as the case may be, in the office of the County Recorder of said County an appropriate release of such notice upon payment by the defaulting Owner of a fee, to be determined by the Board, but not to exceed Twenty-five Dollars ($25.00), to cover the costs of preparing and filing or recording such release.

79- 707476

JUN 28 1979

ARTICLE V

DUTIES AND POWERS OF THE ASSOCIATION

Section 1 - General Duties and Powers. In addition to the duties and powers enumerated in its Articles and Bylaws, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall have the specific duties and powers specified in this Article.

Section 2 - General Duties of the Association. The Association through the Board shall have the duty and obligation:

(a) to enforce the provisions of this Declaration, the Articles, Bylaws and Association Rules by appropriate means and carry out the obligations of the Association hereunder and thereunder, including collection of Assessments and foreclosure of the liens therefor;

(b) to maintain and otherwise manage the following:

(i) all personal property in which the Association holds an interest, subject to the terms of any instrument transferring such interest to the Association; and

(ii) all property, real or personal, which the Association is obligated to repair or maintain pursuant to this Declaration, including, without limitation, the Article hereof entitled "Repair and Maintenance";

(c) to pay any real and personal property taxes and other charges assessed to or payable by the Association;

(d) to obtain and pay for the benefit of the Common Area, and for the benefit of Condominiums when they are not separately billed therefor, water, gas, electricity, refuse collection and other utilities and services (water is being commonly billed to the Project by one or more master water meters);

79- 707476

JUN 28 1979

(e) to establish and maintain working capital an contingency funds and asset replacement accounts; and

(f) to act as a managing agent for the Project.

Section 3 - General Powers of the Association. The Association through the Board shall have the power but not the obligation:

(a) to employ a manager or other persons and contract with independent contractors or managing agents who have professional experience in the management of residential developments similar to the Project to perform all or any part of the duties and responsibilities of the Association;

(b) to acquire interests in real or personal property that may be necessary or convenient for the management of the Project, the administration of the affairs of the Association or for the benefit of the members;

(c) to borrow money as may be needed in connection with the discharge by the Association of its powers and duties;

(d) to establish in cooperation with any governmental entity a special tax assessment district for the performance of all or a portion of the maintenance or other functions now within the responsibility of the Association;

(e) unless otherwise provided by a governmental entity, to provide trash pickup and disposal service for the benefit of the Owners and their Condominiums;

(f) to negotiate and enter into such contracts with First Mortgagees and mortgage insurers and guarantors as may be necessary or desirable to facilitate the availability of loans secured by Mortgages within the Project;

(g) to cause such Board resolutions to be adopted as may be required in connection with financing pursuant to

79- 707476

JUN 28 1979

"Cal Vet Contracts" in order to reflect the fact that such Contracts are superior in right to the liens for Assessments created by this Declaration to the same extent as Mortgages are superior thereto (for purposes hereof, a "Cal Vet Contract" shall mean and refer to an installment sales contract as to a Condominium entered into under and pursuant to Article 3, Chapter 6, Division 4 of the California Military and Veterans Code whereunder the Department of Veterans Affairs of the State of California is Seller); and

(h) to assign, rent or license any unassigned parking and storage spaces, if any, upon such terms as it deems appropriate.

Section 4 - General Limitations and Restrictions on the Powers of the Board. In addition to the limitations and restrictions enumerated in the Articles and Bylaws, or elsewhere provided for herein, and without limiting the generality thereof, the Board shall be prohibited from taking any of the following action without the approval of a majority of the voting power of the Association:

(a) entering into contracts for materials or services which have a term in excess of one (1) year, with the following exceptions:

(i) a contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission, provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate; and

(ii) prepaid casualty and/or liability insurance policies of not to exceed three (3) years in duration, provided that the applicable policy permits short rate cancellation by the insured.

79- 707476

JUN 28 1979 707476

JUN 28 1979

(b) incurring aggregate expenditures for capital improvements to the Project in any fiscal year in excess of five percent (5%) of the estimated Common Expenses for that fiscal year as set forth in the Sections entitled "Regular Assessments" and "Capital Improvement Assessments" of the Article hereof entitled "Covenant for Assessments."

(c) selling any real or personal property of the Association in any fiscal year with a fair market value which in the aggregate exceeds five percent (5%) of said estimated Common Expenses for that fiscal year.

(d) paying compensation to directors or to officers of the Association for services performed in the conduct of the Association's business; provided, however, the Board may cause a director or officer to be reimbursed for expenses.

(e) exercising the power of attorney granted to the Association pursuant to the Section entitled "Power of Attorney" of the Article hereof entitled "Limitations Upon the Right to Partition."

Section 5 - Association Rules. The Board shall also have the power to adopt, amend and repeal such rules and regulations as it deems reasonable (the "Association Rules") which may include the establishment of a system of fines and penalties enforceable as Special Assessments, all as provided in the Bylaws.. The Association Rules shall govern matters in furtherance of the purposes of the Association and other matters specified in this Declaration, including, without limitation, the conduct of persons within the Project and the use of the Common Area; provided, however, that the Association Rules may not discriminate among Owners (except that special Association Rules may be adopted with respect to children), and shall not be inconsistent with this Declaration, the Articles, or Bylaws. A copy

'79- 707476

JUN 28 1979

of the Association Rules as they may from time to time be adopted, amended or repealed or a notice setting forth the adoption, amendment or repeal of specific portions of the Association Rules shall be delivered to each Owner in the same manner established in this Declaration for the delivery of notices. Upon compliance with such notice requirements, the Association Rules shall have the same force and effect as if they were set forth in and were part of this Declaration and shall be binding upon the Owners and their successors in interest whether or not actually received thereby. The Association Rules, as adopted, amended or repealed, shall be available at the principal office of the Association to each Owner and First Mortgagee upon request. In the event of any conflict between any such Association Rules and any other provisions of this Declaration, or the Articles or Bylaws, the provisions of the Association Rules shall be deemed to be superseded by the provisions of this Declaration, the Articles or the Bylaws to the extent of any such conflict.

Section 6 - Delegation of Powers. The Board and the Association shall have the right to delegate to committees, officers, employees or agents any of their duties and powers under this Declaration, the Articles and Bylaws; provided, however, no such delegation to a professional management agent or to committees shall relieve the Board or Association of its obligation to perform such delegated duty.

Section 7 - Pledge of Assessment Rights. The Association shall have the power to pledge the right to exercise its Assessment powers in connection with the obtaining of funds to repay a debt of the Association; provided, however, any such pledge shall require the prior approval of not less than seventy-five percent (75%) of the voting power of the Association. Said power shall include, but not be limited to, the ability

79- 707476

JUN 28 1979

707476

JUN 28 1979

to make an assignment of Assessments which are then payable to or will become payable to the Association, which assignment may be then presently effective but shall allow said Assessments to continue to be paid to and used by the Association as set forth in this Declaration unless and until the Association shall default in the repayment of the debt which is secured by said assignment. The Board may levy a Special Assessment against the Members to obtain such funds. Upon the failure of any Member to pay said Special Assessment within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof, including those set forth in the Article hereof entitled "Nonpayment of Assessments." Notwithstanding the foregoing, any pledge of Assessments shall require the prior written approval of seventy-five percent (75%) of the First Mortgagees based on one (1) vote for each First Mortgage held.

Section 8 - Emergency Powers. The Board or any person authorized by the Board may enter any Unit in the event of an emergency involving illness or potential danger to life or property. Such entry shall be made with as little inconvenience to the Owner as practicable, and any damage caused thereby shall be repaired by the Association unless covered by insurance carried by the Owner.

79- 707476

JUN 28 1979 707476

JUN 28 1979

ARTICLE VI

REPAIR AND MAINTENANCE

Section 1 - Repair and Maintenance by Association. Except to the extent that an Owner may be obligated to maintain and repair as hereinafter provided in this Article, and without limiting the generality of the statement of duties and powers contained in this Declaration, the Articles, Bylaws or Association Rules, the Association shall have the duty to accomplish the following upon the Project or other land in such manner and at such times as the Board shall prescribe:

(a) maintain, repair, restore, replace and make necessary improvements to the Common Area so that the same is at all times in a first-class condition and good state of repair, including, without limitation, all exterior building surfaces, to include the painting thereof;

(b) maintain all other areas, facilities, equipment, services or aesthetic components of whatsoever nature as may from time to time be requested by the vote or written consent of two-thirds (2/3) of the voting power of the Members; and

(c) pay, out of the general funds of the Association, the costs of any such maintenance and repair pursuant to this Section, except as otherwise herein specified as payable by the particular Owners.

Section 2 - Repair and Maintenance by Owner. Except as the Association shall be obligated to maintain and repair as may be provided in other Articles of this Declaration, every Owner shall at his sole cost and expense:

(a) maintain, repair, replace and restore all portions of the Unit, including, without limitation, the interior walls, ceilings, floors and doors in a clean, sanitary

79- 707476

JUN 28 1979

707476

JUN 28 1979

and attractive condition;

(b) repair and replace all window glass for his own Unit, and Owners shall be responsible for the interior and exterior cleaning of such window glass;

(c) maintain in an open and unobstructed condition all sewer and drainage pipes and lines serving his own Unit between the points at which same enter said Unit and the points at which same join other sewer and drainage pipes and lines serving other Units;

(d) maintain, replace, repair and restore the following which serve his own Unit: heating and air-conditioning equipment; and

(e) maintain surface areas (other than exterior building surfaces) bounding all elements of his Unit, including balconies and patios.

Section 3 - Damage from Within a Unit. In the event the Board shall determine that the walls, ceiling, floors, doors, or windows or any other portion of the Common Area forming the boundaries of a Unit have been damaged from within the Unit, notwithstanding that such damage may be to the Common Area, the Owner of the Unit shall be responsible for repairing such damage in a timely manner and in accordance with such rules as the Board shall from time to time adopt.

Section 4 - Right of Association to Maintain and Install. In the event that an Owner fails to accomplish any maintenance or installation required by this Article, the Association or its agents may, but shall not be obligated, to cause such maintenance or installation to be accomplished as hereinafter set forth:

(a) Upon a finding by the Board of a deficiency in such maintenance or installation, the Board shall give notice of such deficiency to the Owner which shall briefly describe the deficiency to the Owner and which shall set a date for a

79- 70470

JUN 28 1979

hearing before the Board or a committee selected by the Board for such purpose. The Board may delegate its powers under this subsection to a duly appointed committee of the Association.

(b) Such hearing shall be held not less than ten (10) nor more than thirty (30) days from the date of said notice.

(c) Such hearing shall be conducted according to such reasonable rules and procedures as the Board shall adopt which shall provide the Owner with the right to present oral and written evidence and to confront and cross-examine any person offering at such hearing evidence adverse to such Owner. If the Board or any such committee renders a decision against the Owner, it shall further set a date by which the deficiency is to be corrected by the Owner. A decision of such committee may be appealed to the Board within ten (10) days of the rendering thereof, but a decision of the Board shall be final.

(d) If the deficiency continues to exist after the time limitation imposed by a final decision of the Board or any such committee, the Board or such committee may cause such maintenance or installation to be accomplished.

(e) In the event the Board or such committee elects to cause such maintenance or installation to be accomplished, the following shall apply:

(i) the Owner shall have no more than ten (10) days following the receipt of written notice of such election from the Board or such committee to select a day or days upon which such maintenance or installation work shall be accomplished;

(ii) the date which said Owner selects shall be not less than fifteen (15) days nor more than forty-five (45) days following the last day of said

79- 707476

JUN 28 1979

ten (10) day period;

(iii) if said Owner does not select such day or days within said ten (10) day period, the Board or such committee may select a day or days upon which such work may be accomplished which shall be not less than twenty-five (25) days nor more than fifty-five (55) days from the last day of said ten (10) day period; and

(iv) unless the Owner and the Board otherwise agree, such maintenance or installation shall take place only during daylight hours on any day Monday through Friday, excluding holidays.

(f) If the Association pays for all or any portion of such maintenance or installation, such amount shall be a Special Assessment to the affected Owner and Condominium. Upon the failure of any Owner to pay said Special Assessment within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof, including those set forth in the Article hereof entitled "Nonpayment of Assessments."

Section 5 - Right of Entry. The Association shall have the right to enter any Unit in connection with any maintenance, repair or construction in the exercise of the powers and duties of the Association. In addition, in the case of an emergency threatening damage to persons or property, the Association and Owners shall have the right to enter any Unit in order to abate such condition. No person entering a Unit pursuant to this Section shall be deemed guilty of a trespass thereby.

Section 6 - Maintenance of Public Utilities. Nothing contained herein shall require or obligate the Association to

79- 707476

JUN 28 1979

maintain, replace or restore facilities of public utilities which are located within easements in the Common Area owned by such public utilities. However, the Board shall take such steps as are necessary or convenient to ensure that such facilities are properly maintained, replaced or restored by such public utilities.

Section 7 - Assumption of Maintenance Obligations. Declarant and its subcontractors, and the agents and employees of the same, shall have the right to come upon the Common Area to complete the refurbishment or installation of any landscaping or other improvements to be installed thereupon. In the event that any of Declarant's subcontractors are contractually obligated to maintain the landscaping and/or other improvements upon any portion of the Common Area, such maintenance shall not be assumed by the Association until the termination of such contractual obligation. If any excess of Assessments collected over actual Common Expenses incurred by the Association is caused by reason of refurbishment or maintenance pursuant to this Section, or otherwise, such excess shall be placed in reserve to offset the future expenses of the Association in any manner designated by the Board.

Section 8 - Maintenance of Exclusive Easements. Any provision of this Article to the contrary notwithstanding, the Association shall maintain all appurtenant exclusive easements forming a part of any Condominium.

79- 707476

JUN 28 1979

ARTICLE VII

INSURANCE

Section 1 - Types. The Association shall obtain and maintain in effect the following types of insurance:

(a) A comprehensive public liability insurance policy insuring the Association, the Declarant and the agents and employees of each and the Owners and the respective family members, guests and invitees of the Owners against any liability incident to the ownership or use of the Common Area, and including, if obtainable, a cross-liability endorsement insuring each insured against liability to each other insured. The limits of such insurance shall not be less than $500,000.00 for death of or injury to any one person in any one occurrence, $750,000.00 for death of or injury to more than one person in any one occurrence, and $50,000.00 for property damage in any one occurrence.

(b) A master or blanket policy of fire insurance for the full insurable replacement value, without deduction for depreciation, of all of the improvements within the Project. Such policy and any endorsements thereon shall be in the amount, form and content, and for such term and in such company, as may be satisfactory to any First Mortgagee; and, if more than one First Mortgagee exists, such policy and endorsements shall meet the highest minimum standards of all such First Mortgagees. Such policy shall contain extended coverage and replacement cost endorsements, if available, and may also contain vandalism and malicious mischief coverage, special form endorsement, stipulated amount clause and a determinable cash adjustment clause, or a similar clause, to permit cash settlement covering full value of the improvements on the Project in the event of the destruction of improvements

79- 707476

JUN 28 1979 707476

JUN 28 1979

and a decision not to rebuild pursuant to the Article hereof entitled "Destruction of Improvements." Subject to the foregoing requirements of First Mortgagees, such policy shall be in such amounts as shall be determined from time to time by the Board, shall name as insured the Association, the Owners and Declarant, so long as Declarant is the Owner of any of the Condominiums, and all Mortgagees as their respective interests may appear, and shall contain a loss-payable endorsement in favor of the Trustee or the Board, as applicable.

(c) Fidelity coverage against dishonest acts on the part of directors, officers, employees or volunteers who handle or who are responsible for handling the funds of the Association, and such fidelity bonds shall name the Association as obligee, shall be written in an amount equal to one hundred fifty percent (150%) of the estimated annual Common Expenses of the Association, including reserves, and shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

Section 2 - Waiver by Members. All insurance obtained by the Association shall be maintained by the Association for the benefit of the Association, the Owners and the Mortgagees as their respective interests may appear. As to each of said policies which will not be voided or impaired thereby, the Owners hereby waive and release all claims against the Association, the Board, other Owners, the Declarant and agents and employees of each of the foregoing, with respect to any loss covered by such insurance whether or not caused by negligence of or breach of any agreement by said persons, but to the extent of insurance proceeds received in compensation for such loss only.

79- 767476

JUN 28 1979

Section 3 - Other Insurance. The Board may, and if required by any First Mortgagee shall, purchase and maintain in effect demolition insurance in adequate amounts to cover demolition in the event of a total or partial destruction and a decision not to rebuild, as well as a blanket policy of flood insurance. The Board shall also purchase and maintain in effect workmen's compensation insurance, to the extent that the same shall be required by law, for all employees of the Association. The Board shall also purchase and maintain in effect such insurance on personal property owned by the Association, and such other insurance as it deems necessary or as is required by any First Mortgagee including, without limitation, earthquake insurance, plate-glass insurance and officers' and directors' errors and omissions insurance.

Section 4 - Premiums, Proceeds and Settlement. Insurance premiums for any such blanket insurance coverage obtained by the Association and any other insurance carried by the Association shall be a Common Expense to be included in the Regular Assessments levied by the Association. Casualty insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried, or otherwise disposed of as provided in the Article hereof entitled "Destruction of Improvements." The Association is hereby granted the authority to negotiate loss settlements with the appropriate insurance carriers. Any two (2) directors of the Association may sign a loss claim form and release form in connection with the settlement of a loss claim, and such signatures shall be binding on the Association and the Members.

Section 5 - Annual Insurance Review. The Board shall annually determine whether the amounts and types of insurance it has obtained provide adequate coverage for the Project in

79- 707476

JUN 28 1979

light of increased construction costs, inflation, practice in the area in which the Project is located or any other factor which tends to indicate that either additional insurance policies or increased coverage under existing policies is necessary or desirable to protect the interests of the Owners, the Mortgagees and the Association. If the Board determines that increased coverage or additional insurance is appropriate, it shall obtain the same.

Section 6 - Trustee. Except as provided below, all insurance proceeds payable under subsection (b) of the Section entitled "Types" of this Article shall be paid to a Trustee. The Trustee shall hold, distribute and expend such proceeds for the benefit of the Owners, Mortgagees and others, as their respective interests shall appear, pursuant to the provisions of the Article hereof entitled "Destruction of Improvements." The Trustee shall be appointed by the Board and shall be a commercial bank, or branch thereof, or a trust company in said County which has agreed in writing to accept such trust. When proceeds from a single claim do not exceed Ten Thousand Dollars ($10,000.00), such proceeds shall be paid to the Association to be used as provided in the Article hereof entitled "Destruction of Improvements." The foregoing notwithstanding, in the event the Board fails to appoint a Trustee or determines that the use of a Trustee is not practical, then all proceeds shall be paid to the Board and the members thereof shall collectively act in the place and stead of such Trustee.

Section 7 - Individual Casualty Insurance Prohibited. Except as expressly provided in the Section of this Article entitled "Rights of Owners to Insure," no Owner shall separately insure his Condominium or any part thereof against loss by fire or other casualty covered by any insurance carried under sub-

79- 707476

JUN 28 1979

section (b) of the Section entitled "Types" of this Article. Should any Owner violate this provision, and should any loss intended to be covered by insurance carried by the Association occur, and the proceeds payable thereunder be reduced by reason of insurance carried by any Owner, such Owner shall assign the proceeds of such insurance carried by him to the extent of such reduction to the Trustee or Board, as applicable, for application by the Trustee or Board, as applicable, to the same purposes as the reduced proceeds are to be applied. In the event that such Owner has failed to pay such amount within thirty (30) days of a written demand therefor by the Trustee or Board, the Board may levy a Special Assessment against such Owner and his Condominium for such amount. In the event such Special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof, including those set forth in the Article hereof entitled "Nonpayment of Assessments."

Section 8 - Rights of Owners to Insure. Notwithstanding any other provisions of this Article, an Owner shall be permitted to insure his personal property against loss by fire or other casualty and may carry public liability insurance covering his individual liability for damage to persons or property occurring inside his Unit. In addition, any improvements made by an Owner to his Unit may be separately insured by such Owner provided such insurance shall be limited to the type and nature of coverage commonly known as "tenant's improvements" coverage. All such policies as may be carried by an Owner shall contain waivers of subrogation of claims against the Association, the Board, other Owners, Declarant and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused

79- 707476

JUN 28 1979 707476

JUN 28 1979

by negligence of or breach of any agreement by said persons, but to the extent of insurance proceeds received in compensation for such loss only; provided, however, such other policies shall not adversely affect or diminish any liability under any insurance obtained by the Association, and provided, further, duplicate copies or certificates of such other policies shall be deposited with the Board.

Section 9 - Required Waiver. All policies of physical damage insurance shall provide for waiver of the following rights to the extent such waivers are obtainable from the respective insurers:

(a) subrogation of claims against the Board, Declarant, the Owners, tenants of the Owners, and the employees of each of the foregoing;

(b) any defense based on co-insurance;

(c) any right of set-off, counterclaim, apportionment, proration or contribution by reason of other insurance not carried by the Association;

(d) any invalidity, other adverse effect or defense on account of any breach of warranty or condition caused by the Association, any Owner or any tenant of any Owner or arising from any act, neglect or omission of any named insured or the respective agents, contractors and employees of any insured;

(e) any right of the insurer to repair, rebuild or replace and, in the event a structure is not repaired, rebuilt or replaced following loss, any right to pay under the insurance the lesser of the replacement value of the improvements insured or the fair market value thereof;

(f) notice of the assignment of any Owner of his interest in the insurance by virtue of a conveyance of any

79- 707476

JUN 28 1979

Condominium; and

(g) any right to [illegible] any assignment of any Mortgage to the insurer.

79- 707476

JUN 28 1979

ARTICLE VIII

DESTRUCTION OF IMPROVEMENTS

Section 1 - Automatic Reconstruction. In the event of partial or total destruction of any improvements within the Project, the Board shall promptly take the following action:

(a) The Board shall ascertain the cost of reconstruction by obtaining fixed price bids from at least two (2) reputable contractors, including the obligation to obtain a performance bond if the Board deems the same to be necessary or appropriate, and by obtaining one or more independent appraisals if the Board deems such appraisal or appraisals to be necessary or desirable.

(b) The Board shall determine the amount of insurance proceeds, if any, payable by contacting the appropriate representative of the insurer of said improvements.

(c) The Board shall meet and determine whether the insurance proceeds, if any, will cover eighty-five percent (85%) or more of the estimated cost of reconstruction as determined pursuant to subsection (a) of this Section, or whether the portion of the estimated cost not covered by insurance is less than One Hundred Fifty Dollars ($150.00) per Condominium within the Project. Such percentage covered by insurance or such cost shall hereinafter be referred to as the "Acceptable Range of Reconstruction Cost." If the Board finds that a bid obtained under this Section is within the Acceptable Range of Reconstruction Cost, the Board shall cause a notice to be sent to all Owners of Condominiums in the Project and to all First Mortgagees of Mortgages encumbering Condominiums in the Project setting forth such findings and informing said Owners and said First Mortgagees that the Board intends to commence reconstruction

79- 707476

JUN 28 1979

pursuant to this Declaration. In the event that at least twenty percent (20%) of the Owners, based on one (1) vote for each Condominium, and all First Mortgagees of Mortgages encumbering Condominiums object in writing to such reconstruction as indicated in such notice, the Board shall call a meeting of the Owners and all First Mortgagees pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article. In the event that the foregoing requirements are satisfied and the requisite number of Owners and all First Mortgagees of Mortgages encumbering Condominiums do not object in writing to such reconstruction, (i) the Trustee, if other than the Board, shall pay such insurance proceeds as are available to the Board and the Board shall cause reconstruction to take place as promptly as practicable thereafter, or (ii) the Board, if it is acting in the place and stead of the Trustee, shall cause reconstruction to take place as promptly as practicable thereafter. In connection with such reconstruction, the Board shall levy a uniform Reconstruction Assessment against each Owner at such time and in such amount as the Board shall determine is necessary to cover the costs of reconstruction in excess of insurance proceeds.

(d) If the Board in good faith determines that none of the bids submitted under this Section reasonably reflects the anticipated reconstruction costs, the Board shall continue to attempt to obtain an additional bid which it determines reasonably reflects such costs. Such determination shall be made by the Board as soon as possible. However, if such determination cannot be made within ninety (90) days of the date of such destruction because of the unavailability or unacceptability of an insurance estimate or reconstuction bid, or otherwise, the Board shall immediately call a meeting of the Owners and all First Mortgagees pursuant to the Section entitled "Recon-

79- 707476

JUN 28 1979

struction Pursuant to Meeting" of this Article.

(e) If the Board determines that any Unit has become uninhabitable by reason of its total or partial destruction, Regular Assessments shall abate against the Owner thereof until the Board determines that the reconstruction of the Unit has restored its habitability. However, if the Board determines that such abatement would adversely and substantially affect the management, maintenance and operation of the Project, it may elect to disallow such abatement.

Section 2 - Reconstruction Pursuant to Meeting. If reconstruction is not to take place pursuant to the Section entitled "Automatic Reconstruction" of this Article, as soon as practicable after same has been determined the Board shall call a meeting of the Owners and all First Mortgagees by mailing a notice of such meeting to each such Owner and each such First Mortgagee. Such meeting shall be held not less than fourteen (14) days and not more than twenty-one (21) days after the date of such notice. The Owners may, by a vote at such meeting or by the written consent of not less than sixty-six and two-thirds percent (66-2/3%) of the Owners based on one (1) vote for each Condominium, determine to proceed with such reconstruction; provided, however, reconstruction must take place unless a determination is made not to proceed therewith by seventy-five percent (75%) of the First Mortgagees based upon one (1) vote for each First Mortgage held thereby. If reconstruction is to take place, the Board shall levy a uniform Reconstruction Assessment against each Owner at such time and in such amount as the Board shall determine is necessary to cover the costs of reconstruction in excess of insurance proceeds.

