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RECORDING  
REQUESTED BY

RDS/6-23-76

WHEN RECORDED RETURN TO:

\$ 62.00

CONDOROSA Holdings  
P.O. Box 2340  
NEWPORT BEACH, CA 92663

RECORDED IN OFFICIAL RECORDS  
OF ORANGE COUNTY, CALIFORNIA

-9 20 AM JUN 14 1977

J. WYLIE CARLYLE, County Recorder

DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereinafter referred to as "Declaration") is made on the date hereinafter set forth by KAISER AETNA, a California general partnership (hereinafter referred to as "Declarant").

W I T N E S S E T H :

WHEREAS, Declarant is the fee owner of certain real property located in the City of Irvine, County of Orange, State of California, which is more particularly described as follows:

See Exhibit "A" attached hereto.

NOW, THEREFORE, Declarant hereby covenants, agrees and declares that all of the properties described above shall be held, sold, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the following easements, restrictions, covenants and conditions, all of which are declared to be in furtherance of a general plan for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

## ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to PASEO PARK HOMEOWNERS ASSOCIATION, a California nonprofit corporation, its successors and assigns.

Section 2. "Architectural Committee" shall mean and refer to the committee provided for in Article VI hereof entitled "Architectural Control."

Section 3. "Articles" and "By-Laws" shall mean and refer to the Articles of Incorporation and By-Laws of the Association as the same may from time to time be duly amended.

Section 4. "Association Rules" shall mean rules adopted by the Association pursuant to Article VII hereof entitled "Duties and Powers of the Association."

Section 5. "Exhibit" shall mean and refer to those documents so designated herein and attached hereto and each of such Exhibits is by this reference incorporated in this Declaration.

Section 6. "Board" or "Board of Directors" shall mean and refer to the Board of Directors of the Association duly elected and acting pursuant to its Articles of Incorporation and By-Laws, and this Declaration.

Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties (as hereinafter defined), including Declarant and contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 8. "Properties" shall mean and refer to the real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 9. "Common Area" shall mean and refer to all real property, together with all improvements constructed thereon located within the Properties which is owned, leased or acquired from time to time by the Association for the common use and enjoyment of the owners. On or before the date of the first conveyance of a Lot in the Properties by Declarant to an Owner, Declarant shall convey to the Association title to the real property described in Exhibit "A" attached hereto, free and clear of all encumbrances and liens other than those approved by the California Department of Real Estate.

Section 10. "Lot" shall mean and refer to any numbered plot of land shown upon any recorded Final Tract Map or Parcel Map of the Properties, with the exception of the Common Area.

Section 11. "Declarant" shall mean and refer to Kaiser Aetna, a California general partnership, and to its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from Declarant for the purpose of development and be designated by Declarant for such purposes in a duly recorded written instrument.

Section 12. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 13. "Mortgage" shall mean and refer to any duly recorded valid mortgage or deed of trust encumbering a Lot. A "mortgage" shall also mean an installment sales contract as to a Lot or other portion of the development 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 ("DVA") is Seller (a "Cal Vet" contract).

Section 14. "Mortgagee" shall mean and refer to the mortgagee or the beneficiary under a Mortgage. A "First Mortgagee" shall refer to a Mortgagee whose Mortgage has priority over any other Mortgage encumbering a specific Lot. The term "mortgagee" shall include the beneficiary under a deed of trust and the DVA under a Cal-Vet contract.

Section 15. "Recreational Vehicle" shall mean and refer to a transportation structure, self-propelled or capable of being towed by a passenger car, station wagon, van, or small pick-up truck, of such size and weight as not to require any special highway movement permits, and primarily designed or constructed to provide temporary, movable, living quarters for recreational, camping or travel use, or to carry such equipment. Included as recreational vehicles, but not to the exclusion of any other types not mentioned in this Section are: Trailers; Trailer Coaches; Camping Trailers; Motor Homes; Pick-Up (Slide-in) Campers; Chassis Mounts; Converted Vans; Chopped Vans; Mini-motor Homes; 5th Wheel Trailers of recreational vehicle construction, design and intent; Boat Trailers, with and without boats mounted thereon; Dunebuggy Trailers, with and without dunebuggies mounted thereon; and Truck Caps.

(a) Trailers, trailer coaches and 5th wheel trailers are defined as recreational vehicles constructed with integral wheels to make them mobile and intended to be towed by passenger cars, station wagons, vans, and/or light pick-up or panel trucks and similar motor vehicles;

(b) A camping trailer is a type of trailer or trailer coach, the walls of which are so constructed as to be collapsible and made out of either canvas or similar cloth, or some form of rigid material such as fiberglass or plastic or metal. The walls are collapsed while the recreational vehicle is being towed, and are raised or unfolded when the

vehicle becomes temporary living quarters and is not being moved.

(c) Pick-up (slide-in) campers and truck caps are recreational structures designed to be mounted temporarily or permanently in the beds of light trucks with the trucks having either single or double rear wheels and with or without an assisting, extra tag axle and wheels, mounted either on the camper chassis or the truck chassis behind the truck's rear wheels. These campers can be readily demounted from the truck beds.

(1) When removed from their respective truck beds, pick-up (slide-in) campers and truck caps are called unmounted campers.

(d) Chassis mounts, motor homes and mini-motor homes are recreational structures constructed integrally with a truck or motor-van chassis and incapable of being separate therefrom. The truck or motor-van chassis may have single or double rear wheels.

(e) Converted and chopped vans are recreational structures which are created by altering or changing an existing auto van to make it into a recreational vehicle meeting the requirements of Section 15 hereof.

(f) A boat or dunebuggy trailer is a vehicle on which a boat or dunebuggy may be transported and which is towable by a passenger car, station wagon, pick-up truck or mobile, recreational vehicle as defined above.

(g) When removed from the trailer, a boat is termed an unmounted boat.

ARTICLE II  
RIGHTS IN THE COMMON AREA

Section 1. Owners' Right of Enjoyment. Every

Owner and the family and guests of an Owner shall have a right of enjoyment in and to the Common Area and facilities constructed thereon, and such right shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to limit the number of guests of Owners and to limit the use of the recreational facilities on the Common Area by persons not in possession of a Lot, but owning a portion of the interest in a Lot required for membership.

(b) The right of the Association to establish reasonable rules and regulations pertaining to the use of the Common Area.

(c) The right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and in aid thereof, to mortgage said property, provided that the rights of such mortgagees shall be subordinated to the rights of the Owners.

(d) The right of the Association to suspend the right to use the recreational facilities, if any, located on the Common Area, by an Owner for any period during which any Assessment against his Lot remains unpaid and delinquent; and for a period not to exceed thirty (30) days for any single infraction of the rules and regulations of the Association, provided that any suspension of such right to use the recreational facilities located on the Common Area except for failure to pay Assessments, shall be made only by the Association after a hearing before the Board of Directors held not less than forty-eight (48) hours nor more than fifteen (15) days after written notice thereof to said Owner.

(e) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Owners. No such dedication or transfer shall be effective unless an instrument signed by Owners entitled to cast two-thirds (2/3) of the voting power of the membership has been recorded, agreeing to such dedication or transfer.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area to the members of his family, his tenants or contract purchasers who reside on his Lot.

Section 3. Waiver of Use. No Member may exempt himself from personal liability for Assessments duly levied by the Association, nor release the Lot owned by him from the liens and charges hereof, by waiver of the use and enjoyment of the Common Area, or the abandonment of his Lot.

### ARTICLE III

#### EASEMENTS

Section 1. Owners' Rights and Duties: Utilities and Cable Television. The rights and duties of the Owners with respect to water, sewer, electricity, gas, telephone, cable television lines and drainage facilities shall be governed by the following:

(a) Wherever sanitary sewer house connections, water house connections, electricity, gas, telephone and cable television lines or drainage facilities are installed within the Properties, the Owners of any Lot served by said connections, lines or facilities shall have the right, and there is hereby reserved to Declarant an easement to the

full extent necessary therefor, together with the right to grant and transfer the same to Owners, to enter upon the Lots owned by others, or to have utility companies enter upon the Lots owned by others, in or upon which said connections, lines or facilities, or any portion thereof lie, to repair, replace and generally maintain said connections as and when the same may be necessary as set forth below.

(b) Wherever sanitary sewer house connections, water house connections, electricity, gas, telephone or cable television lines or drainage facilities are installed within the Properties, which connections serve more than one (1) Lot, the Owner of each Lot served by said connections shall be entitled to the full use and enjoyment of such portions of said connections as service his Lot.

In the event that an Owner or a public utility company serving such Owner enters upon any Lot in furtherance of the foregoing, it shall be obligated to repair such Lot and restore it to its condition prior to such entry.