Section 3 - Decision to Reconstruct; Procedure After Meeting. In the event that the Association undertakes recon-

JUN 28 1979

struction pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article the following shall apply:

(a) Immediately after such meeting, the Board shall send a notice to each First Mortgagee of a Condominium (which notice shall advise of the decision to undertake reconstruction and of such First Mortgagee's right under subsection (b) of this Section). The Board shall also send a true copy of each such notice to the Trustee unless the Board is acting in the place and stead of the Trustee.

(b) In the event that any such First Mortgagee desires to apply insurance proceeds allocable to the Condominium encumbered by its Mortgage to the reduction or elimination of the indebtedness secured by such Mortgage, such First Mortgagee shall notify the Trustee, if applicable, and the Board in writing of such election within thirty (30) days after the date the notice of the Board sent pursuant to subsection (a) above is deposited in the United States mail. Upon receipt of timely notice from any such First Mortgagee, the Trustee or Board, as applicable, shall promptly pay to such First Mortgagee the insurance proceeds allocable to the Condominium encumbered by the Mortgage of such First Mortgagee for the purpose of the reduction or elimination of the obligation secured by such Mortgage; provided, however, in no event shall the Trustee or Board pay to such First Mortgagee an amount greater than (i) the outstanding indebtedness secured by said Mortgage or (ii) the insurance proceeds allocable to such Condominium, whichever of (i) or (ii) is the lesser. Unless the Board is acting in the place and stead of the Trustee, simultaneously with such payment the Trustee shall notify the Board of the amount of such payment. The Trustee or Board, as applicable, shall not make any payment to a First Mortgagee pursuant to this subsection

79- 707476

JUN 28 1979

707474

JUN 28 1979

(b) unless such First Mortgagee notifies the Trustee and/or Board, as applicable, of its election prior to the expiration of the aforesaid thirty (30) day period.

(c) As to each Condominium for which a First Mortgagee has not timely notified the Trustee and/or Board, as applicable, of its election to apply its allocable portion of the insurance proceeds to the reduction or elimination of the obligation owing to such First Mortgagee, promptly upon expiration of the appropriate time period (i) the Trustee, if the Board is not acting in its place and stead, shall pay such allocable portion of the insurance proceeds to the Board, and the Board shall apply same to reconstruction undertaken by the Association pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article, or (ii) the Board, if it is acting in the place and stead of the Trustee, shall apply such allocable portion of the insurance proceeds to reconstruction undertaken by the Association pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article. In the event that only a part of the allocable portion of such insurance proceeds has been paid to a First Mortgagee after timely request therefor, simultaneously with such payment (i) the Trustee, if the Board is not acting in its place and stead, shall pay the remainder of such allocable portion of the insurance proceeds to the Board, and the Board shall apply same to reconstruction undertaken by the Association pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article, or (ii) the Board, if it is acting in the place and stead of the Trustee, shall apply the remainder of such allocable portion of the insurance proceeds to reconstruction undertaken by the Association pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article.

79- 707476

JUN 28 1979

79- 707476

JUN 28 1979

(d) For the purposes of this Article, the amount of insurance proceeds "allocated" to any Condominium shall be determined pursuant to this subsection (d). In the event that the insurance carrier allocates casualty insurance proceeds among Condominiums, such allocation shall be final and binding on the Owners, the Mortgagees, the Association and the Trustee. The Board shall make every possible effort to cause such insurance carrier to make such allocation. In the event such allocation is not made, the Board shall allocate such proceeds among such Condominiums based upon the relative value of the Condominiums as established by an MAI appraisal obtained by the Board and paid for out of, or charged against, such proceeds and made as of a time immediately prior to the destruction as to the extent to which the Units involved have been affected by the destruction. Such allocation made by the Board shall be final and binding on the Owners, the Mortgagees, the Association and the Trustee.

(e) In the event the Trustee or Board, as applicable, pays insurance proceeds to any First Mortgagee pursuant to this Section, the Owner of the Condominium which is encumbered by the Mortgage of such First Mortgagee shall pay to the Association an amount equal to the insurance proceeds paid to such First Mortgagee. In the event that such Owner has failed to pay such amount within thirty (30) days of a written demand therefor by the Board, the Association, through the Board, may levy a Special Assessment against such Owner and his Condominium for such amount. In the event such Special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof, including those set forth in the Article hereof entitled "Nonpayment of Assessments."

79- 707476

JUN 28 1979 707476

JUN 28 1979

Section 4 - Decision Not to Reconstruct; Procedure After Meeting. In the event a decision is made not to reconstruct at the meeting called pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article, the Trustee or Board, as applicable, shall apply the insurance proceeds as follows:

(a) The insurance proceeds shall first be applied to the reduction or elimination, as the case may be, of all outstanding Mortgages encumbering Condominiums for which insurance proceeds have been paid by reason of the casualty; provided, however, as to any Condominium, the Trustee or Board, as applicable, shall not pay insurance proceeds to Mortgagees thereof in an amount greater than (i) the outstanding indebtednesses secured by Mortgages encumbering said Condominium, or (ii) the insurance proceeds allocable to said Condominium, whichever of (i) or (ii) is the lesser.

(b) All insurance proceeds allocable to each Condominium remaining after payments to Mortgagees thereof pursuant to subsection (a) of this Section shall be distributed by the Trustee or Board, as applicable, to the Owner of each such Condominium after deduction of an amount determined pursuant to subsection (c) of this Section.

(c) The Board shall levy a uniform Reconstruction Assessment against all Owners equal to the costs of clearing the debris of the totally or partially destroyed improvements and cleaning the area. The Reconstruction Assessment of the Owner of each Condominium the Unit of which has been affected by the destruction shall be paid out of the insurance proceeds allocable to the respective Condominium of such Owner prior to the distribution of such proceeds pursuant to subsection (b) of this Section. In the event that the allocable insurance

79- 7C7476

JUN 28 1979

proceeds, after deduction of proceeds paid to Mortgagees, is not sufficient to pay the entire Reconstruction Assessment levied against such Owner, such Owner shall not be relieved of his obligation to pay any such excess.

Section 5 - Certificate of Intention to Reconstruct. In the event the Association undertakes reconstruction pursuant to this Article, the Board shall, not later than two hundred ten (210) days from the date of destruction, execute, acknowledge and record in the Office of the County Recorder of said County a certificate declaring the intention of the Association to rebuild. If no such certificate of reconstruction is so recorded within said two hundred ten (210) day period, it shall be conclusively presumed that the Association has determined not to undertake reconstruction pursuant to this Article.

Section 6 - Partition. In the event that a certificate described in the Section entitled "Certificate of Intention to Reconstruct" of this Article is not recorded within the two hundred ten (210) day period provided therein, the right of any Owner to partition the Project through legal action as described in the Article hereof entitled "Limitations Upon the Right to Partition and Severance" shall forthwith revive.

Section 7 - Compliance with Condominium Plan. Any reconstruction undertaken pursuant to this Article shall substantially conform to the Condominium Plan, as amended pursuant to the Section entitled "Amendment of Condominium Plan" of this Article, or otherwise, if appropriate.

Section 8 - Negotiations with Insurer. The Board shall have full authority to negotiate in good faith with representatives of the insurer of any totally or partially destroyed improvements, and to make settlements with the insurer for less

79- 767476

JUN 28 1979

than full insurance coverage on the damage to such improvements. Any settlement made by the Board in good faith shall be binding upon all Owners and Mortgagees.

Section 9 - Repair of Units. Installation of improvements to, and repair of any damage to, the interior of a Unit shall be made by and at the individual expense of the Owner of that Unit and, in the event of a determination to reconstruct after partial or total destruction, shall be completed as promptly as practicable and in a lawful and workmanlike manner.

Section 10 - Amendment of Condominium Plan. In the event reconstruction is to take place pursuant to this Article, the Board shall have the power to record an amendment to the Condominium Plan so that such Condominium Plan conforms to the improvements as designed to be reconstructed; provided, however, the Board shall not record an amendment to such Condominium Plan without the prior authorization of each Mortgagee of a Mortgage encumbering a Condominium within the Project. In the event the Board, together with said Mortgagees, decide to record such amendment to the Condominium Plan, all Owners within the Project and the record holders of all security interests in the Project shall execute and acknowledge said amendment so that it will comply with Section 1351 of the California Civil Code or any similar statute then in effect. Said Owners and record holders of security interests shall also execute such other documents or take such other actions as may be required to make such amendment effective. The Board shall cause a notice of change in the Condominium Plan to be sent to each Owner and Mortgagee in the Project within ten (10) days of the recording of such amendment in the office of the County Recorder of said County.

'79-707476

JUN 28 1979

Section 11 - Availability of Labor and Material. In determining whether the plans for reconstructed improvements are in substantial conformance with the Condominium P[illegible], the Board may take into consideration the availability and expense of the labor and materials in the original construction of the Project. If such labor or materials is not available or is prohibitively expensive at the time of reconstruction, the Board may permit the substitution of such other labor or materials as it deems proper.

Section 12 - Contracting for Reconstruction. In the event repair or reconstruction is undertaken pursuant to this Article, other than the Section entitled "Repair of Units" hereof, the Board or its delegates shall have the sole authority to contract for such work as may be necessary for said repair or reconstruction.

Section 13 - Seventy-Five Percent (75%) Vote Required. All insurance proceeds available from any total or partial destruction shall be applied as set forth in this Article, except upon the vote or written assent of not less than seventy-five percent (75%) of the First Mortgagees based on one (1) vote for each First Mortgage held thereby.

Section 14 - Costs of Collecting Insurance Proceeds. If it should become necessary in the judgment of the Board to incur expenses in order to determine or collect insurance proceeds, such costs shall be first deducted before distribution or application of insurance proceeds as provided in this Article.

Section 15 - Priority. Nothing contained in this Article shall entitle an Owner to priority over any Mortgagee under a Mortgage encumbering his Condominium as to any portion of insurance proceeds allocated to such Condominium.

79- 707476

JUN 28 1979

ARTICLE IX

EMINENT DOMAIN

Section 1 - Definition of Taking. The term "taking" as used in this Article shall mean condemnation by eminent domain, or by sale under threat thereof, of all or part of the Project.

Section 2 - Representation by Board in Condemnation Proceeding. In the event of a taking, the Board shall, subject to the right of all Mortgagees who have made a request to join the Board in the proceedings, represent all of the Members in an action to recover all awards. No Member shall challenge the good faith exercise of the discretion of the Board in fulfilling its duties under this Article. The Board is further empowered, subject to the limitations hereof, to act as the sole representative of the Members in all aspects of the condemnation proceedings not specifically covered hereby.

Section 3 - Procedure on Taking. In the event of a taking affecting Units of Condominiums, the Board shall distribute the award forthcoming from the taking authority according to the provisions of this Section after deducting therefrom fees and expenses related to the condemnation proceedings including, without limitation, fees for attorneys and appraisers and court costs. In the event the taking is by judgment of condemnation and said judgment apportions the award among the Owners and their respective Mortgagees, the Board shall distribute the amount remaining after such deductions among such Owners and Mortgagees on the basis of the apportionment set forth in such judgment. In the event the taking is by sale under threat of condemnation, or if the judgment of condemnation

79- 707476

JUN 28 1979

fails to apportion the award, the Board shall distribute the award among the Owners in the Project and their respective Mortgagees based upon the relative values of the Condominiums affected by such taking as determined by (i) the appraised valuation of each affected Condominium as determined by an MAI appraisal obtained by the Board and paid for out of, or charged against, the award and made as of a time immediately prior to the taking, and (ii) the degree to which each Condominium has been affected by the taking. Such determination by the Board shall be final and binding on all Owners and Mortgagees. Nothing contained herein shall entitle an Owner to priority over a Mortgagee of his Condominium as to the portion of the condemnation award allocated to his Condominium. In no event shall any portion of such award be distributed by the Board to an Owner and/or the Mortgagees of his Condominium in a total amount greater than the portion allocated hereunder to such Condominium.

Section 4 - Inverse Condemnation. The Board is authorized to bring an action in inverse condemnation. In such event, the provisions of this Article shall apply with equal force.

Section 5 - Revival of Right to Partition. Upon a taking which renders the Units of more than fifty percent (50%) of the Condominiums in the Project incapable of being restored to at least ninety-five percent (95%) of their floor area and substantially their condition prior to the taking, the right of any Owner within the Project to partition through legal action as described in the Article hereof entitled "Limitations Upon the Right to Partition and Severance" shall forthwith revive. The determination as to whether the Units of Condominiums partially taken are capable of being so restored shall be made by the Board, whose decision shall be final and binding on all Owners and Mortgagees.

79- 767476

JUN 28 1979

JUN 28 1979

Section 6 - Awards for Members' Personal Property and Relocation Allowances. Where all or part of the Project is taken, each Member shall have the exclusive right to claim all of the award made for his personal property, and any relocation expense, moving expense or other allowance of a similar nature designed to facilitate relocation. Notwithstanding the foregoing provisions, the Board shall represent each Member in an action to recover all awards with respect to such portion, if any, of Members' personal property as is at the time of any taking, as a matter of law, part of the real estate comprising any Condominium, and shall allocate to such Member so much of any award as is attributable in the taking proceedings, or failing such attribution, attributable by the Board to such portion of Members' personal property.

Section 7 - Notice to Members. The Board, immediately upon having knowledge of any taking or threat thereof with respect to the Project, or any portion thereof, shall promptly notify all Members.

Section 8 - Change of Condominium Interest. In the event of a taking, the Board shall have the power to record an amendment to the Condominium Plan to reflect the change in the Project to the extent it is affected by such taking; provided, however, the Board shall not record an amendment to the Condominium Plan without the prior authorization of each Mortgagee of a Mortgage encumbering a Condominium within the Project. In the event the Board, together with said Mortgagees, decide to record such amendment to the Condominium Plan, all Owners within the Project and the record holders of all security interests in the Project shall execute and acknowledge said amendment so that it will comply with Section 1351 of the California

'79- 707476

JUN 28 1979

'79- 707476

JUN 28 1979

Civil Code or any similar statute then in effect. Said Owners and record holders of security interests shall also execute such other documents or take such other actions as may be required to make such amendment effective. The Board shall cause a notice of change in the Condominium Plan to be sent to each Owner and Mortgagee in the Project within ten (10) days of the recording of such amendment in the office of the County Recorder of said County.

Section 9 - Award for Common Area. Any awards received on account of any taking of the Project which does not affect Units of Condominiums shall be paid to the Association. The Board may in its sole discretion retain any award in the general funds of the Association or distribute pro rata (as determined by the Board) all or a portion thereof to the Members. The rights of an Owner and the Mortgagee of his Condominium as to any pro rata distribution shall be governed by any applicable provisions of the Mortgage encumbering such Condominium.

79- 707476

JUN 28 1979

ARTICLE

USE RESTRICTIONS

Section 1 - Limitations Upon All Use Restrictions. Each and all of the provisions of this Article shall be subject to the rights of, and shall in no way limit the rights of, Declarant as set forth in the subsection entitled "Refurbishing and Sales" of the Section entitled "Certain Rights and Easements Reserved to Declarant" of the Article hereof entitled "Easements" and as set forth in the Section entitled "Refurbishing by Declarant" of the Article hereof entitled "General Provisions." This Section may not be modified or eliminated without the prior written approval of Declarant.

Section 2 - Commercial Use. Unless otherwise approved by the Board, no portion of the Project, including Units, shall be used or caused to be used or allowed or authorized in any way, directly or indirectly, to be used for any business, commercial, manufacturing, mercantile, storing, vending, or any nonresidential purposes; provided, however, (i) nothing herein shall prevent an Owner from leasing his Condominium provided such leasing complies with the Section entitled "Leases" of the Article hereof entitled "General Provisions," and (ii) nothing herein shall be construed as preventing Declarant and its agents and assigns from engaging in all forms of refurbishing and sales activities within the Project including, without limitation, the use of Units as models.

Section 3 - Signs. No sign of any kind shall be displayed to the public view on or from any portion of the Project without the approval of the Board in writing. Notwithstanding the foregoing, (i) one sign of reasonable dimensions advertising a Condominium for sale or for rent may be placed within

79- 707476

JUN 28 1979

707476

JUN 28 1979

the Unit thereof or outside the Unit within the Common Area immediately adjacent thereto by the Owner thereof or by his agent, and (ii) nothing herein shall be construed as preventing Declarant and its agents and assigns from engaging in all forms of refurbishing and sales activities within the Project including, without limitation, the use of all forms of signs, flags, markers and sales devices.

Section 4 - Offensive Activity. No noxious or offensive activity shall be carried on upon the Project, nor shall anything be done thereon which might be or become an annoyance or nuisance to occupants within the Project, which shall in any way interfere with the rights of quiet enjoyment of occupants within the Project or which shall in any way increase the rate of any insurance. No Owner or occupant shall engage in activity within the Project which is in violation of any law, ordinance, statute, rule or regulation of any local, county, state or federal body. Nothing herein shall be construed as preventing Declarant from using temporary structures or trailers for refurbishing and/or sales purposes or engaging in all forms of refurbishing and sales activities within the Project.

Section 5 - Temporary Structures. No structure or building of a temporary character, including a tent or shack, shall be placed upon the Project or used therein unless the same and its proposed use are approved by the Board in writing. Nothing herein shall be construed as preventing Declarant from using temporary structures or trailers for refurbishing and/or sales purposes or engaging in all forms of refurbishing and sales activities within the Project.

Section 6 - Parking. Unless otherwise permitted by the Board, no motor vehicle (including a motorcycle), trailer, camper, boat, or similar item, and no bicycle, shall be per-

'79- 787476

JUN 28 1979

787476

JUN 28 1979

mitted to remain upon the Project unless parked or placed within a parking space; provided, however, temporary parking of motor vehicles shall be permitted. For purposes hereof, "temporary parking" shall mean parking of vehicles belonging to invitees of Owners and occupants, parking of delivery trucks, service vehicles and other commercial vehicles being used in the furnishing of goods and services to the Association or to the Owners and occupants and parking of vehicles belonging to and being used by Owners, occupants and invitees for loading and unloading purposes. The Board may adopt rules for the regulation of the admission and temporary parking of vehicles within the Project, including the assessment of charges to Owners and occupants who violate, or whose invitees violate, such rules. Any charges so assessed shall be Special Assessments. Nothing herein shall be construed as preventing Declarant from using temporary structures or trailers for refurbishing and/or sales purposes or engaging in all forms of refurbishing and sales activities within the Project.

Section 7 - Parking Areas. The parking areas shall be used only for parking purposes described in the Section of this Article entitled "Parking," in accordance with the Association Rules and for such other purposes as may be permitted by the Board.

Section 8 - External Fixtures. No external items such as, but not limited to, television and radio poles and

79- 707476

JUN 28 1979

707476

JUN 28 1979

antennae, flag poles, clothesline wiring, insulation, air-conditioning equipment, water softening equipment, fences, awnings, ornamental screens, screen doors, porch or patio or balcony enclosures, sunshades, walls, landscaping and planting, other than those provided in connection with the original construction of the Project, and any replacements thereof, and other than those approved by the Board in writing and any replacements thereof, shall be constructed, erected or maintained on or within the Project, including any structures thereof. The foregoing notwithstanding, nothing herein shall be construed as preventing Declarant and its agents and assigns from engaging in all forms of refurbishing and sales activities within the Project. The Association shall maintain in effect or cause to be maintained in effect any central antenna system or systems at any time installed within the Project.

Section 9 - Window Covers. Only curtains, drapes and shades may be installed as windows covers. No window shall be covered by paint, foil, sheets or similar items. The Board may adopt rules regulating the type, color and design of window covers.

Section 10 - Electronic Transmitting Equipment. No electronic transmitting equipment other than electronic transmitting equipment and devices approved by the Board shall be installed, mairtained or used within the Project.

Section 11 - External Laundrying. Unless otherwise permitted by the Board, external laundrying and drying of clothing and other items is prohibited.

Section 12 - Unsightly Items. All weeds, rubbish, debris or unsightly materials or objects of any kind shall be

79- 707476

JUN 28 1979

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JUN 28 1979

regularly removed from Units and shall not be allowed to accumulate therein or thereon. Refuse containers and woodpiles, and machinery and equipment not a part of Units, shall be prohibited upon any Unit unless obscured from view of adjoining Units. Trash and garbage not disposed of by equipment contained within Units shall be placed in containers by Owners and occupants for removal from the Project in accordance with rules applicable thereto adopted by the Board. The Board may adopt rules applicable to the provisions of this Section and their enforcement, including the assessment of charges to Owners and occupants who violate, or whose invitees violate, such rules Any charges so assessed shall be Special Assessments. The foregoing notwithstanding, nothing herein shall be construed as preventing Declarant and its agent and assigns from engaging in all forms of refurbishing and sales activities within the Project.

Section 13 - Oil and Mineral Rights. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon the surface of the Project, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be installed upon the surface of the Project or within five hundred (500) feet below the surface of the Project. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon the Project. The foregoing notwithstanding, nothing herein shall be construed as preventing Declarant and its agents and assigns from engaging in all forms of refurbishing and sales activities within the Project.

Section 14 - Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept upon the Project, except that dogs, cats or other household pets may be

79- 707473

JUN 28 1979

707473

JUN 28 1979

kept within a Unit provided they are not raised, bred, kept or maintained for any commercial purpose or in numbers deemed unreasonable by the Board. Notwithstanding the foregoing, no animal or fowl may be kept within a Unit which, in the good faith judgment of the Board or a committee selected by the Board for this purpose, results in an annoyance or is obnoxious to residents within the Project. All animals permitted to be kept by this Section shall be kept on a leash when on any portion of the Project except within a Unit. The Board may adopt rules applicable to the provisions of this Section and to the keeping of pets within the Project, and their enforcement, including the assessment of charges to Owners and occupants who violate such rules. Any charges so assessed shall be Special Assessments.

Section 15 - Children. No child under 15 years of age may permanently reside within a Unit and no child under 15 years of age may visit or temporarily reside within a Unit for a continuous period of more than two (2) weeks in any period of six (6) months. The foregoing age restrictions shall be enforceable only to the extent permitted by law, and Declarant shall have no liability if, and to the extent, such age restrictions are held to be unenforceable in whole or in part or under some or all circumstances; and each Owner, by acceptance of delivery of the deed to his respective Condominium, expressly consents hereto. The Board may adopt special rules for the regulation of the conduct of children (meaning persons under eighteen (18) years of age) within the Project including the assessment of charges to Owners and occupants whose children violate such rules. Any charges so assessed shall be Special Assessments. Each Owner or occupant with children shall be accountable to all other Owners and occupants for the conduct of any child of the former while within the Project. Notwith-

'79- 707476

JUN 28 1979

707476

JUN 28 1979

standing the foregoing, the age restrictions set forth in this Section shall not apply to tenants within the Project under leases in effect prior to the first conveyance of a Condominium within the Project who continue in possession under such leases or become first purchasers of Condominiums.

Section 16 - Structural Alterations and Integrity. No interior or exterior structural changes shall be constructed, erected or made within the Project other than those approved by the Board in writing. Nothing shall be kept or maintained within a Unit which might impair the structural integrity of any building or other structure. The foregoing notwithstanding, nothing herein shall be construed as (i) preventing an Owner from decorating the interior of his Unit or (ii) preventing Declarant and its agents and assigns from engaging in all forms of refurbishing and sales activities within the Project. The Board may adopt rules applicable to the provisions of this Section and their enforcement, including the assessment of charges to Owners and occupants who violate such rules. Any charges so assessed shall be Special Assessments.

'79- 707476

JUN 28 1979

10747

JUN 28 1979

ARTICLE VI

RIGHTS OF ENJOYMENT

Section 1 - Members' Right of Enjoyment. Every Member shall have a non-exclusive easement for use and enjoyment in and to the Common Area (other than portions thereof subject to exclusive easements), and such right shall be appurtenant to and shall pass with the interest required to be an Owner to every Condominium, subject to all of the covenants, conditions, restrictions, easements and other provisions contained in this Declaration, including, without limitation, the following provisions:

(a) The right of the Association to limit the number of guests of Members and to limit the use of common facilities, if any, on the Common Area by persons not in possession of a Unit, but owning all or a portion of the interest in a Condominium required for membership.

(b) The right of the Association to establish reasonable rules and regulations pertaining to the conduct of persons within, and the use of, the Common Area.

(c) The right of the Association to suspend the rights of a Member to use the common facilities, if any, located upon the Common Area or any portion thereof designated by the Board, at any time during which any Assessment against his Condominium remains unpaid and delinquent or for a period not to exceed thirty (30) days for any single infraction of this Declaration, the Bylaws or the Association Rules, provided that any suspension of such rights to use all or any common facilities, if any, located on the Common Area, except for the failure to pay Assessments, shall be made only by the Association or a duly appointed committee thereof after

79- 707476

JUN 28 1979

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JUN 28 1979

notice and hearing given and held in accordance with the Bylaws. Notwithstanding the foregoing, the Association shall not have the right hereunder to suspend any Member's rights to use any portion of the Project necessary for such Member to gain access to a Unit.

(d) The right of the Association to establish, in cooperation with any governmental entity, a special tax assessment district for the performance of all or a portion of the maintenance and other functions now within the responsibility of the Association.

(e) The right of the Association to grant easements on, over or under the Common Area to public utilities or governmental entities or agencies; provided that such easements shall not unreasonably interfere with the rights of any Owner to the use and enjoyment of his Unit or the Common Area. No such easement shall be effective unless approved by two-thirds (2/3) of the voting power of the Members.

Section 2 - Delegation of Use. Any Member may delegate his rights of enjoyment in and to the Common Area to the members of his family or his tenants who reside within his Unit, or to his invitees, subject to all provisions of this Declaration, including those set forth in the Section of this Article entitled "Members' Rights of Enjoyment," the Bylaws and the Association Rules.

Section 3 - Waiver of Use. No member may exempt himself from personal liability for Assessments duly levied by the Association, nor release the Condominium owned by him from the liens, charges and other provisions of this Declaration, the Articles, Bylaws and Association Rules, by waiver of the use and enjoyment of the Common Area, or by abandonment of his Condominium or the Unit thereof.