Section 2. Construction and Sales. There is hereby reserved to Declarant, its successors and assigns, including, without limitation, its sales agents and representatives, for the purpose of development, and their successors in interest, and prospective purchasers of Lots together with the right in Declarant, its successors and assigns, to grant and transfer the same, over the Common Area as the same may from time to time exist, easements for construction, display, maintenance, and exhibit purposes in connection with the erection and sale of residential dwelling units within the Properties; provided, however, that such use shall not be for a period beyond the earlier of (i) five (5) years from the conveyance of the first Lot by Declarant; or (ii) the sale of all Lots by Declarant; and provided further that



no such use by Declarant and others shall otherwise restrict the Members in the reasonable use and enjoyment of the Common Area.

Section 3. Sideyard Easements. There is hereby reserved to Declarant, its successors and assigns, together with the right to grant and transfer the same, side-yard easements as shown on Exhibit "B", which easements shall be appurtenant to the Lots described on said Exhibit as "Dominant Tenement", and which easements shall burden the Lots described on said Exhibit as "Servient Tenement". Such easements shall be as follows:

(a) in favor of the Dominant Tenement over the Servient Tenement for the purpose of accommodating the natural settlement of structures; and

(b) over the portion of the Servient Tenement lying between the boundary of the Dominant Tenement and any wall or fence constructed on the Servient Tenement for the purposes of landscaping, fencing, drainage, the establishment of a general recreation or garden area and purposes related thereto subject to the following provisions:

(i) The owner of the Servient Tenement shall have the right at all reasonable times to enter upon the easement area, including the right to cross over the Dominant Tenement for such entry, in order to perform work related to the use and maintenance of the Servient Tenement; and

(ii) The Servient Tenement shall have the right of drainage over, across and upon the easement area for water draining from any structure upon the Servient Tenement, or for drainage into and through the subsurface drainage facilities located within the easement area, the right to maintain eaves and appurtenances thereto and the portions of any

structure upon the Servient Tenement as originally constructed or as constructed pursuant to Article VI hereof entitled "Architectural Control"; and

(iii) The Owner of the Dominant Tenement shall have the right to construct fencing across the easement area, provided that the Owner of the Dominant Tenement shall not attach any object or structure to a wall or Dwelling belonging to the Servient Tenement or disturb the grading of the easement area or otherwise act with respect to the easement area in any manner which would damage the Servient Tenement and provided further, that any such fencing shall comply with the Architectural Standards as provided in Article VI of this Declaration entitled "Architectural Control"; and

(iv) In exercising the right of entry upon the easement area as provided for above, the owner of the Servient Tenement agrees to utilize reasonable care not to damage any landscaping or other items existing in the easement area; provided, however, the owner of the Servient Tenement shall not be responsible for damage to such landscaping or other items to the extent such damage could not be reasonably avoided in connection with such entry upon the easement area for authorized purposes.

(c) As additional property is annexed pursuant to Article X hereof entitled "Annexation of Additional Property", the Declaration of Annexation provided for in such Article may incorporate, as appropriate, additional exhibits pertaining to the property being annexed showing such side-yard easements as to such property.

Section 4. Community Facilities. There is hereby reserved to Declarant, its successors and assigns, together with the right to grant and transfer the same to the Owners, a non-

exclusive easement for recreational purposes over the Common Area. Such easement, when granted to Owners, shall be subject to the rights of the Association with regard to the Common Area as set forth in Article II hereof entitled "Rights in the Common Area".

Section 5. Utilities. Easements over the Properties for the installation and maintenance of electric, telephone, cable television, water, gas, sanitary sewer lines and drainage facilities as shown on the recorded tract maps of the Properties are hereby reserved by Declarant, its successors and assigns, together with the right to grant and transfer the same.

Section 6. Cable Television. There is hereby reserved to Declarant, its successors and assigns over the Properties, together with the right to grant and transfer the same, the right to emplace on, under or across the Properties transmission lines and other facilities for a community antenna television system and thereafter to own and convey such lines and facilities and the right to enter upon the Properties to service, maintain, repair, reconstruct and replace said lines or facilities; provided, however, that the exercise of such rights does not unreasonably interfere with any Owner's reasonable use and enjoyment of his Lot.

#### ARTICLE IV

##### MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to, and may not be separated from, ownership of any Lot which is subject to assessment. Ownership of a Lot shall be the sole qualification for membership. Not more than one membership shall exist based upon ownership of a single Lot.

Section 2. Transfer. The membership held by any Owner shall not be transferred, pledged or alienated in any way, except upon the conveyance or encumbrance of such Lot and then only to the purchaser or Mortgagee of such Lot. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association. In the event an Owner should fail or refuse to transfer the membership registered in his name to the purchaser of such Lot, the Association shall have the right to record the transfer upon the books of the Association.

Section 3. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners of record, excepting only the Declarant during such time or times that it shall have Class B membership; and Class A members shall be entitled to one vote for each Lot owner. When more than one person holds an interest in any Lot, all such persons shall be members; provided the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant, who shall be entitled to three (3) votes for each Lot owned, provided that the Class B membership shall be converted to Class A membership and shall cease to exist on the occurrence of whichever of the following is first in time:

(a) The total outstanding votes held by Class A members equal the total outstanding votes held by the Class B member(s);

(b) The second anniversary of the original issuance of the most recently issued California Department of Real Estate Final Subdivision Public Report for a

phase of the development; or

(c) December 31, 1980.

provided, however, that the Class B membership of Declarant shall be reinstated whenever additional lands become subject to the provisions of this Declaration pursuant to the annexation provisions of Article X hereof entitled "Annexation of Additional Property", subject to further cessation in accordance with the provisions and limitations provided for at subparagraphs (a), (b) and (c) of this Section 3.

Section 4. Special Class A Voting Rights. Notwithstanding the provisions of Section 3, if the Class A members do not have sufficient voting power pursuant to the voting rights set forth in this Declaration to elect at least one director at any meeting at which directors are to be elected, and at which Class A members are entitled to vote, then such Class A members shall, by majority vote, among themselves, elect one director and the remaining vacancies on the Board shall be elected by the Class B member. In no event shall the Class A members be entitled to elect more than one director to the Board pursuant to the provisions of this Special Class A Voting Rights.

## ARTICLE V

### COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. The Declarant, for each Lot owned by it within the Properties, hereby covenants and agrees to pay, and each Owner of any Lot by acceptance of a deed or other conveyance, whether or not it shall be so expressed in any such deed, or other conveyance, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; (2) special assess-

ments for capital improvements; and (3) reimbursement assessments, such assessments to be established and collected as hereinafter provided. The annual, special and reimbursement assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners and for the improvement and maintenance of the Common Area.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot with a completed home thereon, the maximum allowable annual assessment shall be \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot with a completed home thereon and for any year thereafter, the annual assessment may be set at any amount which is not more than five per cent (5%) above the maximum allowable assessment for the previous year without a vote of the membership. By way of illustration of the foregoing, if the maximum allowable assessment until January 1 of the year immediately following the conveyance of the first Lot with a completed home thereon should be One Hundred Dollars (\$100.00), then the maximum allowable assessment for the first year thereafter shall be One Hundred Five Dollars

(\$105.00); for the second year, One Hundred Ten Dollars and 25/100 (\$110.25); for the third year, One Hundred Fifteen Dollars and 76/100 (\$115.76); for the fourth year, One Hundred Twenty-One Dollars and 55/100 (\$121.55); and so forth. If the annual assessment for the third year is set by the Association for One Hundred Three Dollars (\$103.00), the Association may increase the assessment for the fourth year to One Hundred Twenty-One Dollars and 55/100 (\$121.55) without a vote of the membership.

(b) The annual assessment for any year after January 1 of the year immediately following the conveyance of the first Lot with a completed home thereon may be set at an amount greater than the maximum allowable assessment only by the vote or written consent of at least fifty-one per cent (51%) of each class of members. Unless the resolution calling for such increase expressly provides to the contrary, the maximum allowable assessment for the following year shall be one hundred five per cent (105%) of the increased amount approved by the members, and so on for each succeeding year.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized in Section 3 above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the vote or written assent of at least fifty-one per cent (51%) of each class of members.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Any action authorized under Section 3 or

4 shall be taken at a meeting called for that purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. A quorum for such meeting shall be fifty-one per cent (51%) of each class of members entitled to vote on such action. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum for the preceding meeting. If the proposed action is favored by a majority of the votes cast at such meeting, but such vote is less than the requisite fifty-one per cent (51%), members who were not present in person or by proxy may give their assent in writing, provided the same is obtained by the appropriate officers of the Association not later than thirty (30) days from the date of such meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to all Lots within the real property initially comprising the Properties on the first day of the month following the conveyance of the property initially comprising the Common Area to the Association. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall thereupon be promptly sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The annual assessment for any annexed Lots shall commence on the



first day of the month following the sale of the first Lot in the annexed property, and the first annual assessment for the annexed Lots shall be adjusted according to the number of months remaining in the calendar year.