79- 707476

JUN 28 1979

ARTICLE XII

EASEMENTS

Section 1 - Amendment to Eliminate Easements. This Declaration cannot be amended to modify or eliminate the easements reserved to Declarant without prior written approval of Declarant and any attempt to do so shall have no effect. Any attempt to modify or eliminate this Section shall likewise require the prior written approval of Declarant.

Section 2 - Nature of Easements. Unless otherwise set forth herein, any easement reserved in this Declaration shall be nonexclusive. Any and all easements reserved in this Declaration shall be deemed to be in full force and effect whether or not referred to, reserved and/or granted in any instrument of conveyance.

Section 3 - Certain Rights and Easements Reserved to Declarant.

(a) Utilities. Easements and rights over the Project for the installation and maintenance of electric, telephone, cable television, water, gas, sanitary sewer lines and drainage facilities as are needed to service the Project are hereby reserved by Declarant, together with the right to grant and transfer the same; provided, however, such easements and rights shall not unreasonably interfere with the use and enjoyment by the Members of their Condominiums or the Common Area.

(b) Refurbishing and Sales. There are hereby reserved to Declarant, together with the right to grant and transfer the same to others, including Declarant's sales agents, representatives and assigns, over the Project as the same may from time to time exist, easements and rights for refurbishing, display (including the use of Units as models), maintenance,

- 707476

JUN 28 1979

707476

JUN 28 1979

sales and exhibit purposes (including the use of signs and other advertising devices) in connection with the refurbishing and sale or lease of Condominiums within the Project; provided, however, that no such use by Declarant and others shall otherwise restrict the Members in the reasonable use and enjoyment of the Project.

Section 4 - Certain Easements for Owners.

(a) Rights and Duties: Utilities and Television. Wherever sanitary sewer house connections, water house connections, electricity, gas, telephone and television lines or drainage facilities are installed within the Project, the Owner of Condominiums the Units of which are served by said connections, lines or facilities shall have the right, and there are hereby reserved to Declarant and all other Owners, together with the right to grant and transfer the same, easements and rights to the full extent necessary for the full use and enjoyment of such portion of such connections, lines or facilities which service the Unit of each Condominium owned, and to enter Units of Condominiums owned by others, or to have utility companies enter Units of Condominiums owned by others, in or upon which said connections, lines or facilities, or any portions thereof, lie, to repair, replace and generally maintain said connections, lines or facilities as and when the same may be necessary, provided that such entering Owner or utility company shall promptly repair all damage to any Unit caused by such entry as promptly as possible after completion of work thereon.

(b) Ingress, Egress and Use Rights. There are hereby reserved to Declarant and to all other Owners, together with the right to grant and transfer the same, easements and rights for ingress, egress, use, enjoyment and general use purposes over and upon the Common Area other than portions thereof subject to exclusive appurtenant easements, if any.

79- 707476

JUN 28 1979

Such easements and rights shall be subject to the rights of the Association as set forth in the Article hereof entitled "Rights of Enjoyment."

Section 5 - Certain Easements for Association.

(a) Association Rights. There are hereby reserved to the Association easements and rights over the Project for the purpose of permitting the Association to discharge its obligations as described in this Declaration.

(b) Rights and Duties, Utilities and Television. Whenever sanitary sewer house connections, water house connections, electricity, gas, telephone and television lines or drainage facilities are installed within the Project, and said connections, lines or facilities serve common or other facilities within the Common Area which are used in common by Members, the Association shall have the right, and there are hereby reserved to the Association, together with the right to grant and transfer the same, easements and rights to the full extent necessary for the full use and enjoyment of such portion of such connections, lines or facilities which service such commonly used facilities, and to enter upon all portions of the Project, or to have utility companies enter upon all portions of the Project, including Units of Condominiums, in or upon which said connections, lines or facilities, or any portions thereof, lie, to repair, replace and generally maintain said connections, lines or facilities as and when the same may be necessary, provided the Association or utility company shall promptly repair all damage, including damage to any Unit, caused by such entry as promptly as possible after completion of work thereon.

Section 6 - Support, Settlement and Encroachment. There are hereby reserved to Declarant and all other Owners,

79- 707476

JUN 28 1979

together with the right to grant and transfer the same, the following reciprocal rights and easements for the purposes set forth below:

(a) A right and easement appurtenant to each Unit of a Condominium which is contiguous to another Unit of a Condominium or which is contiguous to the Common Area which Unit of a Condominium shall be the dominant tenement and which contiguous Unit of a Condominium or Common Area shall be the servient tenement.

(b) A right and easement appurtenant to the Common Area contiguous to the Unit of a Condominium which Common Area shall be the dominant tenement and which contiguous Unit of a Condominium shall be the servient tenement.

(c) It is provided, however, that in the event the Common Area is the dominant tenement in a right and easement described in this Section, the Association shall have said rights and easements rather than Declarant and the Owners, and said rights and easements are hereby reserved to the Association, together with the right to grant and transfer the same.

(d) Said rights and easements shall be for the purposes of:

(i) support and accommodation of the natural settlement of structures; and

(ii) encroachments resulting from any cause, including original construction and reconstruction.

79- 707476

JUN 28 1979

ARTICLE XIII

RIGHTS OF LENDERS

Section 1 - Filing Notices; Notices and Approvals. A Mortgagee shall not be entitled to receive any notice which this Declaration requires the Association to deliver to Mortgagees unless and until such Mortgagee, or its mortgage servicing contractor, has delivered to the Board a written notice stating that such Mortgagee is the holder of a Mortgage encumbering a Condominium within the Project. Such notice need not state which Condominium is encumbered by such Mortgage, but shall state whether such Mortgagee is a First Mortgagee. Notwithstanding the foregoing, if any right of a Mortgagee under this Declaration is conditioned on a specific written request to the Association, in addition to having delivered the notice provided in this Section a Mortgagee must also make such request, either in a separate writing delivered to the Association or in the notice provided above in this Section, in order to be entitled to such right. Except as provided in this Section, a Mortgagee's rights pursuant to this Declaration, including, without limitation, the priority of the lien of Mortgages over the lien of Assessments levied by the Association hereunder shall not be affected by the failure to deliver a notice or request to the Board. Any notice or request delivered to the Board by a Mortgagee shall remain effective without any further action by such Mortgagee for so long as the facts set forth in such notice or request remain unchanged.

Section 2 - Priority of Mortgage Lien. No breach of the covenants, conditions, restrictions or easements herein contained, nor the enforcement of any lien provision herein,

79- 707476

JUN 28 1979

shall affect, impair, defeat or render invalid the lien or charge of any Mortgage made in good faith and for value encumbering any Condominium, but all of said covenants, conditions, restrictions and easements shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise, with respect to a Condominium.

Section 3 - Curing Defaults. A Mortgagee who acquires title by judicial foreclosure or trustee's sale or the immediate transferee of such Mortgagee, shall not be obligated to cure any breach of the provisions of this Declaration which is noncurable or of a type which is not practical or feasible to cure. The determination of the Board made in good faith as to whether a breach is noncurable or not feasible to cure shall be final and binding on all Mortgagees.

Section 4 - Resale. It is intended that the Mortgagee under a Mortgage securing a loan to facilitate the resale of any Condominium after judicial foreclosure or a trustee's sale is a Mortgagee under a Mortgage securing a loan made in good faith and for value and is entitled to all of the rights and protections afforded to other Mortgagees.

Section 5 - Relationship with Assessment Liens.

(a) The lien provided for in the Article hereof entitled "Nonpayment of Assessments" for the payment of Assessments shall be subordinate to the lien of any Mortgage which was recorded prior to the date any such Assessment becomes due.

(b) If any Condominium subject to a monetary lien created by any provisions hereof shall be subject to the lien of a Mortgage: (i) the foreclosure of any lien created by anything set forth in this Declaration shall not operate

79- 707476

JUN 28 1979

JUN 28 1979

to affect or impair the lien of such Mortgage; and (ii) the foreclosure of the lien of said Mortgage or the sale under a power of sale included in such Mortgage (such events being hereinafter referred to as "Events of Foreclosure") shall not operate to affect or impair the lien hereof, except that any persons who obtain an interest through any of the Events of Foreclosure, and their successors in interest, shall take title free of the lien hereof or any personal obligation for said charges as shall have accrued up to the time of any of the Events of Foreclosure, but subject to the lien hereof for all said charges that shall accrue subsequent to the Events of Foreclosure.

(c) Without limiting the provisions of subsection (b) of this Section, any Mortgagee who obtains title to a Condominium by reason of any of the Events of Foreclosure, or any purchaser at a private or judicial foreclosure sale, shall take title to such Condominium free of any lien or claim for unpaid Assessments against such Condominium which accrued prior to the time such Mortgagee or purchaser takes title to such Condominium, except for liens or claims for a share of such Assessments resulting from a pro rata reallocation of such Assessments to all Condominiums within the Project.

(d) Nothing in this Section shall be construed as releasing any Owner from his personal obligations to pay for any Assessment levied pursuant to this Declaration.

Section 6 - Seventy-Five Percent (75%) Vote of First Mortgagees. Except upon the prior written approval of at least seventy-five percent (75%) of First Mortgagees, based on one (1) vote for each First Mortgage held, neither the Association

79- 707476

JUN 28 1979

707476

JUN 28 1979

nor the Members shall be entitled by action or inaction to do any of the following:

(a) Abandon or terminate by any act or omission the condominium legal status of the Project, or any part thereof, except for abandonment or termination provided by laws and/or this Declaration in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

(b) Amend the provisions of the Articles hereof entitled "Insurance," "Destruction of Improvements," "Eminent Domain," this Article, and any other rights granted specifically to Mortgagees pursuant to any other provisions of this Declaration, the Articles of the Bylaws;

(c) Abandon, partition, sell, alienate, subdivide, release, transfer, hypothecate or otherwise encumber the Common Area; provided, however, the granting of easements affecting the Common Area for public utilities or other public purposes consistent with the intended use of the Common Area shall not require such approval;

(d) Partition or subdivide a Unit or any elements thereof;

(e) Change the manner in which Assessments other than Special Assessments are determined and levied as set forth in this Declaration;

(f) Change the manner in which condemnation awards and insurance proceeds are allocated and distributed as

79- 707476

NOV 28 1979

JUN 28 1979

set forth in this Declaration;

(g) Change the Ownership Interest of the respective Condominiums as provided in the Section entitled "Condominium" in the Article hereof entitled "Definitions"; and

(h) Dissolve the Association or abandon or terminate the maintenance of the Project as set forth in this Declaration by the Association.

Section 7 - Other Rights of First Mortgagees. Any First Mortgagee or its mortgage servicing contractor shall, upon written request to the Association, be entitled:

(a) To inspect the books and records of the Association during normal business hours;

(b) To receive any annual financial statement of the Association ninety (90) days following the end of the Association's fiscal year;

(c) To receive written notice of all annual and special meetings of the Members or of the Board, and First Mortgagees shall further be entitled to designate a representative to attend all such meetings in order to, among other things, draw attention to violations of this Declaration which have not been corrected or made the subject of remedial action by the Association; provided, however, nothing contained in this Section shall give a First Mortgagee the right to call a meeting of the Board or of the Members for any purpose or to vote at any such meeting; and

(d) To receive written notification from the Association of any default in the performance of the obligations imposed by this Declaration, the Articles, Bylaws or Association Rules by the Owner whose Condominium is encumbered by such First Mortgagee's Mortgage, which default has not been cured within sixty (60) days; provided, however, the Association shall only

79- 707476

JUN 28 1979

be obligated to provide such notice to First Mortgagees who have delivered a written request therefor to the Association specifying the Condominium or Condominiums to which such request relates.

Section 8 - Mortgagees Furnishing Information. Mortgagees are hereby authorized to furnish information to the Board concerning the status of any Mortgage.

Section 9 - Right of First Refusal. In the event this Declaration, or the Articles, Bylaws or Association Rules, is amended to provide for any right of first refusal to purchase or lease a Condominium, a Mortgagee who obtains title to a Condominium pursuant to a judicial foreclosure or a trustee's sale shall be exempt therefrom. In addition, conveyances to and from third party foreclosure purchasers and mortgage insurers and guarantors shall also be exempt therefrom. In this regard, no such right of first refusal shall impair the rights of a Mortgagee to:

(a) foreclose or take title to a Condominium pursuant to the remedies provided in the Mortgage;

(b) accept a deed (or assignment) in lieu of foreclosure in the event of default by a Mortgagor; or

(c) sell or lease a Condominium so acquired by the Mortgagee.

The foregoing notwithstanding, no Mortgagee shall be exempt from the right of first refusal described in the Section entitled "Agreement With City of Los Angeles Housing Authority" of the Article hereof entitled "General Provisions" to the extent set forth in the Agreement C described therein and so long as such Agreement is in effect.

Section 10 - Conflicts. In the event of any conflict between any of the provisions of this Article and any of the

79- 707476

JUN 28 1979

other provisions of this Declaration, the provisions of this Article shall control; provided, however, this Declaration may be amended or revoked as provided under subsection (a) of the Section entitled "Amendments" of the Article hereof entitled "General Provisions" without the consent of any Mortgagee as therein provided.

Section 11 - Notice of Destruction or Taking. In the event any Condominium or the Common Area and any improvements thereto or any portion thereof are damaged or are made the subject of any condemnation proceedings or are otherwise sought to be acquired by a condemning authority, the Board shall promptly notify any First Mortgagee affected by such destruction, taking or threatened taking. As used herein, "damaged" or "taking" shall mean damage to or taking of the Common Area exceeding Ten Thousand Dollars ($10,000.00) or damage to or taking of a Unit of a Condominium exceeding One Thousand Dollars ($1,000.00). If requested in writing by a First Mortgagee, the Association shall evidence its obligations under this Section in a written agreement in favor of such First Mortgagee. Absent such request, the obligations under this Section shall be deemed an agreement between the Association and such First Mortgagee.

Section 12 - Payment of Taxes or Premiums by First Mortgagees. First Mortgagees may, jointly or singly, (i) pay taxes or other charges which are in default and which may or have become a charge against the Common Area (unless such taxes or charges are separately assessed against the Owners, in which case the rights of First Mortgagees shall be governed by the provisions of their respective Mortgages) and (ii) pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for the Common Area, and First Mortgagees making such payments shall be owed immediate

79- 707476

JUN 28 1979

JUN 28 1979

reimbursement therefor from the Association. writing by a First Mortgagee, the Associati its obligations under this Section in a wri favor of such First Mortgagee. Absent such gations under this Section shall be deemed an agr the Association and such First Mortgagees.

Section 13 - Management Agreement. Any agreement for management of the Project shall be in writing and shall provide for termination by either the Association or the management agent without cause or payment of a termination fee on not more than thirty (30) days written notice, and the term of such agreement shall not exceed one (1) year, renewable by written agreement of the parties for successive periods of one (1) year.

Section 14 - Reserves. Reserves comprising a portion of the Common Expenses shall not be eliminated without the consent of all First Mortgagees.

79- 787476

JUN 28 1979

ARTICLE XIV

LIMITATIONS UPON THE RIGHT TO PARTITION AND SEVERANCE

Section 1 - No Partition. The right to partition is hereby suspended, except that the right to partition shall revive and the Project may be sold as a whole when the conditions for such action set forth in the Articles hereof entitled "Destruction of Improvements" and "Eminent Domain" have been met; provided, however, notwithstanding the foregoing, any Owner may, upon the prior written approval of the First Mortgagee of any First Mortgage encumbering his Condominium, bring an action for partition by sale of the Project as provided in Section 1354 of the California Civil Code, or any similar statute then in effect, upon the occurrence of any of the events therein provided.

Section 2 - No Severance. The elements of a Condominium and other rights appurtenant to the ownership of a Condominium, including exclusive easements over Common Area, if any, are inseparable, and each Owner agrees that he shall not, while this Declaration is in effect, make any conveyance of less than an entire Condominium and such appurtenances. Any conveyance made in contravention of this Section shall be void. The provisions of this Section shall terminate on the date that judicial partition shall be decreed as to the Project. The foregoing notwithstanding, exclusive easements appurtenant to the ownership of a Condominium may be severed therefrom by the Owner thereof with the written approval of (i) all Members of the Board and (ii) the First Mortgagee of any First Mortgage encumbering such Condominium.

79- 707476

JUN 28 1979

Section 3 - Proceeds of Partition Sale.

(a) Whenever an action is brought for the partition by sale of the Project, whether upon the occurrence of any of the events provided in Section 1354 of the California Civil Code or any similar statute then in effect or upon the revival of the right to partition pursuant to the Articles hereof entitled "Destruction of Improvements" or "Eminent Domain," the Owners of Condominiums in the Project shall share in the proceeds of such sale in the same proportion as their interests in the Common Area.

(b) The distribution of the proceeds of any such partition sale shall be adjusted as necessary to reflect any prior distribution of insurance proceeds or condemnation award as may have been made to Owners and their Mortgagees pursuant to the Articles hereof entitled "Destruction of Improvements" and "Eminent Domain." In the event of any such partition and sale, the liens and provisions of all Mortgages or Assessment liens encumbering Condominiums within the Project so encumbered shall extend to each applicable Owner's interest in the proceeds of such partition and sale. The interest of an Owner in such proceeds shall not be distributed to such Owner except upon the prior payment of any Mortgage and Assessment liens encumbering such proceeds as aforesaid.

Section 4 - Power of Attorney. There is hereby granted to the Association an irrevocable power of attorney to sell the Project pursuant to Section 1355(b)(9) of the California Civil Code or any similar statute then in effect for the benefit of all Owners therein when partition of the Project may be had.

79- 707476

JUN 28 1979

ARTICLE XV

PROTECTION OF THE PROJECT FROM LIENS

Section 1 - Association to Defend Certain Actions. In the event that a lawsuit is brought against all or substantially all of the Members which will or could result in any lien or encumbrance being levied against the entire Project, the Association shall defend such lawsuit and the costs of such defense shall be a Special Assessment against all of the Members within the Project; provided, however, in the event an insurance carrier is obligated to provide such defense under a policy of insurance carried by the Association, the Association shall be relieved of the obligation to provide such defense. Nothing contained herein shall in any way limit the rights of any Member or Members to retain counsel of their choice to represent them in such lawsuit at their own expense. In the event that a Member chooses to retain counsel, he shall not be relieved of liability for the Special Assessment provided for in this Section.

Section 2 - Payment of Lien. In the event that a lien or encumbrance not covered by Section 1357 of the California Civil Code or any similar statute then in effect attaches to all or substantially all of the Project by reason of a judgment or otherwise, the Association shall promptly take the appropriate steps to remove such lien, including but not limited to the payment of money and the posting of a bond. The Association shall have the power to borrow money and to take such other steps as are necessary to free the Project from such liens.

Section 3 - Owners to be Specially Assessed. Simultaneously with any action taken pursuant to the Section entitled "Payment of Lien" of this Article, the Association shall levy

'79- 707476

JUN 28 1979

a Special Assessment against all of the Members whose Condominiums were subject to the lien or encumbrance which caused the Association to act pursuant to said Section equal to each such Member's pro rata share of such lien or encumbrance as determined by the Board. In the event that such Special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof, including those set forth in the Article hereof entitled "Nonpayment of Assessments."

Section 4 - Reimbursement by Certain Owners. In the event that it shall be proven in a court of law of competent jurisdiction over the claim or claims causing the Association to take action under this Article that a judgment resulting in a lien on all or a portion of the Project was primarily due to the acts or omissions of a particular Member or Members or the families or invitees thereof, such Member or Members shall reimburse the Association for all expenses incurred by it pursuant to the provisions of this Article. Upon such reimbursement, the Association shall distribute the funds received to the Members against whom Special Assessments were levied pursuant to the provisions of this Article. In the event such Member or Members fails to make such reimbursement, the Association shall levy a Special Assessment against such Member or Members equal to such Member's pro rata share of such expenses as determined by the Board. In the event that such Special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof, including those set forth in the Article hereof entitled "Nonpayment of Assessments."

79- 707476

JUN 28 1979

ARTICLE XVI

GENERAL PROVISIONS

Section 1 - Enforcement. The Association or any Owner shall have the right to enforce, by proceedings at law or in equity, all restrictions, conditions, covenants, easements and other provisions now or hereafter imposed by this Declaration, or any amendment thereto, including the right to prevent the violation of any such restrictions, conditions, covenants or easements and the right to recover damages and other sums : such violation. The Association or any Owner shall also have the right to enforce by proceedings at law or in equity the provisions of the Articles and Bylaws and any amendments thereto and the Association Rules. With respect to Assessment liens or any other liens or charges, the Association shall have the exclusive right to the enforcement thereof.

Section 2 - No Waiver. Failure by the Association or by any Owner to enforce any covenant, condition, restriction, easement or provision herein contained, or contained in the Articles, Bylaws or Association Rules, in any certain instance or on any particular occasion shall not be deemed a waiver of such right of enforcement as to any such future breach of the same or any other covenant, condition, restriction, easement or provision.

Section 3 - Cumulative Remedies. All rights, options and remedies of Declarant, the Association, the Owners or the Mortgagees under this Declaration are cumulative, and not one of them shall be exclusive of any other, and Declarant, the Association, the Owners and the Mortgagees shall have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief which may be provided by law,

'79- 707476

JUN 28 1979

whether or not stated in this Declaration.

Section 4 - Severability. Invalidation of any one or a portion of the covenants, conditions, restrictions, easements or provisions set forth in this Declaration or in the Articles, Bylaws or Association Rules by judgment or court order shall in no way affect any other covenants, conditions, easements or provisions contained herein or therein which shall remain in full force and effect.

Section 5 - Covenants to Run with the Land; Term. Subject to the provisions of the Section entitled "Amendments" of this Article which permit amendments and revocations under certain limited circumstances, the covenants, conditions, restrictions, easements and other provisions of this Declaration shall run with and bind the Project as equitable servitudes and also as covenants running with the land pursuant to Section 1468 of the California Civil Code or any similar statute then in effect and shall inure to the benefit of and be enforceable as above provided by the Association or any Owner, their respective legal representatives, heirs, successors and assigns, for a term of fifty-nine (59) years from the date this Declaration is recorded, after which time said covenants, conditions, restrictions, easements and other provisions shall be automatically extended for successive periods of ten (10) years, unless an instrument, signed by Owners of a majority of Condominiums within the Project and seventy-five percent (75%) of the First Mortgagees, based on one (1) vote for each First Mortgage held, has been recorded within one (1) year prior to the end of any such period, agreeing to change or revoke said covenants, conditions, restrictions, easements and other provisions in whole or in part.

Section 6 - Construction. The provisions of this

79- 707476

JUN 28 1979

Declaration shall be liberally construed to effectuate its purpose of creating a plan for the development of a residential Condominium development and for the maintenance of the Project. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

Section 7 - Singular Includes Plural. Whenever the context of this Declaration requires same, the singular shall include the plural, and vice versa, and the masculine shall include the feminine and the neuter, and vice versa.

Section 8 - Nuisance. The result of every act or omission whereby any provision, condition, covenant, restriction, easement or other provision contained in this Declaration or any provision contained in the Articles, Bylaws or Association Rules is violated in whole or in part is hereby declared to be and shall constitute a nuisance, and every remedy allowed at law or in equity against a nuisance, either public or private, shall be applicable with respect to the abatement thereof and may be exercised by the Association or any Owner. Such remedy shall be deemed cumulative to all other remedies set forth in this Declaration and shall not be deemed exclusive.

Section 9 - Attorneys' Fees. In the event any action is instituted to enforce any of the provisions contained in this Declaration, the Articles, Bylaws or Association Rules, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment reasonable attorneys' fees and costs of suit.

Section 10 - Notices. Any notice to be given to an Owner or to a Mortgagee or mortgage servicing contractor under the provisions of this Declaration shall be in writing and may

79- 707476

JUN 28 1979

be delivered as follows:

(a) Notice to an Owner shall be deemed to have been properly delivered when delivered personally or placed in the first class United States mail, postage prepaid, to the most recent address furnished by such Owner in writing to the Board for the purpose of giving notice, or if no such address shall have been furnished, then to the address of the Unit of such Owner's Condominium. Any notice so deposited in the mail within said County shall be deemed delivered forty-eight (48) hours after such deposit. In the case of co-Owners, any such notice may be delivered or sent to any one of the co-Owners on behalf of all co-Owners and shall be deemed delivered to all such co-Owners.

(b) Notice to a Mortgagee or to its mortgage servicing contractor shall be deemed to have been properly delivered when placed in the first class United States mail, postage prepaid, to the most recent address furnished by such Mortgagee or such contractor in writing to the Board for the purposes of notice or, if no such address shall have been furnished, to any office of the Mortgagee in said County, or if no such office is located in said County, to any office of such Mortgagee. Any notice so deposited in the mail within said County shall be deemed delivered forty-eight (48) hours after such deposit.

(c) The declaration of an officer or authorized agent of the Association declaring under penalty of perjury that a notice has been mailed to any Owner or Owners, to any Mortgagee or Mortgagees, or to all Owners or all Mortgagees, to the address or addresses for the giving of notice pursuant to this Section, shall be deemed conclusive proof of such mailing.

Section 11 - Declarant's Exemptions. Declarant shall not be subject to any of the provisions of the Article entitled

'79- 707476

JUN 28 1979

"Use Restrictions."

Section 12 - Effect of Declaration. This Declaration is made for the purposes set forth in the recitals to this Declaration and Declarant makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances, regulations and the like applicable thereto. Declarant shall have no liability whatsoever if any of the provisions of this Declaration, the Articles, Bylaws or Association Rules is determined to be unenforceable in whole or in part or under certain circumstances.

Section 13 - Personal Covenant. To the extent the acceptance of a conveyance of a Condominium creates a personal covenant between the Owner of such Condominium and Declarant, other Owners or the Association, such personal covenant shall terminate and be of no further force or effect from and after the date when a person or entity ceases to be an Owner except to the extent this Declaration may provide otherwise with respect to the payment of monies to the Association.