Section 8. Certificate of Payment. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer or authorized agent of the Association setting forth whether the assessment on a specified Lot has been paid. If such a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment upon any third party relying thereupon in good faith.

Section 9. Reimbursement Assessment. The Association shall levy a reimbursement assessment against any Owner as a result of his failure to comply with this Declaration, the By-Laws, or any of the rules and regulations adopted by the Association, monies were or will be expended by the Association in performing its duties or rights. Such assessment shall be for the purpose of reimbursing the Association, shall be limited to the monies expended or to be expended, and shall be due and payable to the Association when levied.

Section 10. 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 whatsoever, including, without limitation, a claim that the Association is not properly exercising its duties or enforcement.

Section 11. Reserves. The annual assessments shall include amounts collected as reserves for the future periodic maintenance, repair or replacement of all or a portion of the Common Area. All amounts collected as reserves, whether pursuant to the preceding sentences of this Section or otherwise, shall be deposited by the Board in a separate bank account to be held

in trust for the purposes for which they are collected and are to be segregated from and not commingled with any other funds of the Association. Such reserves shall be deemed a contribution to the account of the Association by the Owners.

Section 12. Effect of Nonpayment of Assessments and Remedies of the Association. Any assessment provided for in this Declaration which is not paid when due shall be delinquent. If such assessment is not paid within thirty (30) days after the due date, it shall bear interest from the due date at the rate of six per cent (6%) per annum. In the event of a default or defaults in payment of any such assessment or assessments, and in addition to any other remedies herein or by law provided, the Association may enforce each such obligation by proceeding as is set forth in (a) or (b) following:

(a) By suit or suits at law to collect each such assessment obligation. Said action shall be brought in the name of the Association and the Association shall be deemed to be acting on behalf of all the Owners. Any judgment or award rendered in any such action against any such Owner may include reasonable attorney's fees to be fixed by the Court, interest at six per cent (6%) per annum to date of judgment, and collection costs. Upon satisfaction of any such judgment, any authorized officer or agent of the Association shall, on behalf of the Association, execute and deliver to the judgment debtor an appropriate satisfaction thereof; or

(b) By the Association giving written notice to the defaulting Owner, specifying the date of the delinquency, the amount of the delinquency and demanding payment thereof. If such delinquency is not paid within ten (10) days after making such notice, the Association may record a Notice of Default and Election to Cause Sale pursuant to Declaration of Covenants, Conditions and Restrictions against the Lot of such

delinquent Owner. Such claim shall state (1) the name of the delinquent Owner; (2) a description of the Lot against which claim of lien is made; (3) the amount claimed, including interest at six per cent (6%) per annum from the due date of the unpaid delinquency, plus reasonable attorney's fees and collection costs; (4) that the lien is asserted by the Association pursuant to the terms of this Declaration (giving the book and page references of the recording hereof in the office of the Recorder of the County of Orange); and (5) that a foreclosure sale will be held unless the default is cured within three (3) months from date of recording the Notice. Any such claim shall be executed by any two or more members of the Board of Directors. The lien may thereupon be foreclosed by appropriate action in court or in the manner provided by law for the foreclosure of powers of sale contained in mortgages or deeds of trust in accordance with California Civil Code Sections 2924, 2924b and 2924c. In the event such foreclosure is by action in court, reasonable attorney's fees shall be allowed to the extent permitted by law. In the event the foreclosure is as in the case of a power of sale contained in a mortgage or deed of trust, any person designated by the Association in writing, shall be deemed to be acting as the agent of the Association and shall be entitled to actual expenses and such fees as may be allowed by law or as may be prevailing at the time the sale is conducted. The certificate of sale shall be executed and acknowledged by any two members of the Board of Directors or by the person conducting the sale. A deed upon foreclosure shall be executed in like manner. The Association, on behalf of the Owners, shall have the power to bid in the Lot at the foreclosure sale and to thereafter sell, lease, hold and mortgage the same.

Section 13. Subordination of the Lien to First Mortgages. The lien of the assessments provided for herein

shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a first mortgage or deed in lieu of foreclosure of a first mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 14. Waiver of Exemptions. Each owner does hereby waive, to the extent of any liens created pursuant to this Article V, the benefit of any homestead or exemption laws of the State of California, including Code of Civil Procedure Section 690.235 which may be in effect at the time any assessment, or installment thereof, becomes delinquent or any lien is imposed pursuant to the terms hereof.

ARTICLE VI

ARCHITECTURAL CONTROL

Section 1. Approval Required. No building, fence, wall or other structure shall be commenced, erected, painted, refurbished, remodeled or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design, location and color in relation to surrounding structures and topography by an Architectural Committee composed of three (3) or more representatives appointed by the Board of Directors, with such conditions as

the committee may impose.

Section 2. Failure to Approve. In the event the Architectural Committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article VI will be deemed to have been fully complied with.

Section 3. Powers. Approval of said plans and specifications may be withheld not only because of noncompliance with any of the specific conditions, covenants and restrictions contained in this Declaration, but also by reason of the reasonable dissatisfaction of the Architectural Committee with the plan, the color scheme, finish, design, proportions, architecture, shape, height, style and appropriateness of the proposed structures or altered structures, the materials used therein, the kind, pitch or type of roof proposed to be placed thereon, or because of its reasonable dissatisfaction with any or all other matters or things which, in the reasonable judgment of the Architectural Committee, will render the proposed improvement inharmonious or out of keeping with the general plan of improvement of said property or with the improvements erected on other Lots. The approval of any such work shall be deemed conditional upon the commencement of such work within ninety (90) days after such approval has been obtained or within such longer or shorter period as shall have been specified by the Architectural Committee at the time of its approval work thereon must thereafter be prosecuted diligently to completion within a reasonable time and in any event before the expiration of such period as may be specified by the Architectural Committee.

Section 4. Approval Not Waiver. The approval of the Architectural Committee of any plans or specifications sub-

mitted for approval as herein specified for use on any Lot shall not be deemed to be a waiver by the Architectural Committee of its right to object to any of the features or elements embodied in such plans and specifications, if or when the same features or elements are embodied in any subsequent plans and specifications submitted for approval as herein provided for use on other Lots. Neither Declarant nor the Architectural Committee or a member thereof shall be liable to anyone by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval, disapproval or the failure to approve or disapprove any plans.

Section 5. Appeal. In the event plans and specifications submitted to the Architectural Committee are disapproved in whole or in part, the party or parties making such submission may appeal to the Board by submitting a written request for appeal. The written request shall be submitted to the Board not more than thirty (30) days following the final decision of the Architectural Committee. The Board shall submit such request to the Architectural Committee for review, whose written recommendations will be submitted to the Board. Within forty-five (45) days following receipt of the request for appeal, the Board shall render its written decision. The failure of the board to render a decision within said forty-five (45) day period shall be deemed a decision in favor of the appellant.

Section 6. Non-applicability to Declarant. The provisions of this Article VI entitled "Architectural Control" shall not apply to Lots owned by Declarant for purposes of development.

## ARTICLE VII

## 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:

(a) enforce the provisions of the Declaration, Articles, Bylaws, Association Rules, and any other instruments that may be required for the management and control of the Properties;

(b) pay taxes and assessments which are or could become a lien on the Common Area or some portion thereof;

(c) delegate its powers to committees, officers, or employees;

(d) contract for materials and/or services for the Common Area provided that any contract with a person or firm be terminable for cause on not more than thirty (30) days written notice by the Association, and, the term of any service contract shall be limited to a duration of not more than one (1) year, except with the approval of a majority of the Members.

(e) contract for fire, casualty, liability and other insurance on behalf of the Association;

(f) enter upon any privately owned Lot where necessary in connection with construction, maintenance or repair for the benefit of the Common Area or the Owners;

(g) own, maintain and otherwise manage the Common Area, the improvements and landscaping thereon, and all other property acquired by the Association;

(h) obtain, for the benefit of the Common Area, all water, gas and electric services and refuse collection;

(i) grant easements where necessary for utilities and sewer facilities over Common Area to serve the Properties;

(j) establish and maintain a working capital and contingency fund in an amount to be determined by the Board;

(k) have the duty to maintain Architectural Control over the Properties and appoint an Architectural Committee in connection therewith, pursuant to the Article VI hereof entitled "Architectural Control";

(l) borrow money and incur indebtedness for the purposes of the Association and cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges or other evidences of debt and security therefor;

(m) employ a manager or other persons and contract with independent contractors or managing agents who have professional experience in the management of planned unit developments to perform all or any part of the duties and responsibilities of the Association, provided that any contract with a person or firm appointed as a manager or managing agent be terminable for cause on not more than thirty (30) days written notice by the Association and shall have a term of not more than one (1) year with successive one (1) year renewal periods upon mutual agreement of the parties;

(n) adopt and use a corporate seal;

(o) have a duty to accomplish the repair and maintenance upon the Common Area.



Section 2. Association Rules. The Association shall also have the power pursuant to the procedures set forth in the Bylaws, to adopt, amend, and repeal such rules and regulations as it deems reasonable (the Association Rules). The Association Rules shall govern such matters in furtherance of the purposes of the Association, including, without limitation, the use of the Common Area; provided, however, that the Association Rules may not discriminate among Owners, 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, shall be mailed or otherwise delivered to each Owner. Upon such mailing or delivery, said Association Rules shall have the same force and effect as if they were set forth in and were part of this Declaration. Notwithstanding the above, the Association shall insure that the Association Rules, as adopted, amended or repealed, shall be available to each Owner 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 inconsistency.

Section 3. Delegation of Powers. The Association shall have the rights to delegate any of its powers according to law under this Declaration, the Articles and Bylaws; provided, however, no such delegation, whether to a professional management company or otherwise shall relieve the Association of its obligation to perform such delegated duty.

ARTICLE VIII

INSURANCE

Section 1. Types. The Association, to the extent available, shall obtain and continue in effect in its own name the following types of insurance:

(a) A comprehensive policy of public liability insurance covering the Common Area with a limit of not less than One Million Dollars (\$1,000,000.) for claims for personal injury and/or property damage arising out of a single occurrence, such coverage to include protection against water damage liability, liability for non-owned and hired automobile and liability for property of others, and such other risks as shall customarily be covered with respect to similar planned unit developments in the area of the Properties, and shall contain a "severability of interest" endorsement or the equivalent which shall preclude the insurer from denying the claim of an Owner because of negligent acts or omissions of the Association or other Owners;

(b) A policy of fire and casualty insurance with extended coverage for the full replacement value of the Common Area (including all building service equipment and the like), without deduction for depreciation, with an "agreed amount endorsement" or its equivalent and clauses waiving subrogation against Owners and the Association and persons upon the Properties with the permission of an Owner, such insurance to afford protection against at least loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief,

windstorm, water damage, and such other risks as shall customarily be covered by policies of similar planned unit developments in the area of the Properties.

(c) Fidelity coverage against dishonest acts on the part of directors, officers, employees or volunteers who handle or who are responsible to handle 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 operating expenses of the Association, including reserves, and shall contain waivers of any defense based on the exclusion of persons who serve without compensation or from any definition of "employee" or similar expression.

(d) Workmen's Compensation insurance to the extent necessary to comply with any applicable law.

Section 2. Waiver by Owner. 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, 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; Annual Review. The Association may purchase such other insurance as it may deem necessary, including but not limited to plate-glass insurance, workmen's compensation, officers' and directors' liability, and errors and omission insurance. The Board shall annually determine whether the amounts and types of insurance

it has obtained provide adequate coverage for the Common Area in light of increased construction costs, inflation, practice in the area in which the Properties are located, or any other factor which tends to indicate that either additional insurance policies or increased coverage under existing policies are necessary or desirable to protect the interests of the Association. If the Board determines that increased coverage or additional insurance is appropriate, it shall obtain the same.

Section 4. Premiums and Proceeds. Insurance premiums for any such blanket insurance coverage obtained by the Association and any other insurance deemed necessary by the Association shall be a Common Expense to be included in the annual assessments levied by the Association. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried. The Association is hereby granted the authority to negotiate loss settlements with the appropriate insurance carriers. Any two 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 Owners.

Section 5. Abandonment of Replacement Cost Insurance. Unless at least seventy-five percent (75%) of the First Mortgagees based on one (1) vote for each Mortgage have given their written approval, the Association shall not be entitled to fail to maintain the extended coverage fire and casualty insurance required by this Article on less than a one hundred percent (100%) current replacement cost basis.

Section 6. Requirements of FNMA, GNMA and FHLMC. Notwithstanding the foregoing provisions of this Article, the Association shall continuously maintain in effect such

casualty, flood and liability insurance and a fidelity bond meeting the insurance and fidelity bond requirements for planned unit development projects established by Federal National Mortgage Association, Government National Mortgage Association, and Federal Home Loan Mortgage Corporation, so long as either is a Mortgagee or Owner within the Properties, except to the extent such coverage is not available or has been waived in writing by the foregoing entities.

#### ARTICLE IX

#### USES PROHIBITED AND PERMITTED

Section 1. Single Family Residence. No Lot shall be used for any purpose other than for one single family residence. No mobile home, trailer, tent, shack, garage, basement, or any temporary building or structure or uncompleted building or structure of any kind shall be used at any time as a residence, either temporarily or permanently; provided, however, that Lots and structures of any kind owned or controlled by Declarant, its agents, contractors, subcontractors, and suppliers, may be used as models and sales offices and construction offices for the purpose of constructing and selling the Lots in the Properties, until all of the Lots therein are sold by Declarant. No Lot shall be used in any manner to explore for, to refine, or to remove, by means of surface entry, any water, oil, or other hydrocarbons, minerals of any kind, gravel, earth or any earth substance, nor shall any derrick, oil well, shaft or other such device or excavation be permitted upon any Lot. No Lot shall be further subdivided.

Section 2. Recreational Vehicles. No recreational vehicle may be parked or stored on any Lot or street except within an enclosed garage. Notwithstanding the foregoing, any recreational vehicle may be parked on a driveway of any Lot or on any street within the Properties by guests of any Owner for not in excess of forty-eighty (48) hours, and by the Owner for the sole and express purpose of loading or unloading, but not in excess of any six (6) hour period within any single day.

Section 3. Other Vehicles. No vehicle may be parked or stored on any Lot or street, except vehicles which are of such dimensions so that they will fit within an enclosed garage on the Lot.

Section 4. Commercial Vehicles. No commercial vehicles may be parked or stored on any Lot or street at any time. Notwithstanding the foregoing, commercial vehicles which consist of ordinary passenger automobiles, vans or pickup trucks, and which are of such size to be garageable may be parked or stored only within an enclosed garage. In addition, commercial vehicles may be parked on the Lot or on the street for reasonable periods of time for deliveries and/or construction purposes.

Section 5. Signs. No signs, posters or displays shall be shown or displayed on a Lot excepting one sign of customary and reasonable dimensions which states that the premises are for sale or rent, and such signs as may be required by legal proceedings, excepting for the right of Declarant to use billboards, signs, markers, flags, flag poles and the like in connection with its sales or rental activities.

Section 6. Outside Installations. No radio or television signals nor any other form of electromagnetic radiation shall be permitted to originate from any Lot, which interferes with the reception of television or radio received upon any other Lot. No outside antenna for radio or television shall be constructed, erected or maintained at any time on any Lot, except as may be approved by the Architectural Committee provided for at Article VI hereof entitled "Architectural Control".

Section 7. Landscape Control. Within ninety (90) days after the close of each escrow for the conveyance of a Lot in the Properties upon which Declarant has constructed a residence, the Owner shall plant a lawn or otherwise landscape his front yard in accordance with acceptable standards in the area. Said plan shall provide for landscaping sufficient to prevent flow of soil or dirt from his Lot onto any adjacent sidewalk, street, parkway or Lot. No tree, shrub or other planting of any kind shall be allowed to overhang or otherwise to encroach upon any sidewalk or other pedestrian way, from ground level to a height of ten (10) feet.

Section 8. Drainage. Each Owner agrees for himself and his successors in interest that he will not in any way interfere with the established drainage pattern over his Lot from adjoining or other Lots, or that he will make adequate provisions for proper drainage in the event it is necessary to change the established drainage over his Lot. For the purposes hereof, "established" drainage is defined as the drainage which occurred at the time the overall grading of the Properties was completed by Declarant.

Section 9. Garages. The garages shall be used for the parking of vehicles and for storage purposes only, and shall not be converted for living or recreational activities. Garage doors shall remain closed at all times excepting only for entering or exiting.

Section 10. Repair of Vehicles. No vehicle shall be repaired or painted upon the portion of any Lot which is visible from any other Lot or the streets in the Properties.

Section 11. Animals. No animals or birds, other than a reasonable number of generally recognized house or yard pets shall be maintained on any Lot, and then only if they are kept, bred or raised thereon solely as domestic pets and not for commercial purposes. No animal or bird shall be allowed to make an unreasonable amount of noise, or to become a nuisance. No structure for the care, housing or confinement of any animal or bird shall be maintained so as to be visible from neighboring Lots.

Section 12. Slopes. All Owners of Lots shall continuously maintain and properly water any slopes on their own Lots, so as to prevent damage or interference with established slope ratios, to prevent erosion or sliding problems, and so as not to change the direction of or retard the flow of water through drainage channels.

Section 13. Maintenance of Lawns and Plantings. Each Owner of a Lot shall keep all shrubs, trees, grass and plantings of every kind on his Lot, including planted areas between adjacent sidewalks and the street curb, if any, neatly trimmed, properly cultivated and free of trash, weeds and other unsightly material.



Section 14. Screendoors, Windows and Patio Covers.