Section 14 - Nonliability of Officials. To the fullest extent permitted by law, neither the Board, any committees of the Association, no member of such Board or committee nor any officer of the Association shall be liable to any Member or the Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval, course of action, act, omission, error, negligence or the like made in good faith within which such Board, committees or persons reasonably believed to be the scope of his or their duties.

79- 707476

JUN 28 1979

Section 15 - Condition of Project. The real property and the improvements which comprise the Project are being converted to condominium ownership pursuant to this Declaration. ... Project was previously occupied by rental tenants. Each Owner of a Condominium within the Project, by acceptance of delivery of a deed to such Condominium, shall be deemed to have agreed and acknowledged that he has made a full, complete and independent investigation of the physical condition of the Project, including his Unit, and that he accepts same in its "as is" condition, and that Declarant, in selling and granting such Condominium to him, is making no representations, express or implied, to him or to his successors in interest as to the physical condition of the Project, including the physical condition of the Condominium (including its Unit) being purchased by each Owner. Nothing in this Declaration shall require Declarant to perform any refurbishing whatsoever.

79- 707476

JUN 28 1979

JUN 28 1979

Section 16 - Leases. Any agreement for the leasing or rental of a Condominium (hereinafter in this Section referred to as a "lease") shall provide that the terms of such lease shall be subject in all respects to the provisions of this Declaration, the Articles, the Bylaws and the Association Rules. Said lease shall further provide that any failure by the lessee thereunder to comply with the terms of the foregoing documents shall be a default under the lease. All leases shall be in writing. Any Owner who shall lease his Condominium shall be responsible for assuring compliance by such Owner's lessee with this Declaration, the Articles, the Bylaws and the Association Rules. Failure by an Owner to take legal action, including the institution of proceedings in Unlawful Detainer against his lessee who is in violation of this Declaration, the Articles, the Bylaws or the Association Rules within ten (10) days after receipt of written demand so to do from the Board, shall entitle the Association, through the Board, to take any and all such action, including the institution of proceedings in Unlawful Detainer on behalf of such Owner against his lessee. Any expenses incurred by the Association, including attorneys' fees and costs of suit, shall be repaid to it by such Owner. Failure by such Owner to make such repayment within ten (10) days after receipt of a written demand therefor shall entitle

79- 707476

JUN 28 1979

the Board to levy a Special Assessment against such Owner and his Condominium for all such expenses incurred by the Association. In the event such Special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof including those set forth in the Article hereof entitled "Nonpayment of Assessments." Unless approved by the Board in writing, no Condominium shall be leased for transient or hotel purposes, which shall be defined as rental for any period of less than thirty (30) days or any rental whatsoever if the occupants of the Units of such Condominium are provided with customary hotel services such as room service for food and beverages, maid service, the furnishing of laundry and linen and bellboy service.

Section 17 - Refurbishing By Declarant. Nothing in this Declaration shall limit the right of Declarant to alter the Common Area or the Units, or to construct such additional improvements as Declarant deems advisable prior to refurbishing of any improvements upon and sale of the entire Project. Such right shall include but shall not be limited to the use of Units as models, maintaining sales and construction trailers and temporary structures, erecting, constructing and maintaining on the Project such structures and displays, including signs and other advertising devices, as may be reasonably necessary for the conduct of the business of completing the work and disposing of the same by sale, lease or otherwise. This Declaration shall not limit the right of Declarant at any time to establish on the Project additional licenses, easements, reservations and rights-of-way to itself, to utility companies or to others as may from time to time be reasonably necessary for the proper development and disposal of the Project. Declarant reserves the right to alter its refurbishing plans and designs as it deems appropriate.

79- 707476

JUN 28 1979

The rights of Declarant hereunder may be assigned to any successor or successors to all or part of Declarant's respective interest in the Project by an express assignment incorporated in a recorded instrument. Declarant shall exercise its rights contained in this Section in such a way as not to unreasonably interfere with the Members' rights to use and enjoy the Project.

Section 18 - Unsegregated Real Property Taxes. Until such time as real property taxes have been segregated by the County Assessor of said County for the Project, same shall be paid by the respective Owners of Condominiums therein. In connection with such payment, the proportionate share of such tax or installment thereof for a particular Condominium shall be determined by multiplying the tax or installment in question by the respective interest of such Condominium in the Common Area. The Association may levy a Special Assessment against any Owner who fails to pay his share of any real property taxes pursuant to this Section. In the event such Special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof including those set forth in the Article hereof entitled "Nonpayment of Assessments."

Section 19 - Use of Funds Collected by the Association. All funds collected by the Association, including Assessments and contributions to the Association paid by Owners, if any, shall be held by the Association in a fiduciary capacity to be expended in their entirety for not-for-profit purposes of the Association in managing, maintaining, caring for, preserving and architecturally controlling the Project and for other permitted purposes as set forth in this Declaration. No part of said funds shall inure to the benefit of any Member (other than as a result of the Association managing, maintaining, caring

79- 707476

JUN 28 1979

for, preserving and architecturally controlling the Project and other than as a result of expenditures made for other permitted purposes as set forth in this Declaration).

Section 20 - Conflicting Provisions. In the case of any conflict between this Declaration and the Articles or the Bylaws, this Declaration shall control. In the event of any conflict between the Articles and the Bylaws, the Articles shall control.

Section 21 - Mergers or Consolidations. Upon a merger or consolidation of the Association with another association, which merger or consolidation must be approved by two-thirds (2/3) of the voting power of the Association, the Association's properties, rights and obligations may, by operation of law, be transferred to the surviving or consolidated association, or, alternatively, the properties, rights and obligations of another association may, by operation of law, be transferred to the properties, rights and obligations of this Association as the surviving or consolidated association. The surviving or consolidated association may administer the covenants, conditions, restrictions and easements established by this Declaration with respect to the Project, together with any covenants, conditions, restrictions and easements applicable to any other property as one plan. In no event shall any merger or consolidation revoke, modify or add to the covenants established by this Declaration with respect to the Project.

Section 22 - Amendments. Subject to the other provisions of this Declaration, including, without limitation, the rights of Mortgagees pursuant to the Articles hereof entitled "Insurance" and "Rights of Lenders," or otherwise, this Declaration may be revoked or amended as follows:

79- 707476.

JUN 28 1979

(a) Prior to the conveyance of the first Condominium in the Project to a purchaser other than a "Declarant" as defined herein, this Declaration and any amendments thereto may be amended or revoked by the execution by Declarant of an instrument amending or revoking same.

(b) Subsequent to the conveyance of the first Condominium in the Project to a purchaser other than a "Declarant" as defined herein, this Declaration and any amendments thereto, may be amended by any group of Members entitled to vote not less than seventy-five percent (75%) of the total voting power, which group shall, in any event, include a subgroup of Members (excluding Declarant) entitled to vote not less than seventy-five percent (75%) of the total voting power held by such subgroup by affirmative written assent or vote; provided, however, if approval of such amendment is sought at any time when two classes of membership are still in effect, then, and in that event, this Declaration and any amendments thereto shall instead be amended only by Members entitled to vote not less than seventy-five percent (75%) of the voting power of each class of membership by affirmative written assent or vote.

(c) An amendment or revocation which only requires the execution of an instrument by Declarant as hereinabove provided shall be effective when executed by Declarant and when recorded in the Office of the County Recorder of said County. An amendment which requires the affirmative written assent or vote of the Members as hereinabove provided shall

79- 707476

JUN 28 1979

be effective when executed by the President and Secretary of the Association who shall certify that the amendment has been so approved, and when the amendment has been recorded in the Office of the County Recorder of said County.

(d) Notwithstanding the foregoing, any provision of this Declaration, the Articles, Bylaws or Association Rules which expressly requires the approval of a specified percentage or specified percentages of the voting power of the Association or First Mortgagees for action to be taken under said provision can be amended only with the affirmative written assent or vote of not less than the same percentage or percentages of the voting power of the Association and/or First Mortgagees. Any amendment subject to this provision shall be effective after the specified approval has been given and that fact has been certified in a writing executed by the President and the Secretary of the Association, and when the said writing has been (i) recorded in the Office of the County Recorder of said County, when such amendment is of this Declaration, (ii) filed in the Office of the Secretary of State of California, with a certified copy thereof duly filed with the Clerk of said County, when such amendment is of the Articles, (iii) properly annotated in accordance with the Section entitled "Record of Amendments" of that Article entitled "Amendments" of the Bylaws, and entered upon the corporate records, when such amendment is of the Bylaws, or (iv) delivered to each Owner and entered in the records of the Association that are kept for inspection at its principal office in accordance with the provisions of the Section entitled "Association Rules" of the Article entitled

79- 707476

JUN 28 1979

"Duties and Powers of the Association" of this Declaration, when such amendment is of the Association Rules, whichever of (i), (ii), (iii) and/or (iv) may be applicable at the time.

(e) The provisions of subsection (d) of this Section shall not apply to amendments and revocations pursuant to subsection (a) of this Section.

(f) If applicable, all amendments and revocations pursuant to this Section shall comply with the requirements of Section 11018.7 of the California Business and Professions Code or any similar statute then in effect.

Section 23 - Agreement with City of Los Angeles Housing Authority. Declarant and the Executive Director of the Housing Authority of the City of Los Angeles have or will enter into an "Agreement C" pursuant to Ordinance No. 145927 of the City of Los Angeles, which Agreement has been or will be recorded in the Official Records of said County. During the period of time said Agreement is in effect (but only during said period of time) same shall be deemed to be incorporated by reference into this Declaration. As and when said Agreement is released or otherwise ceases to be of any force and effect, same shall no longer be deemed to be incorporated by reference into this Declaration. Any conveyance of any Condominium within the Project which is subject by law to the terms and provisions of this Declaration shall be deemed to contain a continuing right of first refusal as set forth in, and to the extent set forth in, said Agreement.

IN WITNESS WHEREOF, Declarant has executed this

79- 707476

JUN 28 1979

instrument as of this 2nd day of MARCH,
19 7

GREENFIELD LIMITED,
a limited partnership

By: _____
Robert C. Wilson
General Partner

By: _____

STATE OF CALIFORNIA
COUNTY OF Los Angeles } ss. 79- 767476
On March 2, 1979 before me, the undersigned, a Notary Public in and for
said State, personally appeared Robert C. Wilson

known to me to be one of the partners of the partnership
that executed the within instrument and acknowledged to me that
such partnership executed the same

WITNESS my hand and official seal

Signature _____
Gail S. Ratish
Name (Typed or Printed)

OFFICIAL SEAL
GAIL S. RATISH
NOTARY PUBLIC-CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Expires May 13, 1979

This area for official notarial seal

Form 3003 (Partnership) First American Title Company

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES } ss. 79- 767476
On MARCH 2, 1979 before me, the undersigned, a Notary Public in and for
said State, personally appeared
NATHAN GOLLER

known to me to be the partners of the partnership
that executed the within instrument and acknowledged to me that
such partnership executed the same

WITNESS my hand and official seal

Signature _____
RENEE KALB
Name (Typed or Printed)

OFFICIAL SEAL
RENEE KALB
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
My comm. expires MAR 13, 1979

This area for official notarial seal

Form 3003 (Partnership) First American Title Company

79- 767476

JUN 28 1979

EXHIBIT "A"

Lot 1 of Tract No. 33773, in the City of Los Angeles, County of Los Angeles, State of California, as per map filed in Book 913, pages 24 to 27, inclusive, of Maps, in the office of the County Recorder of said County.

79- 707476

JUN 28 1979

EXHIBIT "B"

1. Declarant proposes to convert the real property described in Exhibit "A" hereof, together with the improvements constructed thereon, to condominium ownership pursuant to this Declaration. Said improvements consist of 16 dwelling units and related improvements.

2. The respective undivided fractional interest in the Common Area to be conveyed with each Unit is as follows:

Unit Number	Interest in Common Area *
101, 102, 202	765/14,875
103, 106, 203, 206	1,035/14,875
104, 105, 204, 205	955/14,875
107, 207	725/14,875
108	1,060/14,875
201	1,065/14,875
208	1,105/14,875

* The above fractional interests are based on approximate square footages of interior dwelling area elements of Units.

79- 707476

Recording requested by, and
when recorded mail to:

GREENFIELD LIMITED,
a limited partnership
1900 Avenue of the Stars, Suite 2630
Los Angeles, California 90067

DECLARATION OF

COVENANTS, CONDITIONS AND RESTRICTIONS

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP

THIS DECLARATION is made as of the date set forth below by the undersigned Declarant (defined hereinbelow).

R E C I T A L S:

A. Declarant is fee owner of certain real property located in the City of Los Angeles, County of Los Angeles (hereinafter referred to as "said County"), State of California, more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference, which real property is presently improved in the manner described in Exhibit "B" attached hereto and incorporated herein by this reference. Pursuant to this Declaration, Declarant intends to convert said real property, together with all improvements now or hereafter constructed thereon, to condominium ownership. Said real property, together with all improvements now or hereafter constructed thereon, will hereinafter be referred to as the "Project."

B. Declarant has deemed it desirable to establish covenants, conditions, restrictions and easements applicable to the Project as hereinafter set forth which will constitute a General Plan of Condominium Ownership for the management of the Project and for the use, occupancy and enjoyment thereof, all for the purpose of enhancing and protecting its value, desirability and attractiveness and the quality of life therein.

C. It is desirable for the efficient management of the Project to create a corporation to which should be delegated and assigned the powers of managing the Project, maintaining and administering the Common Area, administering and enforcing the covenants, conditions, restrictions and easements hereinafter set forth, collecting and disbursing funds pursuant to the assessments and charges hereinafter set forth and performing such other acts as shall generally benefit the Project.

D. The Association (defined hereinbelow), a non-profit corporation, has been incorporated under the laws of the State of California for the purpose of exercising the powers and functions as aforesaid.

E. All purchasers of Condominiums within the Project shall be Owners as defined herein and shall thereby automatically become Members of the Association and shall be subject to its powers and jurisdiction.

F. Declarant will hereafter hold and convey title to the Project subject to certain protective covenants, conditions, restrictions and easements hereinafter set forth.

NOW, THEREFORE, Declarant hereby covenants, agrees and declares that all of its interests as the same may from time to time appear in the Project shall be held and conveyed subject to the covenants, conditions, restrictions and easements hereinafter set forth which are hereby declared to be for the benefit of said interests and for the benefit of all Owners of said interests and their respective successors and assigns. Said covenants, conditions, restrictions and easements shall run with said interests and shall be binding upon all parties having or acquiring any right or title therein and shall inure

to the benefit of each Owner thereof. Said covenants, conditions, restrictions and easements are hereby imposed upon each of said interests, and all rights and titles therein, as a servitude in favor of each and all other said interests as the dominant tenement or tenements.

FOR LOT 1 OF SHEET 8 OF 8 SHEETS

33773

COUNTY OF LOS ANGELES

ALIFORNIA

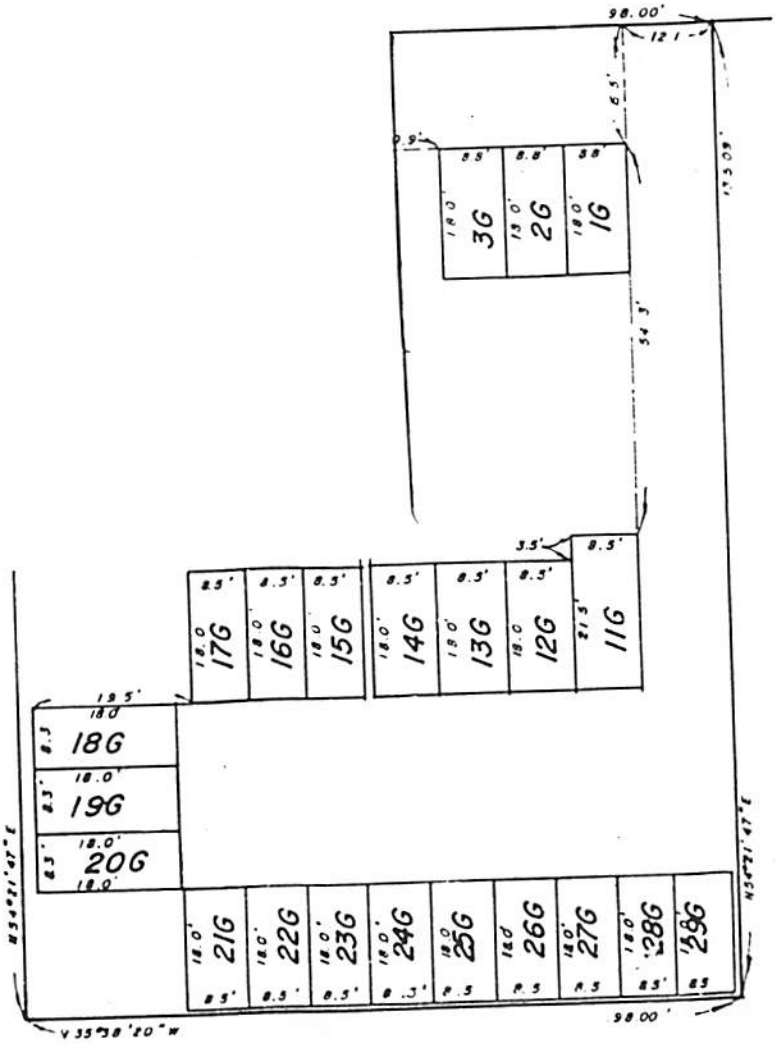
SSOCIATES , INC.

8

SPACES 1G THRU 29G. INCL.

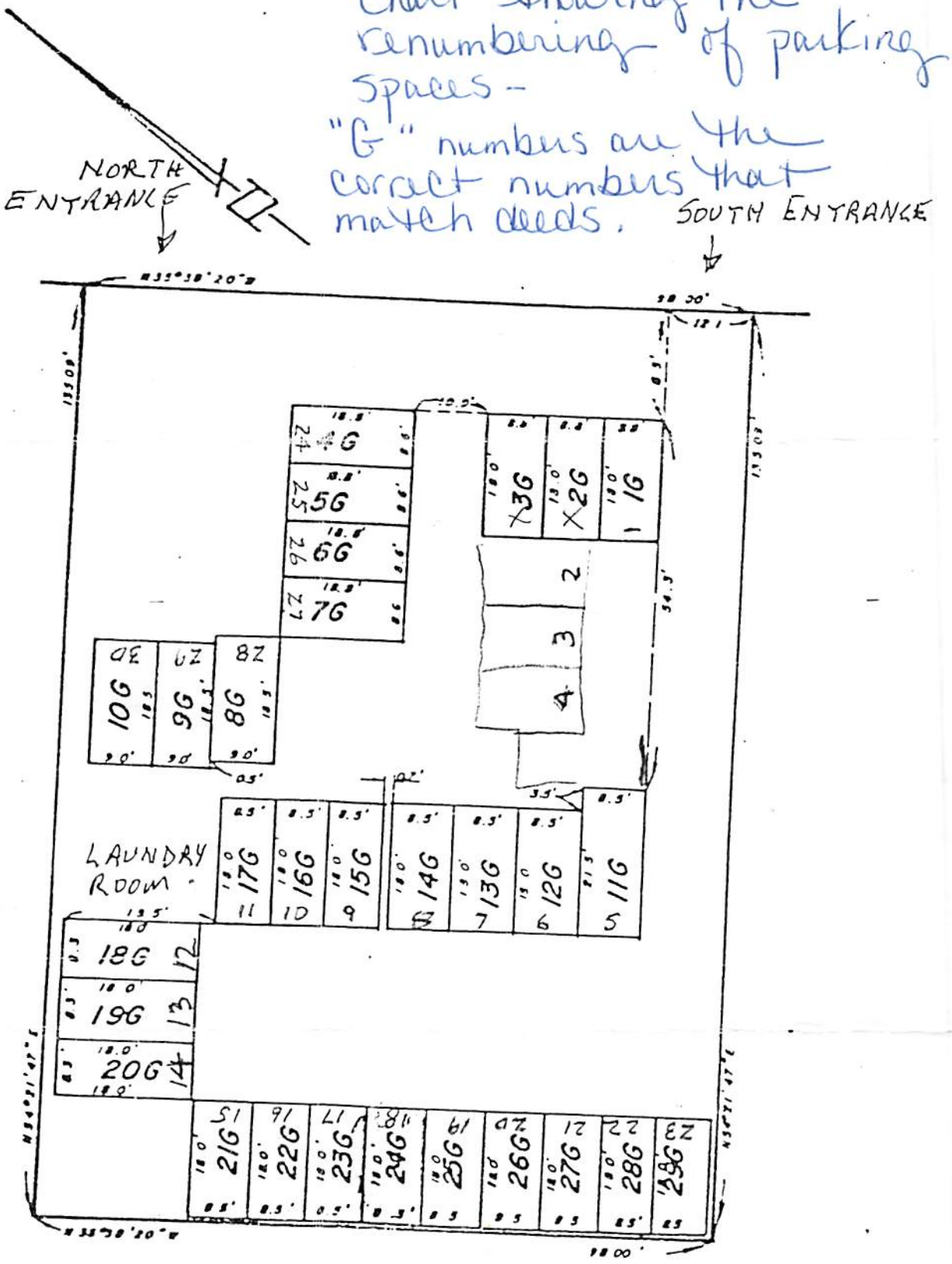
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SOUTH GARAGE



79- 707475

Chart showing the renumbering of parking spaces -
"G" numbers are the correct numbers that match deeds.



CONDOMINIUM
SUBDIVISION OF AIRSPACE
TRACT NO. 33773 M B, 915/29-36

THIS IS NEITHER A PLAT NOR A SURVEY. IT IS FURNISHED AS A CONVENIENCE TO LOCATE THE LAND INDICATED HERE WITH REFERENCE TO STREETS AND OTHER LAND. NO LIABILITY IS ASSUMED BY REASON OF RELIANCE HEREON.

CALIFORNIA LAND TITLE COMPANY

PARKING PL

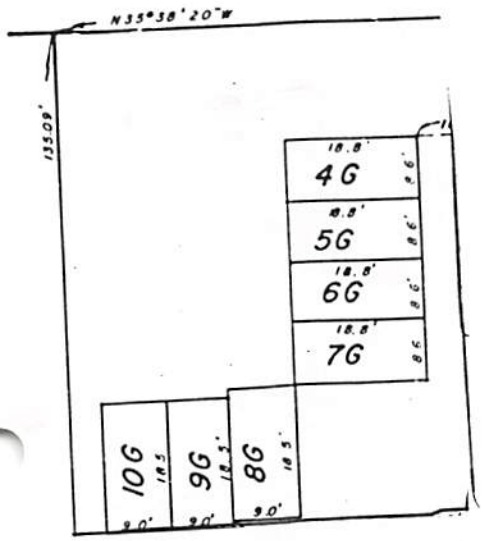
TRACT N

IN THE CITY OF LOS ANG
STATE OF
WAGNER - KERR

ERTICAL LIMITS OF AIR

L.L.= 232.1 ;

NORTH GARAGE



ARTICLE I

DEFINITIONS

Unless the context clearly indicates otherwise, the following terms used in this Declaration are defined as follows:

Section 1. "Articles" and "Bylaws" shall mean and refer to the Articles of Incorporation and Bylaws of the Association as the same may from time to time be duly amended.

Section 2. "Assessments" shall mean and refer to any or all of the following:

"Regular Assessment" shall mean the amount which is to be paid by each Member to the Association for Common Expenses.

"Special Assessment" shall mean a charge against a particular Owner and his Condominium, directly attributable to the Owner, to reimburse the Association for costs incurred in bringing the Owner and his Condominium into compliance with the provisions of this Declaration, the Articles, Bylaws or Association Rules, or any other charge designated as a Special Assessment in this Declaration, the Articles, Bylaws or Association Rules, together with attorneys' fees and other charges payable by such Owner, pursuant to the provisions of this Declaration, plus interest thereon and other fees and costs as provided for in this Declaration.

"Reconstruction Assessment" shall mean a charge against each Owner and his Condominium representing a portion of the cost to the Association for reconstruction of any portion or portions of the Common Area pursuant to the provisions of this Declaration.

"Capital Improvement Assessment" shall mean a charge against each Owner and his Condominium representing a portion of the cost to the Association for installation or construction

of any capital improvements on the Common Area which the Association may from time to time authorize pursuant to the provisions of this Declaration.

Section 3. "Association" shall mean and refer to 1849 GREENFIELD AVENUE OWNERS ASSOCIATION, a nonprofit corporation, incorporated under the laws of the State of California, its successors and assigns.

Section 4. "Association Rules" shall mean and refer to rules adopted by the Association pursuant to the Article hereof entitled "Duties and Powers of the Association."

Section 5. "Board" shall mean and refer to the Board of Directors of the Association.

Section 6. "Common Area" shall mean and refer to all portions of the Project except the Units.

Section 7. "Common Expenses" shall mean and refer to the actual and estimated costs of:

(a) maintenance, management, operation, repair and replacement of the Common Area (unless repair and replacement is otherwise provided for elsewhere in this Declaration, including the Articles hereof entitled "Destruction of Improvements" and "Eminent Domain");

(b) unpaid Assessments;

(c) maintenance by the Association of areas not within the Project if provided for in this Declaration or pursuant to one or more separate agreements;

(d) management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and employees;

(e) utilities, trash pickup and disposal, gardening and other services not separately billed to Condominiums which generally benefit and enhance the value and desirability

of the Project;

(f) fire, casualty, liability, workmen's compensation and other insurance covering the Common Area;

(g) any other insurance obtained by the Association;

(h) reasonable reserves as deemed appropriate by the Board;

(i) bonding of the members of the Board, any professional managing agent or any other person handling the funds of the Association;

(j) taxes paid by the Association;

(k) amounts paid by the Association for discharge of any lien or encumbrance levied against the Common Area, or portions thereof;

(l) obligations incurred by committees established by the Board; and

(m) other expenses incurred by the Association for any reason whatsoever in connection with the Common Area, or any other item or items designated by this Declaration, the Articles, Bylaws or Association Rules or incurred in furtherance of the purposes of the Association or in the discharge of any duties or powers of the Association.

Section 8. "Condominium" shall mean and refer to a fractional undivided interest in common with the other Owners within the Project in the Common Area, together with a separate interest in a Unit and all easements and other interests appurtenant to said fractional undivided interest and/or appurtenant to said Unit. Such fractional undivided interest in common of each Owner is described in Exhibit "B" hereto. Such fractional undivided interest shall not be changed except as provided in the Section entitled "Amendment of Condominium Plan" of the

Article hereof entitled "Destruction of Improvements" and the Section entitled "Change of Condominium Interest" of the Article hereof entitled "Eminent Domain."

Section 9. "Condominium Plan" shall mean and refer to that certain condominium plan recorded or to be recorded in the Office of the County Recorder of said County for the Project, and any amendments thereto.

Section 10. "Declarant" shall mean and refer to GREENFIELD LIMITED, a limited partnership (in this Section referred to as "Original Declarant") and such of Original Declarant's successors in title to all or a portion of the remainder of the Project as may be designated a "Declarant" in a recorded instrument executed by Original Declarant.

Section 11. "Exhibit" shall mean and refer to those documents so designated herein and attached hereto, and each such Exhibit is by this reference incorporated into this Declaration.

Section 12. "Final Subdivision Public Report" shall mean and refer to a final report issued by the Department of Real Estate of the State of California pursuant to Section 11018.2 of the California Business and Professions Code or any similar statute then in effect.

Section 13. "First Mortgage" shall mean and refer to a Mortgage which has priority over any other Mortgage encumbering a specific Condominium.

Section 14. "First Mortgagee" shall mean and refer to a Mortgagee under a First Mortgage.

Section 15. "Member" shall mean and refer to every person or entity who qualifies for membership pursuant to the Article hereof entitled "Membership," including Declarant so long as Declarant qualifies for membership pursuant to said

Article.

Section 16. "Mortgage" shall mean and refer to any duly recorded mortgage or deed of trust encumbering a Condominium.

Section 17. "Mortgagee" shall mean and refer to the mortgagee or beneficiary under any Mortgage, or assignee thereof.

Section 18. "Owner" shall mean and refer to one or more persons or entities who are alone or collectively the record owner of a fee simple title to a Condominium, including Declarant, or the vendee of a Condominium under an installment land sales contract, but excluding those having any such interest merely as security for the performance of an obligation.

Section 19. "Trustee" shall mean and refer to the insurance trustee as more fully described in the Article hereof entitled "Insurance."

Section 20. "Unit" shall mean the elements of a Condominium not owned in common with the Owners of other Condomiums in the Project. Each unit shall be defined, identified and designated in the Condominium Plan. In interpreting recorded instruments, including deeds, declarations and plans, the existing physical boundaries of a Unit constructed in substantial accordance with the Condominium Plan shall be conclusively presumed to be its boundaries rather than the description expressed in any such recorded instrument, regardless of settling or lateral movement of any building and regardless of minor variances between boundaries as shown on any such recorded instrument and those of any building as constructed. For purposes of this Declaration, any appurtenant exclusive easements forming a portion of a Condominium shall be treated as if same were part of the Unit of such Condominium except as otherwise expressly provided in this Declaration.

ARTICLE II

MEMBERSHIP

Section 1 - Membership. Every Owner shall be a Member of the Association. The terms and provisions set forth in this Declaration which are binding upon all Owners are not exclusive, as Owners shall, in addition, be subject to the terms and provisions of the Articles, Bylaws and Association Rules to the extent the provisions thereof are not in conflict with this Declaration. Membership of Owners shall be appurtenant to and may not be separated from the interest of such Owner in any Condominium. Ownership of a Condominium shall be the sole qualification for membership; provided, however, a Member's voting rights may be regulated or suspended as provided in this Declaration, the Bylaws or the Association Rules.

Section 2 - Transfer. The membership held by any Owner shall not be transferred, pledged or alienated in any way, except that such membership shall automatically be transferred to the transferee of the interest of an Owner required for membership. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association. The Association shall have the right to record the transfer upon the books of the Association without any further action or consent by the transferring Owner.

Section 3 - Voting Rights. An Owner's right to vote shall vest immediately upon the date Regular Assessments commence as to such Owner's Condominium as provided in this Declaration. All voting rights shall be subject to the restrictions and limitations provided herein and in the Articles, Bylaws and Association Rules.

Section 4 - Classes of Voting Membership. The Association shall have two (2) classes of voting membership.

Class A. Class A Members shall be all Owners with the exception of Declarant. Class A Members shall be entitled to one (1) vote for each Condominium in which they hold the interest required for membership (except in the case of cumulative voting as provided in the Bylaws). When more than one person owns a portion of the interest in a Condominium required for membership, each such person shall be a Member and the vote for such Condominium shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Condominium (except in the case of cumulative voting as provided in the Bylaws). The Association shall not be required to recognize the vote or written assent of any such co-Owner except the vote or written assent of the co-Owner designated in a writing executed by all of such co-Owners and delivered to the Association.

Class B. The Class B Member shall be Declarant. The Class B Member shall be entitled to three (3) votes for each Condominium in which it holds the interest required for membership (except in the case of cumulative voting as provided in the Bylaws); provided that the Class B Membership shall cease and be converted into Class A Membership on the happening of whichever of the following is first in time:

(a) when the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B Membership; or

(b) on the second anniversary of the original issuance of the Final Subdivision Public Report covering the Project.

Section 5 - Special Class A Voting Rights. Notwithstanding the provisions of this Article, if the Class A Members do not have sufficient voting power pursuant to the voting rights set forth in this Declaration and the Bylaws to elect at least one director at any meeting of Members at which directors are to be elected, then such Class A Members shall, by majority vote, among themselves, elect one of the directors. Said director so elected may only be removed by majority vote of the Class A Members.

Section 6 - Approval of Members. Unless elsewhere otherwise specifically provided in this Declaration or the Bylaws, any provision of this Declaration or the Bylaws which requires the vote or written assent of a specified majority of the voting power of the Association or any class or classes of membership shall be deemed satisfied by the following:

(a) The vote of the specified percentage at a meeting duly called and noticed pursuant to the provisions of the Bylaws dealing with annual or special meetings of the Members, and such percentage must include the specified number of all Members entitled to vote at such meeting and not such a percentage of those Members present;

(b) A writing or writings signed by the specified percentage;

(c) A combination of votes and written assents, provided that Members shall not change their vote or written assent after it is cast or delivered, and provided further that only those written assents executed within sixty (60) days before or thirty (30) days after a meeting may be combined with votes cast at such meeting to constitute the specified percentage; and

(d) In any matter requiring the consent of the

Members, but not specifically provided for in this Declaration or the Articles, Bylaws or any contract executed by the Association, a simple majority of the voting power of Members entitled to vote on such matters shall suffice except as otherwise provided in the Section of this Article entitled "When Approval of Classes and Categories of Members Required."

Section 7 - When Approval of Classes and Categories of Members Required. Except for the Section entitled "Amendments" of the Article hereof entitled "General Provisions," (i) as long as there is a Class B membership, any provision of this Declaration, the Articles, Bylaws or Association Rules which expressly requires the approval of a specified percentage of the voting power of the Association before being undertaken shall require the approval of said specified percentage of each of the Class A and Class B membership, and (ii) when the Class B membership ceases to exist and at any time during which Declarant is fee owner of real property subject to this Declaration, any provision of this Declaration, the Articles, Bylaws or Association Rules which expressly requires the approval of a specified percentage of the voting power of the Association before being undertaken shall also require both the approval of said specified percentage of the voting power residing in Members other than Declarant.

ARTICLE III

COVENANT FOR ASSESSMENTS

Section 1 - Creation of Lien and Personal Obligation for Assessments. Each Owner, including Declarant to the extent Declarant is an Owner as defined herein, of any Condominium, by acceptance of a deed or other instrument creating in such Owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or other instrument, is deemed to covenant and agree to pay to the Association: Regular Assessments, Special Assessments, Capital Improvement Assessments and Reconstruction Assessments, such Assessments to be fixed, established and collected from time to time as provided in this Declaration. The Assessments, together with interest thereon, late charges, attorneys' fees, court costs and other costs of collection as hereinafter provided, shall be a continuing lien upon the Condominium against which each such Assessment is made. Each such Assessment, together with such interest, late charges, costs and attorneys' fees, shall also be the personal obligation of the Owner of such Condominium at the time the Assessment becomes due. The personal obligation shall not pass to the successors in title of an Owner unless expressly assumed by such successors.

Section 2 - Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purposes of promoting the recreation, health, safety and welfare of the Members, the management, maintenance, care, preservation, protection and architectural control of the Project, enhancing the quality of life in the Project and the value of the Project including, without limitation, the improvement and maintenance of the properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, or

in furtherance of any other duty or power of the Association.

Section 3 - Regular Assessments. Not later than sixty (60) days prior to the beginning of each fiscal year, the Board shall distribute to each Member a pro forma operating statement or budget for the upcoming fiscal year which shall, among other things, estimate the total Common Expenses to be incurred for such fiscal year. The Board shall at that time determine the amount of the Regular Assessment to be paid by each Member. Each Member shall thereafter pay to the Association his Regular Assessment in installments as established by the Board. Each such installment shall be due and payable on a date established by the Board in the written notice sent to Members. In the event the Board shall determine that the estimate of total charges for the current year is, or will become, inadequate to meet all Common Expenses for any reason, it shall then immediately determine the approximate amount of such inadequacy and issue a supplemental estimate of the Common Expenses and determine the revised amount of Regular Assessment against each Member, and the date or dates when due. After the Association's first fiscal year of operation, the Board shall not impose a Regular Assessment which is increased by more than twenty percent (20%) over the amount of the Regular Assessment for the immediately preceding fiscal year without the approval of a majority of the voting power of the Association.

Section 4 - Capital Improvement Assessments. In addition to Regular Assessments, the Association may levy in any fiscal year a Capital Improvement Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction or replacement (other than due to destruction) of a described capital improvement upon the Common Area, including the necessary fixtures and personal pro-

perty related thereto, to the extent the same is not covered by the provisions imposing Reconstruction Assessments of the Article hereof entitled "Destruction of Improvements." The Association shall not impose a Capital Improvement Assessment the total amount of which exceeds five percent (5%) of the estimated Common Expenses, as set forth in the Section of this Article entitled "Regular Assessments," without the approval of a majority of the voting power of the Association. Any reserves forming a part of Common Expenses and collected by the Association for the future maintenance and repair of the Common Area, or any portion thereof, shall not be included in determining said limitation. All amounts collected as Capital Improvement Assessments may only be used for capital improvements and shall be deposited by the Board in a separate bank account to be held in trust for such purposes. Said funds shall not be commingled with any other funds of the Association and shall be deemed a contribution to the capital account of the Association by the Members.

incorrect wording

Section 5 - Rate of Assessments. Regular Assessments and Capital Improvement Assessments shall be fixed for each Condominium in proportion to the respective interest in the Common Area of such Condominium as specified in Exhibit "B" hereto.

Section 6 - Certificate of Payment. The Association shall, upon demand, furnish to any Member liable for Assessments a certificate in writing signed by an officer or authorized agent of the Association setting forth whether the Assessments relating to a specified Condominium have been paid and the amount of delinquency, if any. A reasonable charge not to exceed Fifteen Dollars ($15.00) may be collected by the Board for the issuance of each such certificate. Each certificate

shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

Section 7 - Exempt Property. Any property subject to this Declaration shall be exempt from Assessments if the same is dedicated to and accepted by a public authority. Notwithstanding the foregoing, no real property or improvements subject to this Declaration and devoted to residential dwelling use shall be exempt from Assessments; provided, however, that nothing herein shall be construed as accelerating the date on which the payment of Assessments commence as specified in the Section entitled "Date of Commencement of Assessments" of this Article.

Section 8 - Special Assessments. Special Assessments shall be levied by the Board against a Condominium and its Owner to reimburse the Association for:

(a) costs incurred in bringing an Owner and his Condominium into compliance with the provisions of this Declaration, the Articles, Bylaws or Association Rules;

(b) any other charge designated as a Special Assessment in this Declaration, the Articles, Bylaws or Association Rules; and

(c) attorneys' fees, interest and other charges relating thereto as provided in this Declaration.

In the event the Association undertakes to provide materials or services which benefit individual Units and which can be accepted or not by individual Owners, such Owners, in accepting such materials or services, agree that the costs thereof shall be a Special Assessment.

Section 9 - Date of Commencement of Assessments. Regular and other Assessments as to Condominiums within the Project shall commence as to all such Condominiums on the first

day of the month following the conveyance of the first Condominium therein by Declarant to an individual Owner.

Section 10 - Reduction or Abatement of Regular Assessments. In the event the amount budgeted to meet Common Expenses for a particular fiscal year proves to be excessive in light of the actual Common Expenses, the Board in its discretion may either reduce the amount of the Regular Assessments or may abate collection of Regular Assessments as it deems appropriate. Nothing in this Section shall require the Board either to abate or reduce Regular Assessments. Notwithstanding the foregoing, neither an abatement nor a reduction in Regular Assessments shall be permitted so long as Declarant is possessed with or controls a majority of the voting power of the Association.

Section 11 - No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation, (i) a claim that the Association is not properly exercising its duties and powers as provided in this Declaration; (ii) a Member has made or elects to make no use of the Common Area; or (iii) any construction or maintenance performed pursuant to the Section entitled "Assumption of Maintenance Obligations" of the Article entitled "Repair and Maintenance" of this Declaration shall in any way postpone Assessments or entitle a Member to claim any such offset or reduction.

Section 12 - Homestead Waiver. Each Owner, to the extent permitted by law, does hereby waive, to the extent of

any liens created pursuant to this Declaration, whether such liens are now in existence or are created at any time in the future, the benefit of any homestead or exemption laws of the State of California now in effect, or in effect from time to time hereafter.

Section 13 - Reserves. Regular Assessments shall include reasonable amounts collected as reserves for the future periodic maintenance, repair or replacement of the Common Area, or any other purpose as determined by the Board. All amounts collected as reserves, whether pursuant to this Section or otherwise, shall be deposited by the Board in a separate bank account or accounts to be held in trust for the respective purposes for which they are collected. Said amounts must be segregated from and not commingled with any other funds of the Association. Such reserves shall be deemed a contribution to the capital account of the Association by the Members.

ARTICLE IV

NONPAYMENT OF ASSESSMENTS

Section 1 - Delinquency. Any Assessment provided for in this Declaration which is not paid when due shall be delinquent on said date (the "delinquency date"). If any such Assessment is not paid within thirty (30) days after delivery of notice of such delinquency from the Association, a late charge of Ten Dollars ($10.00) shall be levied and the Assessment shall bear interest from the delinquency date at the rate of ten percent (10%) per annum. The Association may, at its option, and without waiving the right to judicially foreclose its lien against the Condominium, pursue any available remedies, including, without limitation, the bringing of an action at law against the Member personally obligated to pay the same and/or, upon compliance with the notice provisions set forth in the Section entitled "Notice of Lien" of this Article, foreclose the lien against the Condominium. If an action at law is commenced, there shall be added to the amount of such Assessment the late charge, interest, costs of such action, costs of collection and attorneys' fees incurred in connection with such action; and in the event a judgment is obtained, such judgment shall include said late charge, interest and attorney's fees, together with such costs. Each Member vests in the Association or its assigns, the exclusive right and power to bring all actions at law or lien foreclosures against such Member for the collection of such delinquent Assessments.

Section 2 - Notice of Lien. No action shall be brought to foreclose said Assessment lien or to proceed under the power of sale herein provided until thirty (30) days after

the date a notice of claim of lien is deposited in the United States mail, certified or registered, postage prepaid, to the Owner of said Condominium, and a copy thereof is recorded by the Association in the office of the County Recorder of said County; said notice of claim of lien must recite a good and sufficient legal description of such Condominium, the record Owner or reputed Owner thereof, the amount claimed (which shall include interest on the unpaid Assessment at the rate of ten percent (10%) per annum from the delinquency date, a late charge of Ten Dollars ($10.00), plus attorneys' fees and costs of collection incurred in connection with the debt secured by said lien) and the name and address of the claimant.

Section 3 - Foreclosure Sale. Said Assessment lien may be enforced by sale by the Association, its attorney or any other person authorized by the Board to make the sale, after failure of the Owner to make the payments specified in the notice of claim of lien within said thirty (30) day period. Any such sale provided for above is to be conducted in accordance with the provisions of Sections 2924, 2924b, 2924c, 2924g and 2924h of the Civil Code of the State of California, as said sections may from time to time be amended, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted or provided by law. The Association, through the Board or through the Association's duly authorized agents, shall have the power to bid on the Condominium at the sale using Association funds or funds borrowed for such purpose, and to acquire and hold, lease, mortgage and convey the same.

Section 4 - Curing of Default. Upon the timely payment or other satisfaction of: (i) all delinquent Assessments

specified in the notice of claim of lien, (ii) all other Assessments which have become due and payable with respect to the Condominium as to which such notice of claim of lien was recorded and (iii) interest, late charges, attorneys' fees and other costs pursuant to this Declaration and the notice of claim of lien which have accrued, officers of the Association or any other persons designated by Board are hereby authorized to file or record, as the case may be, in the office of the County Recorder of said County an appropriate release of such notice upon payment by the defaulting Owner of a fee, to be determined by the Board, but not to exceed Twenty-five Dollars ($25.00), to cover the costs of preparing and filing or recording such release.

ARTICLE V

DUTIES AND POWERS OF THE ASSOCIATION

Section 1 - General Duties and Powers. In addition to the duties and powers enumerated in its Articles and Bylaws, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall have the specific duties and powers specified in this Article.

Section 2 - General Duties of the Association. The Association through the Board shall have the duty and obligation:

(a) to enforce the provisions of this Declaration, the Articles, Bylaws and Association Rules by appropriate means and carry out the obligations of the Association hereunder and thereunder, including collection of Assessments and foreclosure of the liens therefor;

(b) to maintain and otherwise manage the following:

(i) all personal property in which the Association holds an interest, subject to the terms of any instrument transferring such interest to the Association; and

(ii) all property, real or personal, which the Association is obligated to repair or maintain pursuant to this Declaration, including, without limitation, the Article hereof entitled "Repair and Maintenance";

(c) to pay any real and personal property taxes and other charges assessed to or payable by the Association;

(d) to obtain and pay for the benefit of the Common Area, and for the benefit of Condominiums when they are not separately billed therefor, water, gas, electricity, refuse collection and other utilities and services (water is being commonly billed to the Project by one or more master water meters);

(e) to establish and maintain working capital and contingency funds and asset replacement accounts; and

(f) to act as a managing agent for the Project.

Section 3 - General Powers of the Association. The Association through the Board shall have the power but not the obligation:

(a) to employ a manager or other persons and contract with independent contractors or managing agents who have professional experience in the management of residential developments similar to the Project to perform all or any part of the duties and responsibilities of the Association;

(b) to acquire interests in real or personal property that may be necessary or convenient for the management of the Project, the administration of the affairs of the Association or for the benefit of the Members;

(c) to borrow money as may be needed in connection with the discharge by the Association of its powers and duties;

(d) to establish in cooperation with any governmental entity a special tax assessment district for the performance of all or a portion of the maintenance or other functions now within the responsibility of the Association;

(e) unless otherwise provided by a governmental entity, to provide trash pickup and disposal service for the benefit of the Owners and their Condominiums;

(f) to negotiate and enter into such contracts with First Mortgagees and mortgage insurers and guarantors as may be necessary or desirable to facilitate the availability of loans secured by Mortgages within the Project;

(g) to cause such Board resolutions to be adopted as may be required in connection with financing pursuant to

"Cal Vet Contracts" in order to reflect the fact that such Contracts are superior in right to the liens for Assessments created by this Declaration to the same extent as Mortgages are superior thereto (for purposes hereof, a "Cal Vet Contract" shall mean and refer to an installment sales contract as to a Condominium entered into under and pursuant to Article 3, Chapter 6, Division 4 of the California Military and Veterans Code whereunder the Department of Veterans Affairs of the State of California is Seller); and

(h) to assign, rent or license any unassigned parking and storage spaces, if any, upon such terms as it deems appropriate.

Section 4 - General Limitations and Restrictions on the Powers of the Board. In addition to the limitations and restrictions enumerated in the Articles and Bylaws, or elsewhere provided for herein, and without limiting the generality thereof, the Board shall be prohibited from taking any of the following action without the approval of a majority of the voting power of the Association:

(a) entering into contracts for materials or services which have a term in excess of one (1) year, with the following exceptions:

(i) a contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission, provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate; and

(ii) prepaid casualty and/or liability insurance policies of not to exceed three (3) years in duration, provided that the applicable policy permits short rate cancellation by the insured.

(b) incurring aggregate expenditures for capital improvements to the Project in any fiscal year in excess of five percent (5%) of the estimated Common Expenses for that fiscal year as set forth in the Sections entitled "Regular Assessments" and "Capital Improvement Assessments" of the Article hereof entitled "Covenant for Assessments."

(c) selling any real or personal property of the Association in any fiscal year with a fair market value which in the aggregate exceeds five percent (5%) of said estimated Common Expenses for that fiscal year.

(d) paying compensation to directors or to officers of the Association for services performed in the conduct of the Association's business; provided, however, the Board may cause a director or officer to be reimbursed for expenses.

(e) exercising the power of attorney granted to the Association pursuant to the Section entitled "Power of Attorney" of the Article hereof entitled "Limitations Upon the Right to Partition."

Section 5 - Association Rules. The Board shall also have the power to adopt, amend and repeal such rules and regulations as it deems reasonable (the "Association Rules") which may include the establishment of a system of fines and penalties enforceable as Special Assessments, all as provided in the Bylaws. The Association Rules shall govern matters in furtherance of the purposes of the Association and other matters specified in this Declaration, including, without limitation, the conduct of persons within the Project and the use of the Common Area; provided, however, that the Association Rules may not discriminate among Owners (except that special Association Rules may be adopted with respect to children), and shall not be inconsistent with this Declaration, the Articles, or Bylaws. A copy

of the Association Rules as they may from time to time be adopted, amended or repealed or a notice setting forth the adoption, amendment or repeal of specific portions of the Association Rules shall be delivered to each Owner in the same manner established in this Declaration for the delivery of notices. Upon compliance with such notice requirements, the Association Rules shall have the same force and effect as if they were set forth in and were part of this Declaration and shall be binding upon the Owners and their successors in interest whether or not actually received thereby. The Association Rules, as adopted, amended or repealed, shall be available at the principal office of the Association to each Owner and First Mortgagee upon request. In the event of any conflict between any such Association Rules and any other provisions of this Declaration, or the Articles or Bylaws, the provisions of the Association Rules shall be deemed to be superseded by the provisions of this Declaration, the Articles or the Bylaws to the extent of any such conflict.

Section 6 - Delegation of Powers. The Board and the Association shall have the right to delegate to committees, officers, employees or agents any of their duties and powers under this Declaration, the Articles and Bylaws; provided, however, no such delegation to a professional management agent or to committees shall relieve the Board or Association of its obligation to perform such delegated duty.

Section 7 - Pledge of Assessment Rights. The Association shall have the power to pledge the right to exercise its Assessment powers in connection with the obtaining of funds to repay a debt of the Association; provided, however, any such pledge shall require the prior approval of not less than seventy-five percent (75%) of the voting power of the Association. Said power shall include, but not be limited to, the ability

to make an assignment of Assessments which are then payable to or will become payable to the Association, which assignment may be then presently effective but shall allow said Assessments to continue to be paid to and used by the Association as set forth in this Declaration unless and until the Association shall default in the repayment of the debt which is secured by said assignment. The Board may levy a Special Assessment against the Members to obtain such funds. Upon the failure of any Member to pay said Special Assessment within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof, including those set forth in the Article hereof entitled "Nonpayment of Assessments." Notwithstanding the foregoing, any pledge of Assessments shall require the prior written approval of seventy-five percent (75%) of the First Mortgagees based on one (1) vote for each First Mortgage held.

Section 8 - Emergency Powers. The Board or any person authorized by the Board may enter any Unit in the event of an emergency involving illness or potential danger to life or property. Such entry shall be made with as little inconvenience to the Owner as practicable, and any damage caused thereby shall be repaired by the Association unless covered by insurance carried by the Owner.

ARTICLE VI

REPAIR AND MAINTENANCE

Section 1 - Repair and Maintenance by Association. Except to the extent that an Owner may be obligated to maintain and repair as hereinafter provided in this Article, and without limiting the generality of the statement of duties and powers contained in this Declaration, the Articles, Bylaws or Association Rules, the Association shall have the duty to accomplish the following upon the Project or other land in such manner and at such times as the Board shall prescribe:

(a) maintain, repair, restore, replace and make necessary improvements to the Common Area so that the same are at all times in a first-class condition and good state of repair, including, without limitation, all exterior building surfaces, to include the painting thereof;

(b) maintain all other areas, facilities, equipment, services or aesthetic components of whatsoever nature as may from time to time be requested by the vote or written consent of two-thirds (2/3) of the voting power of the Members; and

(c) pay, out of the general funds of the Association, the costs of any such maintenance and repair pursuant to this Section, except as otherwise herein specified as payable by the particular Owners.

Section 2 - Repair and Maintenance by Owner. Except as the Association shall be obligated to maintain and repair as may be provided in other Articles of this Declaration, every Owner shall at his sole cost and expense:

(a) maintain, repair, replace and restore all portions of the Unit, including, without limitation, the interior walls, ceilings, floors and doors in a clean, sanitary

and attractive condition;

(b) repair and replace all window glass for his own Unit, and Owners shall be responsible for the interior and exterior cleaning of such window glass;

(c) maintain in an open and unobstructed condition all sewer and drainage pipes and lines serving his own Unit between the points at which same enter said Unit and the points at which same join other sewer and drainage pipes and lines serving other Units; and

(d) maintain, replace, repair and restore the following which serve his own Unit: air-conditioning and heating equipment.