No Owners shall be permitted to install a screendoor on the front or main entrance door or doors, nor shall any aluminum or metal awnings, or covers, be installed over windows or patios, nor shall the windows be covered with aluminum foil, paint, or other material.

Section 15. Business or Commercial Activity.

No business of any kind shall be permitted or conducted on the Properties, excepting for the business of Declarant in completing the construction of residences on the property and of disposing the same by sale, lease or otherwise, and excepting professional and administrative occupations without external evidence thereof which are incidental to the primary purposes of the buildings as single family residences.

Section 16. Nuisances. No noxious or offensive activities (including, but not limited to, the outdoor repair of motor vehicles) shall be carried on upon the Properties. Without limiting the generality of the foregoing, no horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of the Lot and improvements located thereon, shall be placed or used on any such Lot or improvements. No exterior lighting shall be placed or maintained upon any Lot so as to cause an unreasonable glare or illumination upon any other Lot.

Section 17. Rubbish Removal. All garbage and trash shall be placed and kept in sanitary, covered containers. In no event shall such containers be maintained so as to be visible from neighboring Lots except when set out for a reasonable period of time before and after scheduled trash pick-up times. No Owner of a Lot shall permit anything or condition

to exist upon his Lot which shall induce, breed or harbor infectious plant or other diseases, or noxious insects.

Section 18. Clothes Drying Facilities. Outside clothes lines or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on any Lot, unless they are erected, placed and maintained so as not to be visible from neighboring Lots.

Section 19. Buildings.

(a) No building shall be erected, altered, placed or permitted to remain on any Lot other than one detached single family dwelling not to exceed two (2) stories in height, and a private garage for not more than three (3) cars.

(b) The minimum square footage of all buildings constructed or erected on any Lot shall be not less than 1,200 square feet, which square footage shall be determined by measuring from exterior walls; and cellars, basements, patios, porches and garages are specifically excluded from inclusion in minimum square footage.

(c) No building shall be located nearer than ten (10) feet to the front lot line or nearer than five (5) feet to the side lot line.

(d) No building shall be permitted to fall into disrepair, and each such building shall at all times be kept in good condition and repair and adequately painted or otherwise finished.

Section 20. Rooftop Appliances. Appliances or installations upon the roofs of structures shall not be permitted unless they are approved by the Architectural Committee provided for at Article VI hereof entitled "Architectural Control".

Section 21. Compliance with Laws. Each Owner shall promptly comply with all laws, statutes, ordinances, rules and regulations of Federal, State or municipal governments or authorities applicable to use and occupancy of, and construction and maintenance of improvements upon, the Lots and any additions thereto.

#### ARTICLE X

#### ANNEXATION OF ADDITIONAL PROPERTY

Section 1. Annexation Without Approval and Pursuant to General Plan. If within three (3) years of the date of issuance of the most recent preliminary or final public report on any portion or phase of the project by the California Department of Real Estate, Declarant should develop additional lands within the real property described in Exhibit "C" attached hereto and made a part hereof, such additional lands may be annexed to said Properties and brought within the jurisdiction of the Association without the assent of either class of members, provided, however, that the development of such additional lands shall be in accordance with a general plan submitted to the City of Irvine, California. If any such annexation is not in accordance with this Section, then annexation can only take place pursuant to Section 2 hereof.

Section 2. Annexation Pursuant to Approval. Except as is otherwise provided in Section 1 preceding, the annexation of additional residential Lots and Common Area property, and the subjecting of it to the jurisdiction of the Association can only be accomplished upon the affirmative vote, at a Special Meeting duly called for this purpose, of

two-thirds (2/3) of the entire Class A Membership and two-thirds (2/3) of the entire Class B Membership, or upon the written consent of such members.

Section 3. Declaration of Annexation. Annexation shall be accomplished by a duly recorded Declaration of Annexation executed by Declarant alone if annexation is pursuant to Section 1 hereof, or by the owners of the annexed property and by two or more members of the Board of Directors if annexation is pursuant to Section 2 hereof. The Declaration of Annexation shall describe the property annexed and state that it is made pursuant to the terms of this Article X for the purpose of annexing the property so described to the Properties and extending the jurisdiction of the Association to cover the same. If the annexation occurs after a meeting of the members pursuant to Section 2 hereof, it shall so state, including a statement of the time and place of the meeting, the date of notice, the number of members present, the number of members who voted in favor of the annexation, and the Declaration of Annexation shall be executed, verified and acknowledged by two or more members of the Board of Directors. Any Declaration of Annexation recorded in accordance with the terms hereof shall be conclusive in favor of all persons who rely thereon in good faith. From and after annexation, the property annexed shall be subject to the provisions of this Declaration and the jurisdiction of the Association pursuant to the terms hereof, and its Articles of Incorporation and Bylaws, except that assessments shall commence as provided in Section 7 of Article V hereof entitled "Covenant for Maintenance Assessments".

Section 4. Declaration of Annexation -- Optional Provisions. Such Declaration of Annexation contemplated

above may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the annexed property and as are not inconsistent with the plan of this Declaration. In no event, however, shall any such Declaration of Annexation revoke, modify or add to the covenants established by this Declaration within the existing Properties.

Section 5. Expansion of Association Membership. Membership in the Association shall be expanded to include owners within annexed phases of development.

Section 6. No Obligation to Annex. Notwithstanding any provisions of this Declaration expressly or impliedly to the contrary, Declarant shall have no obligation whatsoever to annex any real property hereto including, without limitation, the real property described in Exhibit "B".

## ARTICLE XI

### EMINENT DOMAIN

The term "taking" as used in this Article shall mean condemnation by eminent domain or sale under threat of condemnation. In the event of a threatened taking of all or any portion of the Common Area, the Members hereby appoint the Board and such persons as the Board may delegate to represent all of the Members in connection with the taking. The Board shall act in its sole discretion with respect to any awards being made in connection with the taking and shall be entitled to make a voluntary sale to the condemnor in lieu of engaging in a condemnation action. Any awards received on account of the taking shall be paid to

the Association. In the event of a taking of less than all of the Common Area, the rules as to restoration and replacement of the Common Area and the improvements thereon shall apply as in the case of destruction of improvements upon the Common Area. In the event of a total taking, the Board may in its sole discretion retain any award in the general funds of the Association or distribute pro rata all or a portion thereof to the Members, subject to the prior rights of Mortgagees who are entitled to receive an Owner's portion of such award pursuant to the terms of their Mortgages.

#### ARTICLE XII

#### DESTRUCTION OF IMPROVEMENTS

In the event of partial or total destruction of improvements upon the Common Area, it shall be the duty of the Association to restore and repair the same to its former condition as promptly as practical. The proceeds of any insurance maintained pursuant hereto shall be used for such purpose, subject to the prior rights of Mortgagees whose interest may be protected by said policies. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be at least eighty-five percent (85%) of the estimated cost of restoration and repair or the cost not covered by insurance proceeds is less than the sum of Sixty Dollars (\$60.00) per year per Owner, a special assessment, with each Owner contributing a like sum, may be levied by the Association to provide the necessary funds for such reconstruction, over and above the amount of any

insurance proceeds available for such purpose. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be less than eighty-five percent (85%) of the estimated cost of restoration and repair or greater than the sum of Sixty Dollars (\$60.00) per year per Owner, the improvements shall not be replaced or restored unless a majority of the voting power of the Association agrees in writing to such replacement or restoration; provided, however, that unless the written consent of the City of Irvine is first obtained, it shall be the obligation of the Association and each of the owners to rebuild the private streets, if any, private drainage facilities and utilities to the extent required as a condition of approval of the development by the City of Irvine, and private parks, open space and trails to the extent such areas are accepted by the City in lieu of the payment of fees pursuant to the provisions of the Subdivision Map Act and the City's Subdivision Ordinance. In the event of a determination by vote, as provided above, not to replace or restore the improvements on the Common Area, the Common Area shall be cleared and landscaped for community park use and the costs thereof shall be paid for with the insurance proceeds, and any deficiency may be raised by Special Assessment in an amount determined by the Board of Directors of the Association. In the event any excess insurance proceeds remain, the Board of Directors of the Association, in its sole discretion, may retain such sums in the general funds of the Association, or distribute pro rata all or a portion thereof to the Members, subject to the prior rights of Mortgagees whose interest may be protected by said insurance policies or who are entitled to receive such proceeds under the terms of their Mortgages.

Notwithstanding the foregoing, unless at least seventy-five percent (75%) of the First Mortgagees based on one (1) vote for each Mortgage have given their prior written approval, the Association shall not be entitled to use hazard insurance

proceeds for losses to any common area for other than the repair, replacement or reconstruction of such improvement:

ARTICLE XIII

FINANCING BY FEDERAL HOME LOAN MORTGAGE  
CORPORATION AND FEDERAL NATIONAL MORTGAGE ASSOCIATION

Section 1. Applicability. Notwithstanding any and all provisions hereof to the contrary, in the event that the Federal Home Loan Mortgage Corporation ("FHLMC") and/or the Federal National Mortgage Association ("FNMA") participate in the financing of the sale of Lots within the Properties, the following provisions are added hereto (and to the extent these added provisions conflict with any other provisions of the Déclaration, the following Sections of this Article XIII shall control).