Section 3 - Damage from Within a Unit. In the event the Board shall determine that the walls, ceiling, floors, doors, or windows or any other portion of the Common Area forming the boundaries of a Unit have been damaged from within the Unit, notwithstanding that such damage may be to the Common Area, the Owner of the Unit shall be responsible for repairing such damage in a timely manner and in accordance with such rules as the Board shall from time to time adopt.

Section 4 - Right of Association to Maintain and Install. In the event that an Owner fails to accomplish any maintenance or installation required by this Article, the Association or its agents may, but shall not be obligated, to cause such maintenance or installation to be accomplished as hereinafter set forth:

(a) Upon a finding by the Board of a deficiency in such maintenance or installation, the Board shall give notice of such deficiency to the Owner which shall briefly describe the deficiency to the Owner and which shall set a date for a

hearing before the Board or a committee selected by the Board for such purpose. The Board may delegate its powers under this subsection to a duly appointed committee of the Association.

(b) Such hearing shall be held not less than ten (10) nor more than thirty (30) days from the date of said notice.

(c) Such hearing shall be conducted according to such reasonable rules and procedures as the Board shall adopt which shall provide the Owner with the right to present oral and written evidence and to confront and cross-examine any person offering at such hearing evidence adverse to such Owner. If the Board or any such committee renders a decision against the Owner, it shall further set a date by which the deficiency is to be corrected by the Owner. A decision of such committee may be appealed to the Board within ten (10) days of the rendering thereof, but a decision of the Board shall be final.

(d) If the deficiency continues to exist after the time limitation imposed by a final decision of the Board or any such committee, the Board or such committee may cause such maintenance or installation to be accomplished.

(e) In the event the Board or such committee elects to cause such maintenance or installation to be accomplished, the following shall apply:

(i) the Owner shall have no more than ten (10) days following the receipt of written notice of such election from the Board or such committee to select a day or days upon which such maintenance or installation work shall be accomplished;

(ii) the date which said Owner selects shall be not less than fifteen (15) days nor more than forty-five (45) days following the last day of said

ten (10) day period;

(iii) if said Owner does not select such day or days within said ten (10) day period, the Board or such committee may select a day or days upon which such work may be accomplished which shall be not less than twenty-five (25) days nor more than fifty-five (55) days from the last day of said ten (10) day period; and

(iv) unless the Owner and the Board otherwise agree, such maintenance or installation shall take place only during daylight hours on any day Monday through Friday, excluding holidays.

(f) If the Association pays for all or any portion of such maintenance or installation, such amount shall be a Special Assessment to the affected Owner and Condominium. Upon the failure of any Owner to pay said Special Assessment within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof, including those set forth in the Article hereof entitled "Nonpayment of Assessments."

Section 5 - Right of Entry. The Association shall have the right to enter any Unit in connection with any maintenance, repair or construction in the exercise of the powers and duties of the Association. In addition, in the case of an emergency threatening damage to persons or property, the Association and Owners shall have the right to enter any Unit in order to abate such condition. No person entering a Unit pursuant to this Section shall be deemed guilty of a trespass thereby.

Section 6 - Maintenance of Public Utilities. Nothing contained herein shall require or obligate the Association to

maintain, replace or restore facilities of public utilities which are located within easements in the Common Area owned by such public utilities. However, the Board shall take such steps as are necessary or convenient to ensure that such facilities are properly maintained, replaced or restored by such public utilities.

Section 7 - Maintenance of Exclusive Easements. Any provisions of this Article to the contrary notwithstanding, the Association shall maintain all appurtenant exclusive easements forming a part of any condominium.

ARTICLE VII

INSURANCE

Section 1 - Types. The Association shall obtain and maintain in effect the following types of insurance:

(a) A comprehensive public liability insurance policy insuring the Association, the Declarant and the agents and employees of each and the Owners and the respective family members, guests and invitees of the Owners against any liability incident to the ownership or use of the Common Area, and including, if obtainable, a cross-liability endorsement insuring each insured against liability to each other insured. The limits of such insurance shall not be less than $500,000.00 for death of or injury to any one person in any one occurrence, $1,000,000.00 for death of or injury to more than one person in any one occurrence, and $50,000.00 for property damage in any one occurrence.

(b) A master or blanket policy of fire insurance for the full insurable replacement value, without deduction for depreciation, of all of the improvements within the Project. Such policy and any endorsements thereon shall be in the amount, form and content, and for such term and in such company, as may be satisfactory to any First Mortgagee; and, if more than one First Mortgagee exists; such policy and endorsements shall meet the highest minimum standards of all such First Mortgagees. Such policy shall contain extended coverage and replacement cost endorsements, if available, and may also contain vandalism and malicious mischief coverage, special form endorsement, stipulated amount clause and a determinable cash adjustment clause, or a similar clause, to permit cash settlement covering full value of the improvements on the Project in the event of the destruction of improvements

and a decision not to rebuild pursuant to the Article hereof entitled "Destruction of Improvements." Subject to the foregoing requirements of First Mortgagees, such policy shall be in such amounts as shall be determined from time to time by the Board, shall name as insured the Association, the Owners and Declarant, so long as Declarant is the Owner of any of the Condominiums, and all Mortgagees as their respective interests may appear, and shall contain a loss-payable endorsement in favor of the Trustee or the Board, as applicable.

(c) Fidelity coverage against dishonest acts on the part of directors, officers, employees or volunteers who handle or who are responsible for handling the funds of the Association, and such fidelity bonds shall name the Association as obligee, shall be written in an amount equal to one hundred fifty percent (150%) of the estimated annual Common Expenses of the Association, including reserves, and shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

Section 2 - Waiver by Members. All insurance obtained by the Association shall be maintained by the Association for the benefit of the Association, the Owners and the Mortgagees as their respective interests may appear. As to each of said policies which will not be voided or impaired thereby, the Owners hereby waive and release all claims against the Association, the Board, other Owners, the Declarant and agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but to the extent of insurance proceeds received in compensation for such loss only.

Section 3 - Other Insurance. The Board may, and if required by any First Mortgagee shall, purchase and maintain in effect demolition insurance in adequate amounts to cover demolition in the event of a total or partial destruction and a decision not to rebuild, as well as a blanket policy of flood insurance. The Board shall also purchase and maintain in effect workmen's compensation insurance, to the extent that the same shall be required by law, for all employees of the Association. The Board shall also purchase and maintain in effect such insurance on personal property owned by the Association, and such other insurance as it deems necessary or as is required by any First Mortgagee including, without limitation, earthquake insurance, plate-glass insurance and officers' and directors' errors and omissions insurance.

Section 4 - Premiums, Proceeds and Settlement. Insurance premiums for any such blanket insurance coverage obtained by the Association and any other insurance carried by the Association shall be a Common Expense to be included in the Regular Assessments levied by the Association. Casualty insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried, or otherwise disposed of as provided in the Article hereof entitled "Destruction of Improvements." The Association is hereby granted the authority to negotiate loss settlements with the appropriate insurance carriers. Any two (2) directors of the Association may sign a loss claim form and release form in connection with the settlement of a loss claim, and such signatures shall be binding on the Association and the Members.

Section 5 - Annual Insurance Review. The Board shall annually determine whether the amounts and types of insurance it has obtained provide adequate coverage for the Project in

light of increased construction costs, inflation, practice in the area in which the Project is located or any other factor which tends to indicate that either additional insurance policies or increased coverage under existing policies is necessary or desirable to protect the interests of the Owners, the Mortgagees and the Association. If the Board determines that increased coverage or additional insurance is appropriate, it shall obtain the same.

Section 6 - Trustee. Except as provided below, all insurance proceeds payable under subsection (b) of the Section entitled "Types" of this Article shall be paid to a Trustee. The Trustee shall hold, distribute and expend such proceeds for the benefit of the Owners, Mortgagees and others, as their respective interests shall appear, pursuant to the provisions of the Article hereof entitled "Destruction of Improvements." The Trustee shall be appointed by the Board and shall be a commercial bank, or branch thereof, or a trust company in said County which has agreed in writing to accept such trust. When proceeds from a single claim do not exceed Ten Thousand Dollars ($10,000.00), such proceeds shall be paid to the Association to be used as provided in the Article hereof entitled "Destruction of Improvements." The foregoing notwithstanding, in the event the Board fails to appoint a Trustee or determines that the use of a Trustee is not practical, then all proceeds shall be paid to the Board and the members thereof shall collectively act in the place and stead of such Trustee.

Section 7 - Individual Casualty Insurance Prohibited. Except as expressly provided in the Section of this Article entitled "Rights of Owners to Insure," no Owner shall separately insure his Condominiun or any part thereof against loss by fire or other casualty covered by any insurance carried under sub-

section (b) of the Section entitled "Types" of this Article. Should any Owner violate this provision, and should any loss intended to be covered by insurance carried by the Association occur, and the proceeds payable thereunder be reduced by reason of insurance carried by any Owner, such Owner shall assign the proceeds of such insurance carried by him to the extent of such reduction to the Trustee or Board, as applicable, for application by the Trustee or Board, as applicable, to the same purposes as the reduced proceeds are to be applied. In the event that such Owner has failed to pay such amount within thirty (30) days of a written demand therefor by the Trustee or Board, the Board may levy a Special Assessment against such Owner and his Condominium for such amount. In the event such Special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof, including those set forth in the Article hereof entitled "Nonpayment of Assessments."

Section 8 - Rights of Owners to Insure. Notwithstanding any other provisions of this Article, an Owner shall be permitted to insure his personal property against loss by fire or other casualty and may carry public liability insurance covering his individual liability for damage to persons or property occurring inside his Unit. In addition, any improvements made by an Owner to his Unit may be separately insured by such Owner provided such insurance shall be limited to the type and nature of coverage commonly known as "tenant's improvements" coverage. All such policies as may be carried by an Owner shall contain waivers of subrogation of claims against the Association, the Board, other Owners, Declarant and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused

by negligence of or breach of any agreement by said persons, but to the extent of insurance proceeds received in compensation for such loss only; provided, however, such other policies shall not adversely affect or diminish any liability under any insurance obtained by the Association, and provided, further, duplicate copies or certificates of such other policies shall be deposited with the Board.

Section 9 - Required Waiver. All policies of physical damage insurance shall provide for waiver of the following rights to the extent such waivers are obtainable from the respective insurers:

(a) subrogation of claims against the Board, Declarant, the Owners, tenants of the Owners, and the employees of each of the foregoing;

(b) any defense based on co-insurance;

(c) any right of set-off, counterclaim, apportionment, proration or contribution by reason of other insurance not carried by the Association;

(d) any invalidity, other adverse effect or defense on account of any breach of warranty or condition caused by the Association, any Owner or any tenant of any Owner or arising from any act, neglect or omission of any named insured or the respective agents, contractors and employees of any insured;

(e) any right of the insurer to repair, rebuild or replace and, in the event a structure is not repaired, rebuilt or replaced following loss, any right to pay under the insurance the lesser of the replacement value of the improvements insured or the fair market value thereof;

(f) notice of the assignment of any Owner of his interest in the insurance by virtue of a conveyance of any

Condominium; and

(g) any right to require any assignment of any Mortgage to the insurer.

ARTICLE VIII

DESTRUCTION OF IMPROVEMENTS

Section 1 - Automatic Reconstruction. In the event of partial or total destruction of any improvements within the Project, the Board shall promptly take the following action:

(a) The Board shall ascertain the cost of reconstruction by obtaining fixed price bids from at least two (2) reputable contractors, including the obligation to obtain a performance bond if the Board deems the same to be necessary or appropriate, and by obtaining one or more independent appraisals if the Board deems such appraisal or appraisals to be necessary or desirable.

(b) The Board shall determine the amount of insurance proceeds, if any, payable by contacting the appropriate representative of the insurer of said improvements.

(c) The Board shall meet and determine whether the insurance proceeds, if any, will cover eighty-five percent (85%) or more of the estimated cost of reconstruction as determined pursuant to subsection (a) of this Section, or whether the portion of the estimated cost not covered by insurance is less than One Hundred Fifty Dollars ($150.00) per Condominium within the Project. Such percentage covered by insurance or such cost shall hereinafter be referred to as the "Acceptable Range of Reconstruction Cost." If the Board finds that a bid obtained under this Section is within the Acceptable Range of Reconstruction Cost, the Board shall cause a notice to be sent to all Owners of Condominiums in the Project and to all First Mortgagees of Mortgages encumbering Condominiums in the Project setting forth such findings and informing said Owners and said First Mortgagees that the Board intends to commence reconstruction

pursuant to this Declaration. In the event that at least twenty percent (20%) of the Owners, based on one (1) vote for each Condominium, and all First Mortgagees of Mortgages encumbering Condominiums object in writing to such reconstruction as indicated in such notice, the Board shall call a meeting of the Owners and all First Mortgagees pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article. In the event that the foregoing requirements are satisfied and the requisite number of Owners and all First Mortgagees of Mortgages encumbering Condominiums do not object in writing to such reconstruction, (i) the Trustee, if other than the Board, shall pay such insurance proceeds as are available to the Board and the Board shall cause reconstruction to take place as promptly as practicable thereafter, or (ii) the Board, if it is acting in the place and stead of the Trustee, shall cause reconstruction to take place as promptly as practicable thereafter. In connection with such reconstruction, the Board shall levy a uniform Reconstruction Assessment against each Owner at such time and in such amount as the Board shall determine is necessary to cover the costs of reconstruction in excess of insurance proceeds.

(d) If the Board in good faith determines that none of the bids submitted under this Section reasonably reflects the anticipated reconstruction costs, the Board shall continue to attempt to obtain an additional bid which it determines reasonably reflects such costs. Such determination shall be made by the Board as soon as possible. However, if such determination cannot be made within ninety (90) days of the date of such destruction because of the unavailability or unacceptability of an insurance estimate or reconstuction bid, or otherwise, the Board shall immediately call a meeting of the Owners and all First Mortgagees pursuant to the Section entitled "Recon-

struction Pursuant to Meeting" of this Article.

(e) If the Board determines that any Unit has become uninhabitable by reason of its total or partial destruction, Regular Assessments shall abate against the Owner thereof until the Board determines that the reconstruction of the Unit has restored its habitability. However, if the Board determines that such abatement would adversely and substantially affect the management, maintenance and operation of the Project, it may elect to disallow such abatement.

Section 2 - Reconstruction Pursuant to Meeting. If reconstruction is not to take place pursuant to the Section entitled "Automatic Reconstruction" of this Article, as soon as practicable after same has been determined the Board shall call a meeting of the Owners and all First Mortgagees by mailing a notice of such meeting to each such Owner and each such First Mortgagee. Such meeting shall be held not less than fourteen (14) days and not more than twenty-one (21) days after the date of such notice. The Owners may, by a vote at such meeting or by the written consent of not less than sixty-six and two-thirds percent (66-2/3%) of the Owners based on one (1) vote for each Condominium, determine to proceed with such reconstruction; provided, however, reconstruction must take place unless a determination is made not to proceed therewith by seventy-five percent (75%) of the First Mortgagees based upon one (1) vote for each First Mortgage held thereby. If reconstruction is to take place, the Board shall levy a uniform Reconstruction Assessment against each Owner at such time and in such amount as the Board shall determine is necessary to cover the costs of reconstruction in excess of insurance proceeds.

Section 3 - Decision to Reconstruct; Procedure After Meeting. In the event that the Association undertakes recon-

struction pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article, the following shall apply:

(a) Immediately after such meeting, the Board shall send a notice to each First Mortgagee of a Condominium (which notice shall advise of the decision to undertake reconstruction and of such First Mortgagee's rights under subsection (b) of this Section). The Board shall also send a true copy of each such notice to the Trustee unless the Board is acting in the place and stead of the Trustee.

(b) In the event that any such First Mortgagee desires to apply insurance proceeds allocable to the Condominium encumbered by its Mortgage to the reduction or elimination of the indebtedness secured by such Mortgage, such First Mortgagee shall notify the Trustee, if applicable, and the Board in writing of such election within thirty (30) days after the date the notice of the Board sent pursuant to subsection (a) above is deposited in the United States mail. Upon receipt of timely notice from any such First Mortgagee, the Trustee or Board, as applicable, shall promptly pay to such First Mortgagee the insurance proceeds allocable to the Condominium encumbered by the Mortgage of such First Mortgagee for the purpose of the reduction or elimination of the obligation secured by such Mortgage; provided, however, in no event shall the Trustee or Board pay to such First Mortgagee an amount greater than (i) the outstanding indebtedness secured by said Mortgage or (ii) the insurance proceeds allocable to such Condominium, whichever of (i) or (ii) is the lesser. Unless the Board is acting in the place and stead of the Trustee, simultaneously with such payment the Trustee shall notify the Board of the amount of such payment. The Trustee or Board, as applicable, shall not make any payment to a First Mortgagee pursuant to this subsection

(b) unless such First Mortgagee notifies the Trustee and/or Board, as applicable, of its election prior to the expiration of the aforesaid thirty (30) day period.

(c) As to each Condominium for which a First Mortgagee has not timely notified the Trustee and/or Board, as applicable, of its election to apply its allocable portion of the insurance proceeds to the reduction or elimination of the obligation owing to such First Mortgagee, promptly upon expiration of the appropriate time period (i) the Trustee, if the Board is not acting in its place and stead, shall pay such allocable portion of the insurance proceeds to the Board, and the Board shall apply same to reconstruction undertaken by the Association pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article, or (ii) the Board, if it is acting in the place and stead of the Trustee, shall apply such allocable portion of the insurance proceeds to reconstruction undertaken by the Association pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article. In the event that only a part of the allocable portion of such insurance proceeds has been paid to a First Mortgagee after timely request therefor, simultaneously with such payment (i) the Trustee, if the Board is not acting in its place and stead, shall pay the remainder of such allocable portion of the insurance proceeds to the Board, and the Board shall apply same to reconstruction undertaken by the Association pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article, or (ii) the Board, if it is acting in the place and stead of the Trustee, shall apply the remainder of such allocable portion of the insurance proceeds to reconstruction undertaken by the Association pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article.

(d) For the purposes of this Article, the amount of insurance proceeds "allocable" to a Condominium shall be determined pursuant to this subsection (d). In the event that the insurance carrier allocates casualty insurance proceeds among Condominiums, such allocation shall be final and binding on the Owners, the Mortgagees, the Association and the Trustee. The Board shall make every possible effort to cause such insurance carrier to make such allocation. In the event such allocation is not made, the Board shall allocate such proceeds among such Condominiums based upon the relative value of the Condominiums as established by an MAI appraisal obtained by the Board and paid for out of, or charged against, such proceeds and made as of a time immediately prior to the destruction and the extent to which the Units involved have been affected by the destruction. Such allocation made by the Board shall be final and binding on the Owners, the Mortgagees, the Association and the Trustee.

(e) In the event the Trustee or Board, as applicable, pays insurance proceeds to any First Mortgagee pursuant to this Section, the Owner of the Condominium which is encumbered by the Mortgage of such First Mortgagee shall pay to the Association an amount equal to the insurance proceeds paid to such First Mortgagee. In the event that such Owner has failed to pay such amount within thirty (30) days of a written demand therefor by the Board, the Association, through the Board, may levy a Special Assessment against such Owner and his Condominium for such amount. In the event such Special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof, including those set forth in the Article hereof entitled "Nonpayment of Assessments."

Section 4 - Decision Not to Reconstruct; Procedure After Meeting. In the event a decision is made not to reconstruct at the meeting called pursuant to the Section entitled "Reconstruction Pursuant to Meeting" of this Article, the Trustee or Board, as applicable, shall apply the insurance proceeds as follows:

(a) The insurance proceeds shall first be applied to the reduction or elimination, as the case may be, of all outstanding Mortgages encumbering Condominiums for which insurance proceeds have been paid by reason of the casualty; provided, however, as to any Condominium, the Trustee or Board, as applicable, shall not pay insurance proceeds to Mortgagees thereof in an amount greater than (i) the outstanding indebtednesses secured by Mortgages encumbering said Condominium, or (ii) the insurance proceeds allocable to said Condominium, whichever of (i) or (ii) is the lesser.

(b) All insurance proceeds allocable to each Condominium remaining after payments to Mortgagees thereof pursuant to subsection (a) of this Section shall be distributed by the Trustee or Board, as applicable, to the Owner of each such Condominium after deduction of an amount determined pursuant to subsection (c) of this Section.

(c) The Board shall levy a uniform Reconstruction Assessment against all Owners equal to the costs of clearing the debris of the totally or partially destroyed improvements and cleaning the area. The Reconstruction Assessment of the Owner of each Condominium the Unit of which has been affected by the destruction shall be paid out of the insurance proceeds allocable to the respective Condominium of such Owner prior to the distribution of such proceeds pursuant to subsection (b) of this Section. In the event that the allocable insurance

proceeds, after deduction of proceeds paid to Mortgagees, is not sufficient to pay the entire Reconstruction Assessment levied against such Owner, such Owner shall not be relieved of his obligation to pay any such excess.

Section 5 - Certificate of Intention to Reconstruct. In the event the Association undertakes reconstruction pursuant to this Article, the Board shall, not later than two hundred ten (210) days from the date of destruction, execute, acknowledge and record in the Office of the County Recorder of said County a certificate declaring the intention of the Association to rebuild. If no such certificate of reconstruction is so recorded within said two hundred ten (210) day period, it shall be conclusively presumed that the Association has determined not to undertake reconstruction pursuant to this Article.

Section 6 - Partition. In the event that a certificate described in the Section entitled "Certificate of Intention to Reconstruct" of this Article is not recorded within the two hundred ten (210) day period provided therein, the right of any Owner to partition the Project through legal action as described in the Article hereof entitled "Limitations Upon the Right to Partition and Severance" shall forthwith revive.

Section 7 - Compliance with Condominium Plan. Any reconstruction undertaken pursuant to this Article shall substantially conform to the Condominium Plan, as amended pursuant to the Section entitled "Amendment of Condominium Plan" of this Article, or otherwise, if appropriate.

Section 8 - Negotiations with Insurer. The Board shall have full authority to negotiate in good faith with representatives of the insurer of any totally or partially destroyed improvements, and to make settlements with the insurer for less

than full insurance coverage on the damage to such improvements. Any settlement made by the Board in good faith shall be binding upon all Owners and Mortgagees.

Section 9 - Repair of Units. Installation of improvements to, and repair of any damage to, the interior of a Unit shall be made by and at the individual expense of the Owner of that Unit and, in the event of a determination to reconstruct after partial or total destruction, shall be completed as promptly as practicable and in a lawful and workmanlike manner.

Section 10 - Amendment of Condominium Plan. In the event reconstruction is to take place pursuant to this Article, the Board shall have the power to record an amendment to the Condominium Plan so that such Condominium Plan conforms to the improvements as designed to be reconstructed; provided, however, the Board shall not record an amendment to such Condominium Plan without the prior authorization of each Mortgagee of a Mortgage encumbering a Condominium within the Project. In the event the Board, together with said Mortgagees, decide to record such amendment to the Condominium Plan, all Owners within the Project and the record holders of all security interests in the Project shall execute and acknowledge said amendment so that it will comply with Section 1351 of the California Civil Code or any similar statute then in effect. Said Owners and record holders of security interests shall also execute such other documents or take such other actions as may be required to make such amendment effective. The Board shall cause a notice of change in the Condominium Plan to be sent to each Owner and Mortgagee in the Project within ten (10) days of the recording of such amendment in the office of the County Recorder of said County.

Section 11 - Availability of Labor and Material. In determining whether the plans for reconstructed improvements are in substantial conformance with the Condominium Plan, the Board may take into consideration the availability and expense of the labor and materials in the original construction of the Project. If such labor or materials is not available or is prohibitively expensive at the time of reconstruction, the Board may permit the substitution of such other labor or materials as it deems proper.

Section 12 - Contracting for Reconstruction. In the event repair or reconstruction is undertaken pursuant to this Article, other than the Section entitled "Repair of Units" hereof, the Board or its delegates shall have the sole authority to contract for such work as may be necessary for said repair or reconstruction.

Section 13 - Seventy-Five Percent (75%) Vote Required. All insurance proceeds available from any total or partial destruction shall be applied as set forth in this Article, except upon the vote or written assent of not less than seventy-five percent (75%) of the First Mortgagees based on one (1) vote for each First Mortgage held thereby.

Section 14 - Costs of Collecting Insurance Proceeds. If it should become necessary in the judgment of the Board to incur expenses in order to determine or collect insurance proceeds, such costs shall be first deducted before distribution or application of insurance proceeds as provided in this Article.

Section 15 - Priority. Nothing contained in this Article shall entitle an Owner to priority over any Mortgagee under a Mortgage encumbering his Condominium as to any portion of insurance proceeds allocated to such Condominium.

ARTICLE IX

EMINENT DOMAIN

Section 1 - Definition of Taking. The term "taking" as used in this Article shall mean condemnation by eminent domain, or by sale under threat thereof, of all or part of the Project.

Section 2 - Representation by Board in Condemnation Proceeding. In the event of a taking, the Board shall, subject to the right of all Mortgagees who have made a request to join the Board in the proceedings, represent all of the Members in an action to recover all awards. No Member shall challenge the good faith exercise of the discretion of the Board in fulfilling its duties under this Article. The Board is further empowered, subject to the limitations hereof, to act as the sole representative of the Members in all aspects of the condemnation proceedings not specifically covered hereby.

Section 3 - Procedure on Taking. In the event of a taking affecting Units of Condominiums, the Board shall distribute the award forthcoming from the taking authority according to the provisions of this Section after deducting therefrom fees and expenses related to the condemnation proceedings including, without limitation, fees for attorneys and appraisers and court costs. In the event the taking is by judgment of condemnation and said judgment apportions the award among the Owners and their respective Mortgagees, the Board shall distribute the amount remaining after such deductions among such Owners and Mortgagees on the basis of the apportionment set forth in such judgment. In the event the taking is by sale under threat of condemnation, or if the judgment of condemnation

fails to apportion the award, the Board shall distribute the award among the Owners in the Project and their respective Mortgagees based upon the relative values of the Condominiums affected by such taking as determined by: (i) the appraised valuation of each affected Condominium as determined by an MAI appraisal obtained by the Board and paid for out of, or charged against, the award and made as of a time immediately prior to the taking, and (ii) the degree to which each Condominium has been affected by the taking. Such determination by the Board shall be final and binding on all Owners and Mortgagees. Nothing contained herein shall entitle an Owner to priority over a Mortgagee of his Condominium as to the portion of the condemnation award allocated to his Condominium. In no event shall any portion of such award be distributed by the Board to an Owner and/or the Mortgagees of his Condominium in a total amount greater than the portion allocated hereunder to such Condominium.

Section 4 - Inverse Condemnation. The Board is authorized to bring an action in inverse condemnation. In such event, the provisions of this Article shall apply with equal force.

Section 5 - Revival of Right to Partition. Upon a taking which renders the Units of more than fifty percent (50%) of the Condominiums in the Project incapable of being restored to at least ninety-five percent (95%) of their floor area and substantially their condition prior to the taking, the right of any Owner within the Project to partition through legal action as described in the Article hereof entitled "Limitations Upon the Right to Partition and Severance" shall forthwith revive. The determination as to whether the Units of Condominiums partially taken are capable of being so restored shall be made by the Board, whose decision shall be final and binding on all Owners and Mortgagees.

Section 6 - Awards for Members' Personal Property and Relocation Allowances. Where all or part of the Project is taken, each Member shall have the exclusive right to claim all of the award made for his personal property, and any relocation expense, moving expense or other allowance of a similar nature designed to facilitate relocation. Notwithstanding the foregoing provisions, the Board shall represent each Member in an action to recover all awards with respect to such portion, if any, of Members' personal property as is at the time of any taking, as a matter of law, part of the real estate comprising any Condominium, and shall allocate to such Member so much of any award as is attributable in the taking proceedings, or failing such attribution, attributable by the Board to such portion of Members' personal property.

Section 7 - Notice to Members. The Board, immediately upon having knowledge of any taking or threat thereof with respect to the Project, or any portion thereof, shall promptly notify all Members.

Section 8 - Change of Condominium Interest. In the event of a taking, the Board shall have the power to record an amendment to the Condominium Plan to reflect the change in the Project to the extent it is affected by such taking; provided, however, the Board shall not record an amendment to the Condominium Plan without the prior authorization of each Mortgagee of a Mortgage encumbering a Condominium within the Project. In the event the Board, together with said Mortgagees, decide to record such amendment to the Condominium Plan, all Owners within the Project and the record holders of all security interests in the Project shall execute and acknowledge said amendment so that it will comply with Section 1351 of the California

Civil Code or any similar statute then in effect. Said Owners and record holders of security interests shall also execute such other documents or take such other actions as may be required to make such amendment effective. The Board shall cause a notice of change in the Condominium Plan to be sent to each Owner and Mortgagee in the Project within ten (10) days of the recording of such amendment in the office of the County Recorder of said County.

Section 9 - Award for Common Area. Any awards received on account of any taking of the Project which does not affect Units of Condominiums shall be paid to the Association. The Board may in its sole discretion retain any award in the general funds of the Association or distribute pro rata (as determined by the Board) all or a portion thereof to the Members. The rights of an Owner and the Mortgagee of his Condominium as to any pro rata distribution shall be governed by any applicable provisions of the Mortgage encumbering such Condominium.

ARTICLE X

USE RESTRICTIONS

Section 1 - Limitations Upon All Use Restrictions. Each and all of the provisions of this Article shall be subject to the rights of, and shall in no way limit the rights of, Declarant as set forth in the subsection entitled "Refurbishing and Sales" of the Section entitled "Certain Rights and Easements Reserved to Declarant" of the Article hereof entitled "Easements" and as set forth in the Section entitled "Refurbishing by Declarant" of the Article hereof entitled "General Provisions." This Section may not be modified or eliminated without the prior written approval of Declarant.

Section 2 - Commercial Use. Unless otherwise approved by the Board, no portion of the Project, including Units, shall be used or caused to be used or allowed or authorized in any way, directly or indirectly, to be used for any business, commercial, manufacturing, mercantile, storing, vending, or any nonresidential purposes; provided, however, (i) nothing herein shall prevent an Owner from leasing his Condominium provided such leasing complies with the Section entitled "Leases" of the Article hereof entitled "General Provisions," and (ii) nothing herein shall be construed as preventing Declarant and its agents and assigns from engaging in all forms of refurbishing and sales activities within the Project including, without limitation, the use of Units as models.

Section 3 - Signs. No sign of any kind shall be displayed to the public view on or from any portion of the Project without the approval of the Board in writing. Notwithstanding the foregoing, (i) one sign of reasonable dimensions advertising a Condominium for sale or for rent may be placed within

the Unit thereof or outside the Unit within the Common Area immediately adjacent thereto by the Owner thereof or by his agent, and (ii) nothing herein shall be construed as preventing Declarant and its agents and assigns from engaging in all forms of refurbishing and sales activities within the Project including, without limitation, the use of all forms of signs, flags, markers and sales devices.

Section 4 - Offensive Activity. No noxious or offensive activity shall be carried on upon the Project, nor shall anything be done thereon which might be or become an annoyance or nuisance to occupants within the Project, which shall in any way interfere with the rights of quiet enjoyment of occupants within the Project or which shall in any way increase the rate of any insurance. No Owner or occupant shall engage in activity within the Project which is in violation of any law, ordinance, statute, rule or regulation of any local, county, state or federal body. Nothing herein shall be construed as preventing Declarant from using temporary structures or trailers for refurbishing and/or sales purposes or engaging in all forms of refurbishing and sales activities within the Project.

Section 5 - Temporary Structures. No structure or building of a temporary character, including a tent or shack, shall be placed upon the Project or used therein unless the same and its proposed use are approved by the Board in writing. Nothing herein shall be construed as preventing Declarant from using temporary structures or trailers for refurbishing and/or sales purposes or engaging in all forms of refurbishing and sales activities within the Project.

Section 6 - Parking. Unless otherwise permitted by the Board, no motor vehicle (including a motorcycle), trailer, camper, boat, or similar item, and no bicycle, shall be per-

mitted to remain upon the Project unless parked or placed within a parking space; provided, however, temporary parking of motor vehicles shall be permitted. For purposes hereof, "temporary parking" shall mean parking of vehicles belonging to invitees of Owners and occupants, parking of delivery trucks, service vehicles and other commercial vehicles being used in the furnishing of goods and services to the Association or to the Owners and occupants and parking of vehicles belonging to and being used by Owners, occupants and invitees for loading and unloading purposes. The Board may adopt rules for the regulation of the admission and temporary parking of vehicles within the Project, including the assessment of charges to Owners and occupants who violate, or whose invitees violate, such rules. Any charges so assessed shall be Special Assessments. Nothing herein shall be construed as preventing Declarant from using temporary structures or trailers for refurbishing and/or sales purposes or engaging in all forms of refurbishing and sales activities within the Project.

Section 7 - Parking Areas. The parking areas shall be used only for parking purposes described in the Section of this Article entitled "Parking," in accordance with the Association Rules and for such other purposes as may be permitted by the Board.

Section 8 - External Fixtures. No external items such as, but not limited to, television and radio poles and

antennae, flag poles, clotheslines, wiring, insulation, air-conditioning equipment, water softening equipment, fences, awnings, ornamental screens, screen doors, porch or patio or balcony enclosures, sunshades, walls, landscaping and planting, other than those provided in connection with the original construction of the Project, and any replacements thereof, and other than those approved by the Board in writing and any replacements thereof, shall be constructed, erected or maintained on or within the Project, including any structures thereof. The foregoing notwithstanding, nothing herein shall be construed as preventing Declarant and its agents and assigns from engaging in all forms of refurbishing and sales activities within the Project. The Association shall maintain in effect or cause to be maintained in effect a central antenna system or systems, which shall provide connections to each Unit via underground or internal wall wiring, or a combination thereof.

Section 9 - Window Covers. Only curtains, drapes and shades may be installed as windows covers. No window shall be covered by paint, foil, sheets or similar items. The Board may adopt rules regulating the type, color and design of window covers.

Section 10 - Electronic Transmitting Equipment. No electronic transmitting equipment other than electronic transmitting equipment and devices approved by the Board shall be installed, maintained or used within the Project.

Section 11 - External Laundrying. Unless otherwise permitted by the Board, external laundrying and drying of clothing and other items is prohibited.

Section 12.- Unsightly Items. All weeds, rubbish, debris or unsightly materials or objects of any kind shall be

regularly removed from Units and shall not be allowed to accumulate therein or thereon. Refuse containers and woodpiles, and machinery and equipment not a part of Units, shall be prohibited upon any Unit unless obscured from view of adjoining Units. Trash and garbage not disposed of by equipment contained within Units shall be placed in containers by Owners and occupants for removal from the Project in accordance with rules applicable thereto adopted by the Board. The Board may adopt rules applicable to the provisions of this Section and their enforcement, including the assessment of charges to Owners and occupants who violate, or whose invitees violate, such rules. Any charges so assessed shall be Special Assessments. The foregoing notwithstanding, nothing herein shall be construed as preventing Declarant and its agent and assigns from engaging in all forms of refurbishing and sales activities within the Project.

Section 13 - Oil and Mineral Rights. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon the surface of the Project, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be installed upon the surface of the Project or within five hundred (500) feet below the surface of the Project. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon the Project. The foregoing notwithstanding, nothing herein shall be construed as preventing Declarant and its agents and assigns from engaging in all forms of refurbishing and sales activities within the Project.

Section 14 - Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept upon the Project, except that dogs, cats or other household pets may be

kept within a Unit provided they are not raised, bred, kept or maintained for any commercial purpose or in numbers deemed unreasonable by the Board. Notwithstanding the foregoing, no animal or fowl may be kept within a Unit which, in the good faith judgment of the Board or a committee selected by the Board for this purpose, results in an annoyance or is obnoxious to residents within the Project. All animals permitted to be kept by this Section shall be kept on a leash when on any portion of the Project except within a Unit. The Board may adopt rules applicable to the provisions of this Section and to the keeping of pets within the Project, and their enforcement, including the assessment of charges to Owners and occupants who violate such rules. Any charges so assessed shall be Special Assessments.

Section 15 - Children. No child under 15 years of age may permanently reside within a Unit and no child under 15 years of age may visit or temporarily reside within a Unit for a continuous period of more than two (2) weeks in any period of six (6) months. The foregoing age restrictions shall be enforceable only to the extent permitted by law, and Declarant shall have no liability if, and to the extent, such age restrictions are held to be unenforceable in whole or in part or under some or all circumstances; and each Owner, by acceptance of delivery of the deed to his respective Condominium, expressly consents hereto. The Board may adopt special rules for the regulation of the conduct of children (meaning persons under eighteen (18) years of age) within the Project including the assessment of charges to Owners and occupants whose children violate such rules. Any charges so assessed shall be Special Assessments. Each Owner or occupant with children shall be accountable to all other Owners and occupants for the conduct of any child of the former while within the Project. Notwith-

standing the foregoing, the age restrictions set forth in this Section shall not apply to tenants within the Project under leases in effect prior to the first conveyance of a Condominium within the Project who continue in possession under such leases or become first purchasers of Condominiums.

Section 16 - Structural Alterations and Integrity. No interior or exterior structural changes shall be constructed, erected or made within the Project other than those approved by the Board in writing. Nothing shall be kept or maintained within a Unit which might impair the structural integrity of any building or other structure. The foregoing notwithstanding, nothing herein shall be construed as (i) preventing an Owner from decorating the interior of his Unit or (ii) preventing Declarant and its agents and assigns from engaging in all forms of refurbishing and sales activities within the Project. The Board may adopt rules applicable to the provisions of this Section and their enforcement, including the assessment of charges to Owners and occupants who violate such rules. Any charges so assessed shall be Special Assessments.

ARTICLE XI

RIGHTS OF ENJOYMENT

Section 1 - Members' Right of Enjoyment. Every Member shall have a nonexclusive easement for use and enjoyment in and to the Common Area (other than portions thereof subject to exclusive easements), and such right shall be appurtenant to and shall pass with the interest required to be an Owner to every Condominium, subject to all of the covenants, conditions, restrictions, easements and other provisions contained in this Declaration, including, without limitation, the following provisions:

(a) The right of the Association to limit the number of guests of Members and to limit the use of common facilities, if any, on the Common Area by persons not in possession of a Unit, but owning all or a portion of the interest in a Condominium required for membership.

(b) The right of the Association to establish reasonable rules and regulations pertaining to the conduct of persons within, and the use of, the Common Area.

(c) The right of the Association to suspend the rights of a Member to use the common facilities, if any, located upon the Common Area, or any portion thereof designated by the Board, at any time during which any Assessment against his Condominium remains unpaid and delinquent or for a period not to exceed thirty (30) days for any single infraction of this Declaration, the Bylaws or the Association Rules, provided that any suspension of such rights to use all or any common facilities, if any, located on the Common Area, except for the failure to pay Assessments, shall be made only by the Association or a duly appointed committee thereof after

notice and hearing given and held in accordance with the Bylaws. Notwithstanding the foregoing, the Association shall not have the right hereunder to suspend any Member's rights to use any portion of the Project necessary for such Member to gain access to his Unit.

(d) The right of the Association to establish, in cooperation with any governmental entity, a special tax assessment district for the performance of all or a portion of the maintenance and other functions now within the responsibility of the Association.

(e) The right of the Association to grant easements on, over or under the Common Area to public utilities or governmental entities or agencies; provided that such easements shall not unreasonably interfere with the rights of any Owner to the use and enjoyment of his Unit or the Common Area. No such easement shall be effective unless approved by two-thirds (2/3) of the voting power of the Members.

Section 2 - Delegation of Use. Any Member may delegate his rights of enjoyment in and to the Common Area to the members of his family or his tenants who reside within his Unit, or to his invitees, subject to all provisions of this Declaration, including those set forth in the Section of this Article entitled "Members' Rights of Enjoyment," the Bylaws and the Association Rules.

Section 3 - Waiver of Use. No member may exempt himself from personal liability for Assessments duly levied by the Association, nor release the Condominium owned by him from the liens, charges and other provisions of this Declaration, the Articles, Bylaws and Association Rules, by waiver of the use and enjoyment of the Common Area, or by abandonment of his Condominium or the Unit thereof.

ARTICLE XIV

LIMITATIONS UPON THE RIGHT TO PARTITION AND SEVERANCE

Section 1 - No Partition. The right to partition is hereby suspended, except that the right to partition shall revive and the Project may be sold as a whole when the conditions for such action set forth in the Articles hereof entitled "Destruction of Improvements" and "Eminent Domain" have been met; provided, however, notwithstanding the foregoing, any Owner may, upon the prior written approval of the First Mortgagee of any First Mortgage encumbering his Condominium, bring an action for partition by sale of the Project as provided in Section 1354 of the California Civil Code, or any similar statute then in effect, upon the occurrence of any of the events therein provided.

Section 2 - No Severance. The elements of a Condominium and other rights appurtenant to the ownership of a Condominium, including exclusive easements over Common Area, if any, are inseparable, and each Owner agrees that he shall not, while this Declaration is in effect, make any conveyance of less than an entire Condominium and such appurtenances. Any conveyance made in contravention of this Section shall be void. The provisions of this Section shall terminate on the date that judicial partition shall be decreed as to the Project. The foregoing notwithstanding, exclusive easements appurtenant to the ownership of a Condominium may be severed therefrom by the Owner thereof with the written approval of (i) all Members of the Board and (ii) the First Mortgagee of any First Mortgage encumbering such Condominium.

Section 3 - Proceeds of Partition Sale. --

(a) Whenever an action is brought for the partition by sale of the Project, whether upon the occurrence of any of the events provided in Section 1354 of the California Civil Code or any similar statute then in effect or upon the revival of the right to partition pursuant to the Articles hereof entitled "Destruction of Improvements" or "Eminent Domain," the Owners of Condominiums in the Project shall share in the proceeds of such sale in the same proportion as their interests in the Common Area.

(b) The distribution of the proceeds of any such partition sale shall be adjusted as necessary to reflect any prior distribution of insurance proceeds or condemnation award as may have been made to Owners and their Mortgagees pursuant to the Articles hereof entitled "Destruction of Improvements" and "Eminent Domain." In the event of any such partition and sale, the liens and provisions of all Mortgages or Assessment liens encumbering Condominiums within the Project so encumbered shall extend to each applicable Owner's interest in the proceeds of such partition and sale. The interest of an Owner in such proceeds shall not be distributed to such Owner except upon the prior payment of any Mortgage and Assessment liens encumbering such proceeds as aforesaid.

Section 4 - Power of Attorney. There is hereby granted to the Association an irrevocable power of attorney to sell the Project pursuant to Section 1355(b)(9) of the California Civil Code or any similar statute then in effect for the benefit of all Owners therein when partition of the Project may be had.

ARTICLE XV

PROTECTION OF THE PROJECT FROM LIENS

Section 1 - Association to Defend Certain Actions. In the event that a lawsuit is brought against all or substantially all of the Members which will or could result in any lien or encumbrance being levied against the entire Project, the Association shall defend such lawsuit and the costs of such defense shall be a Special Assessment against all of the Members within the Project; provided, however, in the event an insurance carrier is obligated to provide such defense under a policy of insurance carried by the Association, the Association shall be relieved of the obligation to provide such defense. Nothing contained herein shall in any way limit the rights of any Member or Members to retain counsel of their choice to represent them in such lawsuit at their own expense. In the event that a Member chooses to retain counsel, he shall not be relieved of liability for the Special Assessment provided for in this Section.

Section 2 - Payment of Lien. In the event that a lien or encumbrance not covered by Section 1357 of the California Civil Code or any similar statute then in effect attaches to all or substantially all of the Project by reason of a judgment or otherwise, the Association shall promptly take the appropriate steps to remove such lien, including but not limited to the payment of money and the posting of a bond. The Association shall have the power to borrow money and to take such other steps as are necessary to free the Project from such liens.

Section 3 - Owners to be Specially Assessed. Simultaneously with any action taken pursuant to the Section entitled "Payment of Lien" of this Article, the Association shall levy

a Special Assessment against all of the Members whose Condominiums were subject to the lien or encumbrance which caused the Association to act pursuant to said Section equal to each such Member's pro rata share of such lien or encumbrance as determined by the Board. In the event that such Special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof, including those set forth in the Article hereof entitled "Nonpayment of Assessments."

Section 4 - Reimbursement by Certain Owners. In the event that it shall be proven in a court of law of competent jurisdiction over the claim or claims causing the Association to take action under this Article that a judgment resulting in a lien on all or a portion of the Project was primarily due to the acts or omissions of a particular Member or Members or the families or invitees thereof, such Member or Members shall reimburse the Association for all expenses incurred by it pursuant to the provisions of this Article. Upon such reimbursement, the Association shall distribute the funds received to the Members against whom Special Assessments were levied pursuant to the provisions of this Article. In the event such Member or Members fails to make such reimbursement, the Association shall levy a Special Assessment against such Member or Members equal to such Member's pro rata share of such expenses as determined by the Board. In the event that such Special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof, including those set forth in the Article hereof entitled "Nonpayment of Assessments."

ARTICLE XII

EASEMENTS

Section 1 - Amendment to Eliminate Easements. This Declaration cannot be amended to modify or eliminate the easements reserved to Declarant without prior written approval of Declarant and any attempt to do so shall have no effect. Any attempt to modify or eliminate this Section shall likewise require the prior written approval of Declarant.

Section 2 - Nature of Easements. Unless otherwise set forth herein, any easement reserved in this Declaration shall be nonexclusive. Any and all easements reserved in this Declaration shall be deemed to be in full force and effect whether or not referred to, reserved and/or granted in any instrument of conveyance.

Section 3 - Certain Rights and Easements Reserved to Declarant.

(a) Utilities. Easements and rights over the Project for the installation and maintenance of electric, telephone, cable television, water, gas, sanitary sewer lines and drainage facilities as are needed to service the Project are hereby reserved by Declarant, together with the right to grant and transfer the same; provided, however, such easements and rights shall not unreasonably interfere with the use and enjoyment by the Members of their Condominiums or the Common Area.

(b) Refurbishing and Sales. There are hereby reserved to Declarant, together with the right to grant and transfer the same to others, including Declarant's sales agents, representatives and assigns, over the Project as the same may from time to time exist, easements and rights for refurbishing, display (including the use of Units as models), maintenance,

sales and exhibit purposes (including the use of signs and other advertising devices) in connection with the refurbishing and sale or lease of Condominiums within the Project; provided, however, that no such use by Declarant and others shall otherwise restrict the Members in the reasonable use and enjoyment of the Project.

Section 4 - Certain Easements for Owners.

(a) Rights and Duties; Utilities and Television. Wherever sanitary sewer house connections, water house connections, electricity, gas, telephone and television lines or drainage facilities are installed within the Project, the Owners of Condominiums the Units of which are served by said connections, lines or facilities shall have the right, and there are hereby reserved to Declarant and all other Owners, together with the right to grant and transfer the same, easements and rights to the full extent necessary for the full use and enjoyment of such portion of such connections, lines or facilities which service the Unit of each Condominium owned, and to enter Units of Condominiums owned by others, or to have utility companies enter Units of Condominiums owned by others, in or upon which said connections, lines or facilities, or any portions thereof, lie, to repair, replace and generally maintain said connections, lines or facilities as and when the same may be necessary, provided that such entering Owner or utility company shall promptly repair all damage to any Unit caused by such entry as promptly as possible after completion of work thereon.

(b) Ingress, Egress and Use Rights. There are hereby reserved to Declarant and to all other Owners, together with the right to grant and transfer the same, easements and rights for ingress, egress, use, enjoyment and general use purposes over and upon the Common Area other than portions thereof subject to exclusive appurtenant easements, if any.

together with the right to grant and transfer the same, the

Such easements and rights shall be subject to the rights of the Association as set forth in the Article hereof entitled "Rights of Enjoyment."

Section 5 - Certain Easements for Association.

(a) Association Rights. There are hereby reserved to the Association easements and rights over the Project for the purpose of permitting the Association to discharge its obligations as described in this Declaration.

(b) Rights and Duties; Utilities and Television. Whenever sanitary sewer house connections, water house connections, electricity, gas, telephone and television lines or drainage facilities are installed within the Project, and said connections, lines or facilities serve common or other facilities within the Common Area which are used in common by Members, the Association shall have the right, and there are hereby reserved to the Association, together with the right to grant and transfer the same, easements and rights to the full extent necessary for the full use and enjoyment of such portion of such connections, lines or facilities which service such commonly used facilities, and to enter upon all portions of the Project, or to have utility companies enter upon all portions of the Project, including Units of Condominiums, in or upon which said connections, lines or facilities, or any portions thereof, lie, to repair, replace and generally maintain said connections, lines or facilities as and when the same may be necessary, provided the Association or utility company shall promptly repair all damage, including damage to any Unit, caused by such entry as promptly as possible after completion of work thereon.

Section 6 - Support, Settlement and Encroachment. There are hereby reserved to Declarant and all other Owners,

ARTICLE XIII

RIGHTS OF LENDERS

Section 1 - Filing Notices; Notices and Approvals. A Mortgagee shall not be entitled to receive any notice which this Declaration requires the Association to deliver to Mortgagees unless and until such Mortgagee, or its mortgage servicing contractor, has delivered to the Board a written notice stating that such Mortgagee is the holder of a Mortgage encumbering a Condominium within the Project. Such notice need not state which Condominium is encumbered by such Mortgage, but shall state whether such Mortgagee is a First Mortgagee. Nothwithstanding the foregoing, if any right of a Mortgagee under this Declaration is conditioned on a specific written request to the Association, in addition to having delivered the notice provided in this Section a Mortgagee must also make such request, either in a separate writing delivered to the Association or in the notice provided above in this Section, in order to be entitled to such right. Except as provided in this Section, a Mortgagee's rights pursuant to this Declaration, including, without limitation, the priority of the lien of Mortgages over the lien of Assessments levied by the Association hereunder shall not be affected by the failure to deliver a notice or request to the Board. Any notice or request delivered to the Board by a Mortgagee shall remain effective without any further action by such Mortgagee for so long as the facts set forth in such notice or request remain unchanged.

Section 2 - Priority of Mortgage Lien. No breach of the covenants, conditions, restrictions or easements herein contained, nor the enforcement of any lien provision herein,

shall affect, impair, defeat or render invalid the lien or charge of any Mortgage made in good faith and for value encumbering any Condominium, but all of said covenants, conditions, restrictions and easements shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise, with respect to a Condominium.

Section 3 - Curing Defaults. A Mortgagee who acquires title by judicial foreclosure or trustee's sale, or the immediate transferee of such Mortgagee, shall not be obligated to cure any breach of the provisions of this Declaration which is noncurable or of a type which is not practical or feasible to cure. The determination of the Board made in good faith as to whether a breach is noncurable or not feasible to cure shall be final and binding on all Mortgagees.

Section 4 - Resale. It is intended that the Mortgagee under a Mortgage securing a loan to facilitate the resale of any Condominium after judicial foreclosure or a trustee's sale is a Mortgagee under a Mortgage securing a loan made in good faith and for value and is entitled to all of the rights and protections afforded to other Mortgagees.

Section 5 - Relationship with Assessment Liens.

(a) The lien provided for in the Article hereof entitled "Nonpayment of Assessments" for the payment of Assessments shall be subordinate to the lien of any Mortgage which was recorded prior to the date any such Assessment becomes due.

(b) If any Condominium subject to a monetary lien created by any provisions hereof shall be subject to the lien of a Mortgage: (i) the foreclosure of any lien created by anything set forth in this Declaration shall not operate

to affect or impair the lien of such Mortgage; and (ii) the foreclosure of the lien of said Mortgage or the sale under a power of sale included in such Mortgage (such events being hereinafter referred to as "Events of Foreclosure") shall not operate to affect or impair the lien hereof, except that any persons who obtain an interest through any of the Events of Foreclosure, and their successors in interest, shall take title free of the lien hereof or any personal obligation for said charges as shall have accrued up to the time of any of the Events of Foreclosure, but subject to the lien hereof for all said charges that shall accrue subsequent to the Events of Foreclosure.