Section 2. Notification of Default to Lender. A "first mortgagee" (meaning herein a mortgagee under a mortgage encumbering a lot with priority over other mortgages encumbering such lot) at its request is entitled to written notification from the Association of any default by the mortgagor of such lot in the performance of such mortgagor's obligations under the "enabling documents" (meaning collectively the within instrument, the articles, by-laws, Association rules and board resolutions) which is not cured within sixty (60) days.

Section 3. Exemption from any "Right of First Refusal". Any first mortgagee who comes into title or possession of a lot pursuant to the remedies provided in



the mortgage, or by foreclosure of the mortgage, or by deed (or assignment) in lieu of foreclosure, shall be exempt from any "right of first refusal".

Section 4. Exemption From Unpaid Assessments.

Any first mortgagee who comes into title or possession of a lot pursuant to the remedies provided in the mortgage, or by foreclosure of the mortgage, or as may otherwise provided in this Declaration, shall take the property free of any claims for, and shall not be liable for, unpaid assessments or charges against the mortgaged lot which accrued prior to the time such first mortgagee came into title or possession of the lot (except for claims for a pro rata share of such share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all lots including the mortgaged lot).

Section 5. Prohibited Actions Without Lender

Approval. Unless at least seventy-five percent (75%) of the first mortgagees (based upon one vote for each mortgage owned) of lots have given their prior written consent, the Association and the owners shall not be entitled to:

(a) change the method of determining the assessments which may be levied against an owner or his lot;

(b) except as in statute made and provided, by act or omission, change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance

of improvements constructed upon lots and the common area or the maintenance and upkeep of the common area;

(c) fail to maintain fire and extended coverage on insurable portions of the common area on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost);

(d) fail to maintain professional management (as opposed to self-management) of the development as hereinbelow provided;

(e) use hazard insurance proceeds for losses to any improvements of the common area for other than the repair, replacement or reconstruction of such improvements; and

(f) by action or inaction allow the Association to be dissolved.

Section 6. Prohibited Transfers. Unless all first mortgagees of lots have given their prior written consent, the Association and the owners shall not be entitled to, except as in statute made and provided, by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer real estate or improvements thereon, including the common area, which are owned, directly or indirectly, by the Association, and, in this regard, the granting of easements for public utilities or for other public purposes consistent with the intended use of the common area shall not be deemed a transfer within the meaning of this clause.

Section 7. Right to Operating Information.

First mortgagees of lots shall be entitled to: (a) inspect the books and records of the Association during normal business hours; (b) receive an annual balance sheet and operating (income) statement of the Association within ninety (90) days following the end of any fiscal year of the Association; and (c) written notice of all meetings of the Association and to designate a representative to attend all such meetings.

Section 8. Right to Notice. First mortgagees of lots shall be entitled to thirty (30) days' written notice for (a) abandonment or termination of the project; (b) any material amendment to enabling documents; and (c) the effectuation of any decision by the Association to terminate professional management and assume self-management of the properties.

Section 9. Priority Rights of Lenders. Nothing in the enabling documents shall be construed as giving any owner or any other party priority over any rights of first mortgagees of lots pursuant to their respective mortgages in the case of a distribution to owners or the Association of insurance proceeds or condemnation awards for losses to or a taking of all or any portion of the common area. Such first mortgagees shall be entitled to thirty (30) days' written notice of any such damage, destruction, condemnation or taking.

Section 10. Damage, Destruction. If any lot or portion thereof or the Common Area or any portion thereof is substantially damaged or destroyed or is made the subject matter of any condemnation or eminent domain proceeding, no provision of the enabling documents shall entitle the

owner of a lot or other party to priority over any first mortgagees pursuant to their respective mortgages with respect to the proceeds of any condemnation or eminent domain award or settlement. Such first mortgagees shall be entitled to a thirty (30) days' written notice of any such proceeding or proposed acquisition.

Section 11. Leases. Any lease agreement between a lot owner and a lessee shall be required to provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration, the articles and Bylaws, and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be required to be in writing. A rental agreement shall be deemed a lease for purposes hereof. Other than the foregoing, there is no restriction on the right of any owner to lease his lot. The right of any owner to sell, transfer or otherwise convey his lot may not be made subject to any right of first refusal or any similar restriction in favor of the Association.

Section 12. Right of Enjoyment. Each owner shall be entitled to non-severable use and enjoyment of the common area, including the facilities thereof, subject only to suspensions of such use rights and easements as provided in this Declaration.

Section 13. Ingress and Egress. There is no restriction upon any unit owner's right of ingress to and egress from his lot.

Section 14. Payment of Delinquent Taxes and Charges. First mortgagee may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay

overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, covering the Common Area; and first mortgagees making such payments shall be owed immediate reimbursement therefor from the Association. In this regard, the Association, acting by and through its board, is hereby expressly empowered and authorized to enter into an agreement in favor of all first mortgagees respecting such reimbursement, and, by the recordation of this Declaration, shall be deemed to have agreed to such reimbursement of all first mortgagees.

Section 15. Reserve Fund. Assessments shall include an adequate reserve fund for maintenance, repairs and replacement of those improvements constructed upon the Common Area which must be replaced on a periodic basis, and such reserve must be funded by regular assessments collected on a monthly basis rather than by special assessments.

Section 16. Flood Insurance. If, at any time, flood insurance is required by any mortgagee of a lot or by any lender who desires to become a mortgagee of any lot by reason of any applicable law, ordinance, statute, or the like requiring flood insurance as a condition of such mortgagee's or lender's loan remaining or being made, the Association shall forthwith obtain such flood insurance covering the entirety of the development in amount and coverage, and with such carrier(s) and subject to such terms, as shall satisfy such mortgagee or lender.

Section 17. Professional Management. Unless seventy-five percent (75%) of the first mortgagees (based upon one vote for each mortgage owned) have consented

to self-management, the Association must retain an independent experienced professional managing agent at all times to manage the development. Such managing agent shall not be declarant, an affiliate of declarant, or any person or entity unacceptable to FNMA. Any management agreement entered into respecting the properties shall be for a term not exceeding one (1) year and shall be terminable by the Association without cause and without the payment of a termination fee upon not more than thirty (30) days notice. Such agreement shall be renewable by agreement of the parties for successive one-year periods.

Section 18. Rights to Notice. Upon request, the Association shall give a first mortgagee notice in writing of (i) any loss in excess of Ten Thousand Dollars (\$10,000.00) or any taking of all or any portion of the Common Area, or (ii) any loss in excess of One Thousand Dollars (\$1,000.00) or any taking of all or any portion of any lot.

Section 19. Insurance. The Association shall continuously maintain in effect casualty, flood and liability insurance and a fidelity bond meeting the insurance and fidelity bond requirements for planned unit development projects established by FHLMC, FNMA and the Government National Mortgage Association ("GNMA"), so long as either is a mortgagee or owner of a lot within the development, except to the extent such coverage is not available or has been waived in writing by FHLMC and by FNMA or GNMA.

Section 20. Definitions. Whenever the term "mortgage" is used herein, same shall mean and include a deed of trust; wherever the term "mortgagee" is used herein, same shall mean and include a beneficiary under a deed of

trust; and whenever the term "first mortgage" is used same shall mean and include a deed of trust having priority over all other mortgages and deeds of trust.

The successor in interest (including an assignee) of an original mortgagee shall also be considered a "mortgagee" for purposes hereof.

Section 21. Specially Elected Director.

Notwithstanding any other provisions of the within instrument to the contrary, so long as all owners other than Declarant do not possess a sufficient number of votes by the application of cumulative voting to elect at least one director, the election of one (1) director (a "specially elected director") shall be determined at a special election held immediately prior to the holding of the regular election of directors (except in the case of the election of a specially elected director following removal of his predecessor as noted below). In this regard, at the duly constituted meeting of members in question nominations for the specially elected director shall be made from the floor. When nominations have been closed, the special election shall take place. Declarant shall not have the right to participate in or vote in such special election (although Declarant or Declarant's representatives may be present thereat), and the candidate receiving the highest number of votes shall be deemed to be the specially elected director, and his term shall be the same as that of any other director. Unless members (excluding Declarant) holding a majority of all voting

rights (excluding any voting rights held by Declarant) assent thereto by vote or written consent, such specially elected director may not be removed. In the event of the death, resignation or removal of a specially elected director, his successor shall be elected at a special meeting of members, and the provisions above set forth respecting the election of a successor thereof. Except as otherwise expressly provided herein, the provisions of this Declaration and of the articles and bylaws applicable to directors shall apply to a specially elected director.

Section 22. Distribution of Balance Sheet and Income Statement. The Association shall prepare, or cause to be prepared, a balance sheet and an operating (income) statement for the Association as of the accounting dates hereinafter set forth, and copies of each thereof shall be distributed to each member within sixty (60) days after said accounting dates. For purposes hereof, the accounting dates for the preparation of such balance sheet and operating (income) statement are as follows:

(i) The first accounting date shall be the last day of the month closest in time to six (6) months from the date of closing of the first sale of a lot within the development. The balance sheet shall be rendered as of said date, and the operating (income) statement shall be rendered for the period commencing with the date of closing of the first sale of a lot within the development and ending as of said first accounting date.

(ii) The second and subsequent accounting dates shall be the last day of the Association's



fiscal year (which fiscal year shall be a calendar year unless a different fiscal year is adopted). The balance sheet shall be rendered as of said date, and the operating (income) statement shall be rendered for the fiscal year in question. .

(iii) The operating (income) statement for the first six (6) months accounting period shall include a schedule of assessments received or receivable itemized by lot number and by the name of the person or entity assessed.

Section 23. Improvements on Future Phases of Development. Improvements constructed on lots within future phases of development must be of a style, quality, size and cost comparable to improvements constructed on the lots in the first phase of development.

#### ARTICLE XIV

#### 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, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration or any amendment hereto, or the Articles and Bylaws, or any amendments thereto, including the right to prevent the violation of any such restrictions, conditions, covenants, or reservations and the right to recover damages or other dues for such violation; provided, however, that with respect to assessment liens and Association Rules, the Association shall have the exclusive right to the enforcement thereof.

Failure by the Association or by any Member to enforce any covenant, condition, or restriction herein contained in any certain instance or on any particular occasion shall not be deemed a waiver of such right on any such future breach of the same covenant, condition or restriction.

Section 2. Severability. Invalidation of any one of these covenants, conditions or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Term. The covenants, conditions and restrictions of this Declaration shall run with and bind the Properties and shall inure to the benefit of and be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors and assigns, for a term of sixty (60) years from the date this Declaration is recorded, after which time said covenants, conditions and restrictions shall be automatically extended for a successive period of ten (10) years, unless prior to said automatic renewal date an instrument, signed by a majority of the then Owners has been recorded, agreeing to terminate or to change said covenants, conditions and restrictions in whole or in part.

Section 4. Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community or tract and for the maintenance of the Properties and the Common Area. 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 5. Amendment. This Declaration may be amended by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Lots, provided, however, that any such amendment shall also be approved in writing by the Director of Community Development of the City of Irvine and until such written approval shall be recorded, any such amendment shall not be effective. Any amendment must be recorded, provided, however, that no such amendment that would materially change the rights, preferences or privileges of any person, or restrictions upon any Lot affected thereby shall be submitted for approval to Owners without the prior consent of the California Real Estate Commissioner as set forth in California Business and Professions Code, Section 11018.7 (if such section is applicable). Notwithstanding the foregoing, as to annexation, the provisions of Section 4 of Article X hereof entitled "Annexation of Additional Property" shall supersede the provisions of this Section 5.

Section 6. Singular Includes Plural. Whenever the context of this Declaration requires same, the singular shall include the plural and the masculine shall include the feminine.

Section 7. Nuisance. The result of every act or omission, whereby any provision, condition, restriction, covenant, easement, or reservation contained in this Declaration is violated in whole or in part, is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result, and may be exercised by the Association or any Owner. Such remedy shall be deemed cumulative and not exclusive.

Section 8. Attorneys' Fees. In the event action is instituted to enforce any of the provisions contained in

this Declaration, 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. In the event the Association is a prevailing party in such action, the amount of such attorneys' fees and costs shall be a Reimbursement Assessment with respect to the Lot involved in the action.

Section 9. Notices. In each instance in which notice is to be given to an Owner, the same shall be in writing and may be delivered personally, in which case personal delivery of such notice to one or more co-Owners shall be deemed delivery to all the co-Owners, or such notice may be delivered by United States mail, postage prepaid, to the Owner at the most recent address furnished by such Owner in writing to the Association for the purpose of giving notice, or if no such address shall have been furnished, then to the street address of such Owner's Lot, and any notice so deposited in the mail within Orange County, California, shall be deemed delivered forty-eight (48) hours after such deposit.

Section 10. Easement Reservations and Grants. Any and all easements referred to herein shall be deemed reserved or granted, or both reserved and granted, as appropriate, by reference to this Declaration in a conveyance of any Lot.

Section 11. Effect of Declaration. This Declaration is made with the intent to establish a general scheme for the use, occupancy and enjoyment of the Properties and each and every Lot and portion thereof.

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 and regulations applicable thereto.

Section 12. Personal Covenant. To the extent the acceptance of a conveyance of a Lot creates a personal covenant between the Owner of such Lot and Declarant or other Owners, 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 money to the Association.

Section 13. Nonliability of Officials. To the fullest extent permitted by law, neither the Board, the Architectural Committee, any committees of the Association or any member of such Board or committee 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 of plans or specifications (whether or not defective), 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 their duties.

Section 14. Enforcement of Bonded Obligations. In the event that the improvements to the Common Area have not been completed prior to the issuance of a Final Subdivision Public Report covering the Project by the Department of Real Estate of the State of California, and the Association is obligee under a bond or other arrangement (hereinafter the "Bond") to secure performance

of the commitment of Declarant to complete such improvements, the following provisions shall apply:

(a) The Board shall consider and vote on the question of action by the Association to enforce the obligations under the Bond with respect to any improvements for which a Notice of Completion has not been filed within sixty (60) days after the completion date specified for such improvements in the Planned Construction Statement appended to the Bond. If the Association has given an extension in writing for the completion of any Common Area improvement, the Board shall consider and vote on the aforesaid question if a Notice of Completion has not been filed within thirty (30) days after the expiration of such extension.

(b) In the event that the Board determines not to initiate action to enforce the obligations under the Bond, or in the event the Board fails to consider and vote on such question as provided above, the Board shall call a special meeting of the Members for the purpose of voting to override such decision or such failure to act by the Board. Such meeting shall be called according to the provisions of the Bylaws dealing with meetings of the Members, but in any event such meeting shall be held not less than fifteen (15) days nor more than thirty (30) days after receipt by the Board of a petition for such meeting signed by Members representing ten percent (10%) of the total voting power of the Association.

(c) The only member entitled to vote at such meeting shall be the Owners other than Declarant. A vote at such meeting of a majority of the voting power of such Members other than Declarant

K12241K1819

to take action to enforce the obligations under the Bond shall be deemed to be the decision of the Association and the Board shall thereafter implement such decision by initiating and pursuing appropriate action in the name of the Association.

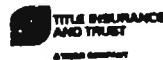
Section 15. Exemption. All properties owned by a public agency shall be exempt from the provisions of this declaration and the assessments created herein.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 13th day of June, 1977.

KAISER AETNA, a California general partnership

By: [Signature]  
Its Duty Authorized Agent

TD 1000 CA (8-74)  
(Agent of Partnership)

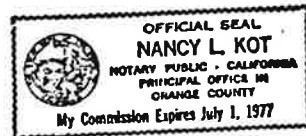


STATE OF CALIFORNIA }  
COUNTY OF ORANGE } SS.

On JUNE 13, 1977 before me, the undersigned, a Notary Public in and for said state, personally appeared ELIAS JOHN GARCIA known to me to be the agent of the partnership that executed the within instrument and acknowledged to me that he executed the same for and on behalf of said partnership and that said partnership executed the same.

WITNESS my hand and official seal.