(c) Without limiting the provisions of subsection (b) of this Section, any Mortgagee who obtains title to a Condominium by reason of any of the Events of Foreclosure, or any purchaser at a private or judicial foreclosure sale, shall take title to such Condominium free of any lien or claim for unpaid Assessments against such Condominium which accrued prior to the time such Mortgagee or purchaser takes title to such Condominium, except for liens or claims for a share of such Assessments resulting from a pro rata reallocation of such Assessments to all Condominiums within the Project.

(d) Nothing in this Section shall be construed as releasing any Owner from his personal obligations to pay for any Assessment levied pursuant to this Declaration.

Section 6 - Seventy-Five Percent (75%) Vote of First Mortgagees. Except upon the prior written approval of at least seventy-five percent (75%) of First Mortgagees, based on one (1) vote for each First Mortgage held, neither the Association

nor the Members shall be entitled by action or inaction to do any of the following:

(a) Abandon or terminate by any act or omission the condominium legal status of the Project, or any part thereof, except for abandonment or termination provided by law and/or this Declaration in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

(b) Amend a material provision of this Declaration, the Bylaws or the Articles, and without limiting the generality of the foregoing, the provisions of the Articles hereof entitled "Insurance," "Destruction of Improvements," "Eminent Domain," this Article, and any other rights granted specifically to Mortgagees pursuant to any other provision of this Declaration, or any provision of this Declaration, the Articles, or Bylaws which is a requirement of the Federal Home Loan Mortgage Corporation ("FHLMC") shall be deemed to be material;

(c) Abandon, partition, sell, alienate, subdivide, release, transfer, hypothecate or otherwise encumber the Common Area; provided, however, the granting of easements affecting the Common Area for public utilities or other public purposes consistent with the intended use of the Common Area shall not require such approval;

(d) Partition or subdivide a Unit or any elements thereof;

(e) Change the manner in which Assessments other than Special Assessments are determined and levied as set forth in this Declaration;

(f) Change the manner in which condemnation awards and insurance proceeds are allocated and distributed as

set forth in this Declaration;

(g) Change the Ownership Interest of the respective Condominiums as provided in the Section entitled "Condominium" in the Article hereof entitled "Definitions"; and

(h) Dissolve the Association or abandon or terminate the maintenance of the Project as set forth in this Declaration by the Association.

Section 7 - Other Rights of First Mortgagees. Any First Mortgagee or its mortgage servicing contractor shall, upon written request to the Association, be entitled:

(a) To inspect the books and records of the Association during normal business hours;

(b) To receive any annual financial statement of the Association ninety (90) days following the end of the Association's fiscal year;

(c) To receive written notice of all annual and special meetings of the Members or of the Board, and First Mortgagees shall further be entitled to designate a representative to attend all such meetings in order to, among other things, draw attention to violations of this Declaration which have not been corrected or made the subject of remedial action by the Association; provided, however, nothing contained in this Section shall give a First Mortgagee the right to call a meeting of the Board or of the Members for any purpose or to vote at any such meeting; and

(d) To receive written notification from the Assocation of any default in the performance of the obligations imposed by this Declaration, the Articles, Bylaws or Association Rules by the Owner whose Condominium is encumbered by such First Mortgagee's Mortgage, which default has not been cured within sixty (60) days; provided, however, the Association shall only

ARTICLE XVI

GENERAL PROVISIONS

Section 1 - Enforcement. The Association or any Owner shall have the right to enforce, by proceedings at law or in equity, all restrictions, conditions, covenants, easements and other provisions now or hereafter imposed by this Declaration, or any amendment thereto, including the right to prevent the violation of any such restrictions, conditions, covenants or easements and the right to recover damages and other sums for such violation. The Association or any Owner shall also have the right to enforce by proceedings at law or in equity the provisions of the Articles and Bylaws and any amendments thereto and the Association Rules. With respect to Assessment liens or any other liens or charges, the Association shall have the exclusive right to the enforcement thereof.

Section 2 - No Waiver. Failure by the Association or by any Owner to enforce any covenant, condition, restriction, easement or provision herein contained, or contained in the Articles, Bylaws or Association Rules, in any certain instance or on any particular occasion shall not be deemed a waiver of such right of enforcement as to any such future breach of the same or any other covenant, condition, restriction, easement or provision.

Section 3 - Cumulative Remedies. All rights, options and remedies of Declarant, the Association, the Owners or the Mortgagees under this Declaration are cumulative, and not one of them shall be exclusive of any other, and Declarant, the Association, the Owners and the Mortgagees shall have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief which may be provided by law,

whether or not stated in this Declaration.

Section 4 - Severability. Invalidation of any one or a portion of the covenants, conditions, restrictions, easements or provisions set forth in this Declaration or in the Articles, Bylaws or Association Rules by judgment or court order shall in no way affect any other covenants, conditions, easements or provisions contained herein or therein which shall remain in full force and effect.

Section 5 - Covenants to Run with the Land; Term. Subject to the provisions of the Section entitled "Amendments" of this Article which permit amendments and revocations under certain limited circumstances, the covenants, conditions, restrictions, easements and other provisions of this Declaration shall run with and bind the Project as equitable servitudes and also as covenants running with the land pursuant to Section 1468 of the California Civil Code or any similar statute then in effect and shall inure to the benefit of and be enforceable as above provided by the Association or any Owner, their respective legal representatives, heirs, successors and assigns, for a term of fifty-nine (59) years from the date this Declaration is recorded, after which time said covenants, conditions, restrictions, easements and other provisions shall be automatically extended for successive periods of ten (10) years, unless an instrument, signed by Owners of a majority of Condominiums within the Project and seventy-five percent (75%) of the First Mortgagees, based on one (1) vote for each First Mortgage held, has been recorded within one (1) year prior to the end of any such period, agreeing to change or revoke said covenants, conditions, restrictions, easements and other provisions in whole or in part.

Section 6 - Construction. The provisions of this

Declaration shall be liberally construed to effectuate its purpose of creating a plan for the development of a residential Condominium development and for the maintenance of the Project. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

Section 7 - Singular Includes Plural. Whenever the context of this Declaration requires same, the singular shall include the plural, and vice versa, and the masculine shall include the feminine and the neuter, and vice versa.

Section 8 - Nuisance. The result of every act or omission whereby any provision, condition, covenant, restriction, easement or other provision contained in this Declaration or any provision contained in the Articles, Bylaws or Association Rules is violated in whole or in part is hereby declared to be and shall constitute a nuisance, and every remedy allowed at law or in equity against a nuisance, either public or private, shall be applicable with respect to the abatement thereof and may be exercised by the Association or any Owner. Such remedy shall be deemed cumulative to all other remedies set forth in this Declaration and shall not be deemed exclusive.

Section 9 - Attorneys' Fees. In the event any action is instituted to enforce any of the provisions contained in this Declaration, the Articles, Bylaws or Association Rules, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment reasonable attorneys' fees and costs of suit.

Section 10 - Notices. Any notice to be given to an Owner or to a Mortgagee or mortgage servicing contractor under the provisions of this Declaration shall be in writing and may

be delivered as follows:

(a) Notice to an Owner shall be deemed to have been properly delivered when delivered personally or placed in the first class United States mail, postage prepaid, to the most recent address furnished by such Owner in writing to the Board for the purpose of giving notice, or if no such address shall have been furnished, then to the address of the Unit of such Owner's Condominium. Any notice so deposited in the mail within said County shall be deemed delivered forty-eight (48) hours after such deposit. In the case of co-Owners, any such notice may be delivered or sent to any one of the co-Owners on behalf of all co-Owners and shall be deemed delivered to all such co-Owners.

(b) Notice to a Mortgagee or to its mortgage servicing contractor shall be deemed to have been properly delivered when placed in the first class United States mail, postage prepaid, to the most recent address furnished by such Mortgagee or such contractor in writing to the Board for the purposes of notice or, if no such address shall have been furnished, to any office of the Mortgagee in said County, or if no such office is located in said County, to any office of such Mortgagee. Any notice so deposited in the mail within said County shall be deemed delivered forty-eight (48) hours after such deposit.

(c) The declaration of an officer or authorized agent of the Association declaring under penalty of perjury that a notice has been mailed to any Owner or Owners, to any Mortgagee or Mortgagees, or to all Owners or all Mortgagees, to the address or addresses for the giving of notice pursuant to this Section, shall be deemed conclusive proof of such mailing.

Section 11 - Declarant's Exemptions. Declarant shall not be subject to any of the provisions of the Article entitled

"Use Restrictions."

Section 12 - Effect of Declaration. This Declaration is made for the purposes set forth in the recitals to this Declaration and Declarant makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances, regulations and the like applicable thereto. Declarant shall have no liability whatsoever if any of the provisions of this Declaration, the Articles, Bylaws or Association Rules is determined to be unenforceable in whole or in part or under certain circumstances.

Section 13 - Personal Covenant. To the extent the acceptance of a conveyance of a Condominium creates a personal covenant between the Owner of such Condominium and Declarant, other Owners or the Association, such personal covenant shall terminate and be of no further force or effect from and after the date when a person or entity ceases to be an Owner except to the extent this Declaration may provide otherwise with respect to the payment of monies to the Association.

Section 14 - Nonliability of Officials. To the fullest extent permitted by law, neither the Board, any committees of the Association, no member of such Board or committee nor any officer of the Association shall be liable to any Member or the Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval, course of action, act, omission, error, negligence or the like made in good faith within which such Board, committees or persons reasonably believed to be the scope of his or their duties.

Section 15 - Condition of Project. The real property and the improvements which comprise the Project are being converted to condominium ownership pursuant to this Declaration. The Project was previously occupied by rental tenants. Each Owner of a Condominium within the Project, by acceptance of a deed to such Condominium, shall be deemed to have agreed and acknowledged that he has made a full, complete and independent investigation of the physical condition of the Project, including his Unit, and that he accepts same in its "as is" condition, and that Declarant, in selling and granting such Condominium to him, is making no representations, express or implied, to him or to his successor in interest, as to the physical condition of the Project, including the physical condition of the Condominium (including its Units) being purchased by each Owner. Nothing in this Declaration shall require Declarant to perform any refurbishing whatsoever.

Section 16 - Leases. Any agreement for the leasing or rental of a Condominium (hereinafter in this Section referred to as a "lease") shall provide that the terms of such lease shall be subject in all respects to the provisions of this Declaration, the Articles, the Bylaws and the Association Rules. Said lease shall further provide that any failure by the lessee thereunder to comply with the terms of the foregoing documents shall be a default under the lease. All leases shall be in writing. Any Owner who shall lease his Condominium shall be responsible for assuring compliance by such Owner's lessee with this Declaration, the Articles, the Bylaws and the Association Rules. Failure by an Owner to take legal action, including the institution of proceedings in Unlawful Detainer against his lessee who is in violation of this Declaration, the Articles, the Bylaws or the Association Rules within ten (10) days after receipt of written demand so to do from the Board, shall entitle the Association, through the Board, to take any and all such action, including the institution of proceedings in Unlawful Detainer on behalf of such Owner against his lessee. Any expenses incurred by the Association, including attorneys' fees and costs of suit, shall be repaid to it by such Owner. Failure by such Owner to make such repayment within ten (10) days after receipt of a written demand therefor shall entitle

the Board to levy a Special Assessment against such Owner and his Condominium for all such expenses incurred by the Association. In the event such Special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof including those set forth in the Article hereof entitled "Nonpayment of Assessments." Unless approved by the Board in writing, no Condominium shall be leased for transient or hotel purposes, which shall be defined as rental for any period of less than thirty (30) days or any rental whatsoever if the occupants of the Unit of such Condominium are provided with customary hotel services such as room service for food and beverages, maid service, the furnishing of laundry and linen and bellboy service.

Section 17 - Refurbishing By Declarant. Nothing in this Declaration shall limit the right of Declarant to alter the Common Area or the Units, or to construct such additional improvements as Declarant deems advisable prior to refurbishing of any improvements upon and sale of the entire Project. Such right shall include but shall not be limited to the use of Units as models, maintaining sales and construction trailers and temporary structures, erecting, constructing and maintaining on the Project such structures and displays, including signs and other advertising devices, as may be reasonably necessary for the conduct of the business of completing the work and disposing of the same by sale, lease or otherwise. This Declaration shall not limit the right of Declarant at any time to establish on the Project additional licenses, easements, reservations and rights-of-way to itself, to utility companies or to others as may from time to time be reasonably necessary for the proper development and disposal of the Project. Declarant reserves the right to alter its refurbishing plans and designs as it deems appropriate.

The rights of Declarant hereunder may be assigned to any successor or successors to all or part of Declarant's respective interest in the Project by an express assignment incorporated in a recorded instrument. Declarant shall exercise its rights contained in this Section in such a way as not to unreasonably interfere with the Members' rights to use and enjoy the Project.

Section 18 - Unsegregated Real Property Taxes. Until such time as real property taxes have been segregated by the County Assessor of said County for the Project, same shall be paid by the respective Owners of Condominiums therein. In connection with such payment, the proportionate share of such tax or installment thereof for a particular Condominium shall be determined by multiplying the tax or installment in question by the respective interest of such Condominium in the Common Area. The Association may levy a Special Assessment against any Owner who fails to pay his share of any real property taxes pursuant to this Section. In the event such Special Assessment is not paid within thirty (30) days of its due date, the Board may resort to all remedies of the Association for the collection thereof including those set forth in the Article hereof entitled "Nonpayment of Assessments."

Section 19 - Use of Funds Collected by the Association. All funds collected by the Association, including Assessments and contributions to the Association paid by Owners, if any, shall be held by the Association in a fiduciary capacity to be expended in their entirety for not-for-profit purposes of the Association in managing, maintaining, caring for, preserving and architecturally controlling the Project and for other permitted purposes as set forth in this Declaration. No part of said funds shall inure to the benefit of any Member (other than as a result of the Association managing, maintaining, caring

for, preserving and architecturally controlling the Project and other than as a result of expenditures made for other permitted purposes as set forth in this Declaration).

Section 20 - Conflicting Provisions. In the case of any conflict between this Declaration and the Articles or the Bylaws, this Declaration shall control. In the event of any conflict between the Articles and the Bylaws, the Articles shall control.

Section 21 - Mergers or Consolidations. Upon a merger or consolidation of the Association with another association, which merger or consolidation must be approved by two-thirds (2/3) of the voting power of the Association, the Association's properties, rights and obligations may, by operation of law, be transferred to the surviving or consolidated association, or, alternatively, the properties, rights and obligations of another association may, by operation of law, be transferred to the properties, rights and obligations of this Association as the surviving or consolidated association. The surviving or consolidated association may administer the covenants, conditions, restrictions and easements established by this Declaration with respect to the Project, together with any covenants, conditions, restrictions and easements applicable to any other property as one plan. In no event shall any merger or consolidation revoke, modify or add to the covenants established by this Declaration with respect to the Project.

Section 22 - Amendments. Subject to the other provisions of this Declaration, including, without limitation, the rights of Mortgagees pursuant to the Articles hereof entitled "Insurance" and "Rights of Lenders," or otherwise, this Declaration may be revoked or amended as follows:

(a) Prior to the conveyance of the first Condominium in the Project to a purchaser other than a "Declarant" as defined herein, this Declaration and any amendments thereto may be amended or revoked by the execution by Declarant of an instrument amending or revoking same.

(b) Subsequent to the conveyance of the first Condominium in the Project to a purchaser other than a "Declarant" as defined herein, this Declaration and any amendments thereto, may be amended by any group of Members entitled to vote not less than seventy-five percent (75%) of the total voting power, which group shall, in any event, include a subgroup of Members (excluding Declarant) entitled to vote not less than seventy-five percent (75%) of the total voting power held by such subgroup by affirmative written assent or vote; provided, however, if approval of such amendment is sought at any time when two classes of membership are still in effect, then, and in that event, this Declaration and any amendments thereto shall instead be amended only by Members entitled to vote not less than seventy-five percent (75%) of the voting power of each class of membership by affirmative written assent or vote.

(c) Any amendment to this Declaration affecting the maintenance obligations of the Association shall require the prior written approval of the California Department of Real Estate.

(d) An amendment or revocation which only requires the execution of an instrument by Declarant as hereinabove provided shall be effective when executed by Declarant and when recorded in the Office of the County Recorder of said County. An amendment which requires the affirmative written assent or vote of the Members as hereinabove provided shall

be effective when executed by the President and Secretary of the Association who shall certify that the amendment has been so approved, and when the amendment has been recorded in the Office of the County Recorder of said County.

(e) Notwithstanding the foregoing, any provision of this Declaration, the Articles, Bylaws or Association Rules which expressly requires the approval of a specified percentage or specified percentages of the voting power of the Association or First Mortagees for action to be taken under said provision can be amended only with the affirmative written assent or vote of not less than the same percentage or percentages of the voting power of the Association and/or First Mortgagees. Any amendment subject to this provision shall be effective after the specified approval has been given and that fact has been certified in a writing executed by the President and the Secretary of the Association, and when the said writing has been (i) recorded in the Office of the County Recorder of said County, when such amendment is of this Declaration, (ii) filed in the Office of the Secretary of State of California, with a certified copy thereof duly filed with the Clerk of said County, when such amendment is of the Articles, (iii) properly annotated in accordance with the Section entitled "Record of Amendments" of that Article entitled "Amendments" of the Bylaws, and entered upon the corporate records, when such amendment is of the Bylaws, or (iv) delivered to each Owner and entered in the records of the Association that are kept for inspection at its principal office in accordance with the provisions of the Section entitled "Association Rules" of the Article entitled

"Duties and Powers of the Association" of this Declaration, when such amendment is of the Association Rules, whichever of (i), (ii), (iii) and/or (iv) may be applicable at the time.

(f) The provisions of subsections (c) and (e) of this Section shall not apply to amendments and revocations pursuant to subsection (a) of this Section.

(g) If applicable, all amendments and revocations pursuant to this Section shall comply with the requirements of Section 11018.7 of the California Business and Professions Code or any similar statute then in effect.

Section 23 - Agreement with City of Los Angeles Housing Authority. Declarant and the Executive Director of the Housing Authority of the City of Los Angeles have or will enter into an "Agreement C" pursuant to Ordinance No. 145927 of the City of Los Angeles, which Agreement has been or will be recorded in the Official Records of said County. During the period of time said Agreement is in effect (but only during said period of time) same shall be deemed to be incorporated by reference into this Declaration. As and when said Agreement is released or otherwise ceases to be of any force and effect, same shall no longer be deemed to be incorporated by reference into this Declaration. Any conveyance of any Condominium within the Project which is subject by law to the terms and provisions of this Declaration shall be deemed to contain a continuing right of first refusal as set forth in, and to the extent set forth in, said Agreement.

IN WITNESS WHEREOF, Declarant has executed this

instrument as of this _____ day of _____,

19__.

GREENFIELD LIMITED,
a limited partnership

By: _____
Robert C. Wilson
General Partner

By: _____
Nathan Goller
General Partner

EXHIBIT "A"

Lot 1 of Tract No. 33773, in the City of Los Angeles, County of Los Angeles, State of California, as per map filed in Book _____, pages _____ to _____, inclusive, of Maps, in the office of the County Recorder of said County.

EXHIBIT "B"

1. Declarant proposes to convert the real property described in Exhibit "A" hereof, together with the improvements constructed thereon, to condominium ownership pursuant to this Declaration. Said improvements consist of 16 dwelling units and related improvements constructed substantially in accordance with plans therefor on file with the City of Los Angeles, California.

2. The respective undivided fractional interest in the Common Area to be conveyed with each Unit is as follows:

Unit Number	Interest in Common Area *

* The above fractional interests are based on approximate square footages of interior dwelling area elements of Units.

4/15/93

1849 GREENFIELD AVE PARKING and LOCKER ASSIGNMENT

CONDO NUMBER	MARKED NUMBER	DEED NUMBER	DEED ASSIGNMENT	LOCKER NUMBER	DEED VERIFIED
201	2	1		4	
201	3	2			
208	4	3		?	
207	24	4		1	
207	25	5			
105	26	6		15	
105	27	7			
104	28	8		18	
104	29	9			
NONE	30	10		2&3	
208	5	11			
108	6	12		7	
205	7	13		8	
101	8	14		9	
107	9	15		10	
103	10	16		12	
203	11	17		14	
203	12	18			
204	13	19	204	16	OK
204	14	20	204		OK
103	15	21		13	
206	16	22		11	
206	17	23			
202	18	24	202	6	OK
106	19	25		17	
205	20	26			
108	21	27			
102	22	28	102	5	OK
GUEST	23	29			
202	1				

Old chart based on misnumbered parking spaces.

The Weil Group

15233 Ventura Boulevard, Suite 1012 • Sherman Oaks, California 91403 • 818 995-0747

3-26-90

GRNFLD 2

1849 GREENFIELD AVE. OWNER/TENNANT LIST

Unit 101 — Park 8 — Locker 9
Tenant/Owner: Annie Saunders
Telephone: Home: 444-0057 Work: Emergency:

Unit 102 — Park 22 — Locker 5
Tenant/Owner: Lillian Wellins
Telephone: Home: - Emergency:

Unit 103 — Park 10 & 15 — Locker 12 & 13
Tenant: Kathy Kane
Telephone: Home: 473-3267 Work: 453-3000 Emergency: N/A
Owner: Barbara & Kathy Kane
Telephone: Barbara - 714-978-2994

Unit 104 — Park 28 & 29 — Locker 18
Tenant: ~~Marina~~ & Philip Thompson
Telephone: Home: 479-0643 Work: 479-6196
Owner: Jerry Engle 4068 Hayvenhurst, Encino 91436
Telephone: Home: (818) 788-5577
Emergency: Micoletta Pasinette 479-3139

Unit 105 — Park 26 & 27 — Locker 15
Tenant/Owner: Vera Khan
Telephone: Home: 478-4509 Work: 714-773-3521
Emergency: 714-871-3606

Unit 106 — Park 19 — Locker 17
Tenant/Owner: Lila Ingemansson
Telephone: Home: 478-2825 Work: N/A Emergency: N/A

Unit 107 — Park 9 — Locker 10
Tenant/Owner: Lee Linkroum
Telephone: Home: 479-4636 Work: Emergency: N/A

Unit 108 — Park 6 & 21 — Locker 7
Tenant/Owner: Don Stockenberg
Telephone: Home: 312-1504 Work: 419-5355
Emergency: Jane Stockenberg 399-1523

Unit 201 Park 2 & 3 Locker 4
Tenant: ~~Amanda Wickland~~
Telephone: Home: 477-6259 Work: N/A
Owner: Dr. & Mrs. George Ewing 682 Elepaio St. Honolulu, HI 96816
Emergency: (808) 523-2311 (808) 737-4746

Unit 202 Park 1 & 18 Locker 6
Tenant/Owner: Laura Lee Gold
Telephone: Home 478-8139 Work: 470-2293
Emergency: Jeff Gold 470-4947 Marj Oppenheimer 652-3923

Unit 203 Park 11 & 12 Locker 14
Tenant/Owner: Fay Arfa
Telephone: Home: 479-0547 Work: 312-8412
Emergency: Parents 623-2603; 655-7108; 556-1229

Unit 204 Park 13 & 14 Locker 16
Tenant:
Telephone: Home: Work:
Owner: Paul & Joan Waller
23428 Canzonet St. W.H. 91367
Emergency: (Owner) (818) 346-5152 (home) (818) 901-2779 (work)

Unit 205 Park 7 & 20 Locker 8
Tenant/Owner: Gregory Lites
Telephone: Work: 856-3299
Emergency: Bevelyn Warren 537 Evergreen #3 Inglewood 90302
Telephone: Home: 670-5866 Work:

Unit 206 Park 16 & 17 Locker 11
Tenant/Owner: Michael Snyder
Telephone: Home: 477-4580 Work: N/A Emergency: N/A

Unit 207 Park 24 & 25 Locker 1
Tenant/Owner Manuel Pardo
Telephone: 478-8056 Work:

Unit 208 Park 4 & 5 Locker 208
Tenant: Robin & Holly Krier
Telephone: Home: 479-2586 Work: Holly - 470-4343
Owner: Gary Krier 907 6th St. SW #907C
Emergency: 202-453-2582 Washington DC 20024

1993

EQUITY TITLE COMPANY

10474 Santa Monica Blvd., Suite 208 □ Los Angeles, California, 90025

	Unit	P. Space
	201	1G + 2G
	202	24G
	203	17G + 18G
*	204	19G + 20G
	205	13G + 26G
	206	22G + 23G
*	207	5G
	208	3G + 11G

EQUITY TITLE COMPANY

10474 Santa Monica Blvd., Suite 208 □ Los Angeles, California, 90025

Unit	P. Space
101	14G
102	28G
103	16G + 21G
104	6G + 10G
105	7G + 8G
106	9G + 25G
107	15G
108	12G + 27G

Unassigned — 4G + 29G

800-373-7500 ■ 310-470-1007
CUSTOMER SERVICE 800-722-9277

4/15/93

1849 GREENFIELD AVE PARKING and LOCKER ASSIGNMENT

CONDO NUMBER	MARKED NUMBER	DEED NUMBER	DEED ASSIGNMENT	LOCKER NUMBER	DEED VERIFIED
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105	27	7			
104	28	8		18	
104	29	9			
NONE	30	10		2&3	
208	5	11			
108	6	12		7	
205	7	13		8	
101	8	14		9	
107	9	15		10	
103	10	16		12	
203	11	17		14	
203	12	18			
204	13	19	204	16	OK
204	14	20	204		OK
103	15	21		13	
206	16	22		11	
206	17	23			
202	18	24	202	6	OK
106	19	25		17	
205	20	26			
108	21	27			
102	22	28	102	5	OK
GUEST	23	29			
202	1				

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