Signature [Signature]



(This area for official notarial seal)

1224161820

The real property described herein shall be:

Lots 1 through 49 inclusive, and Lots A through G inclusive, of Tract 9282 as per map recorded in Book 396, Pages 8 through 10 inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

Lots 1 through 45 inclusive, and Lots A through J inclusive of Tract 9365 as per map recorded in Book 396, Pages 1 through 4 inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

Lots 1 through 56 inclusive, and Lots A through J inclusive, of Tract 9354 as per map recorded in Book 396, Pages 11 through 13 inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

Lots 1 through 35 inclusive, and Lots A through G inclusive, of Tract 9283 as per map recorded in Book 395, Pages 46 through 47 inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

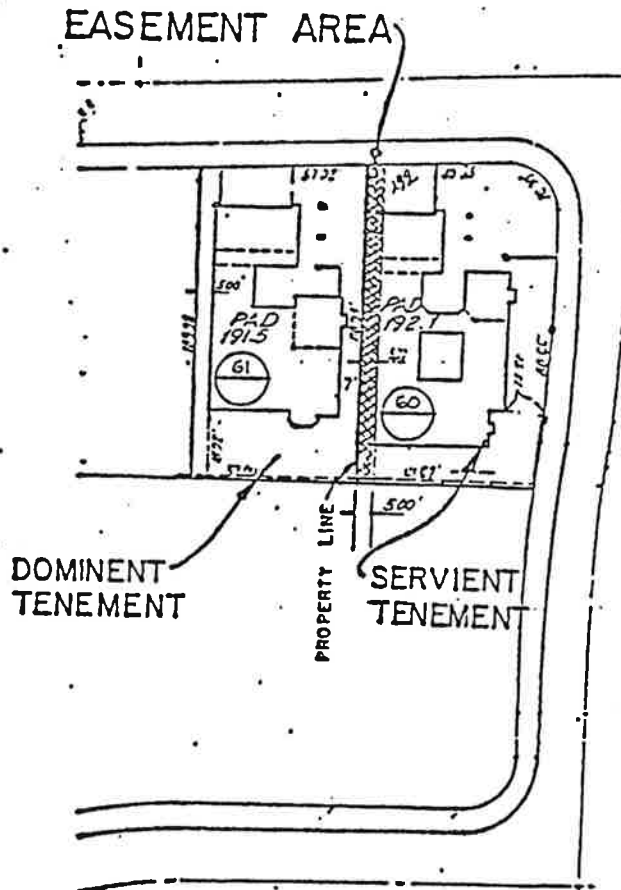
All of said real property is located in the City of Irvine, County of Orange, State of California.

EXHIBIT "A"



# EXHIBIT B

## SIDEYARD EASEMENT DETAIL SHEET



This sketch indicates the location of the five foot (5') sideyard easement described herein, and the designation of dominant and servient tenements and property line. All other measurements, figures, and references appearing thereon are purely for illustrative purposes and do not necessarily represent actual measurements and actual data pertaining to the real property described herein.

TRACT 9283  
County of Orange, State of California

Dominant  
Tenement

Servient  
Tenement

Lot 2  
Lot 3  
Lot 4  
Lot 5  
Lot 6  
Lot 7  
Lot 8  
Lot 9  
Lot 10  
Lot 11  
Lot 12  
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Lot 28  
Lot 29  
Lot 30  
Lot 31  
Lot 32  
Lot 34  
Lot 35

Lot 1, Tract 9362  
(Book 395, Page 45)

Lot 25, Tract 9283

Lot 14, Tract 9362  
(Book 395, Page 45)

Lot 26, Tract 9283

TRACT 9365  
County of Orange, State of California

<u>Dominant Tenement</u>	<u>Servient Tenement</u>
Lot 2	Lot 1
Lot 3	Lot 2
Lot 4	Lot 3
Lot 5	Lot 4
Lot 6	Lot 7
Lot 7	Lot 8
Lot 8	Lot 9
Lot 9	Lot 10
Lot 10	Lot 11
Lot 11	Lot 12
Lot 12	Lot 13
Lot 13	Lot 14
Lot 14	Lot 15
Lot 17	Lot 16
Lot 18	Lot 17
Lot 19	Lot 18
Lot 20	Lot 19
Lot 21	Lot 20
Lot 22	Lot 21
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Lot 28	Lot 29
Lot 29	Lot 30
Lot 32	Lot 31
Lot 33	Lot 32
Lot 34	Lot 33
Lot 35	Lot 34
Lot 36	Lot 35
Lot 37	Lot 36
Lot 38	Lot 37
Lot 39	Lot 38
Lot 40	Lot 39
Lot 41	Lot 40
Lot 42	Lot 41
Lot 43	Lot 42
Lot 44	Lot 43

Recorded in the County of Orange, as per Map Recorded in Miscellaneous Maps in Office of County Recorder

The Real Property to be Included Herein Shall Be:

Lots 1-56, Lots A-J, Tract 9354  
 Lots 1-14, Lots A-C, Tract 9362  
 Lots 1-50, Lots A-I, Tract 9363  
 Lots 1-42, Lots A-D, Tract 9364  
 Lots 1-45, Lots A-J, Tract 9365  
 Lots 1-50, Lots A-H, Tract 9366  
 Lots 1-51, Lots A-I, Tract 9367  
 Lots 1-60, Lots A-F, Tract 9368  
 Lots 1-34, Lots A-E, Tract 9369  
 Lots 1-50, Lots A-E, Tract 9370  
 Lots 1-44, Lots A-I, Tract 9045  
 Lots 1-47, Lots A-E, Tract 9337  
 Lots 1-49, Lots A-G, Tract 9282  
 Lots 1-35, Lots A-G, Tract 9283

Book 396, Pages 11-13  
 Book 395, Pages 43-45  
 Book 395, Pages 35-38  
 Book 395, Pages 48-50  
 Book 396, Pages 1-4  
 Book 399, Pages 16-18  
 Book 399, Pages 19-22  
 Book 399, Pages 23-25  
 Book 399, Pages 26-28  
 Book 399, Pages 29-31  
 Book 396, Pages 5-7  
 Book 395, Pages 39-42  
 Book 396, Pages 8-10  
 Book 395, Pages 46-67

All of said real property is located in the City of Irvine, County of Orange, State of California

I HEREBY CERTIFY THAT IF AFFIXED WITH  
 THE SEAL OF ORANGE COUNTY RECORDER,  
 THIS IS A TRUE COPY OF THE PERMANENT  
 RECORD FILED OR RECORDED IN THIS OFFICE  
 DATE 6-14-77 FILE 31.57



COUNTY RECORDER  
*J. H. Lytle*

ORANGE COUNTY, STATE OF CALIFORNIA

Order No.  
Escrow No.  
Loan No.

40657

BK12692PG1832

\$4.00  
C2

RECORDING REQUESTED BY:  
TITLE INSURANCE & TRUST CO.  
RECORDED IN OFFICIAL RECORDS  
OF ORANGE COUNTY, CALIFORNIA

3 42 PM MAY 26 1978

LEE A. BRANCH County Recorder

WITHIN RECORDED MAIL TO:

Philip I. Auerbach, Esquire  
INDIAN ROSA HOMES  
2082 Business Center Drive, Suite #100  
Irvine, CA. 92715

SPACE ABOVE THIS LINE FOR RECORDER'S USE

MAIL TAX STATEMENTS TO:

DOCUMENTARY TRANSFER TAX \$ 00.00

— Computed on the consideration or value of property conveyed: OR  
— Computed on the consideration or value less liens or encumbrances  
remaining at time of sale.

06/26

MAIL TAX STATEMENTS TO RETURN ADDRESS ABOVE

CONSIDERATION LESS THAN \$100.00

Signature of Declarant or Agent determining tax - Firm Name

530-053-50

### GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

A.E. Realty Partners, A California general partnership

hereby GRANT(S) to

Park Paseo Homeowners Association, A California nonprofit Corporation

the real property in the City of Irvine  
County of Orange

State of California, described as

Lot A-J inclusive of Tract 9354 as per map recorded in Book 396  
Page 11 through 13 inclusive of Miscellaneous Maps Office of the  
County Recorder.

This document filed for record as  
an accommodation only. It has not  
been examined as to its execution  
or as to its effect upon the title.

999 A.E. Realty Partners, A California

TO 440 C  
(Agent of Partnership)

STATE OF CALIFORNIA  
COUNTY OF Orange

ss.

BK12692PG1833

(TT)

On May 22, 1978 before me, the undersigned, a Notary Public  
in and for said state, personally appeared Elias John Garcia  
known to me to be the agent of the partnership that executed the within instrument and acknowledged to me  
that he executed the same for and on behalf of said partnership and that said partnership executed the same.

WITNESS my hand and official seal.

Signature Barbara Jean Schilpp  
Barbara Jean Schilpp  
Name (Typed or Printed)



19486

BK 1263PG 880

AND WHEN RECORDED MAIL TO

\$4.00  
C2

RECORDING REQUESTED BY  
TITLE INSURANCE & TRUST CO.

Philip I. Amerbach, Esquire  
POUNDEROSA HOMES  
Post Office Box 2340  
Seaport Beach, California 92660

RECORDED IN OFFICIAL RECORDS  
OF ORANGE COUNTY, CALIFORNIA

4 20 PM APR 14 1978

LEF A RECORDING COUNTY RECORDER

MAIL TAX STATEMENTS TO

MAIL TAX STATEMENTS TO RETURN ADDRESS ABOVE

SPACE ABOVE THIS LINE FOR RECORDER'S USE

### Partnership Grant Deed

530-021-46 TO 55 INCL.

THIS FORM FURNISHED BY TICOR TITLE INSURERS

A.P.N.

The undersigned grantor(s) declare(s):

Documentary transfer tax is \$ Consideration less than \$100.00.

06/26

(  ) computed on full value of property conveyed, or

( ) computed on full value less value of liens and encumbrances remaining at time of sale.

( ) Unincorporated area: ( ) City of IRVINE, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

AE REALTY PARTNERS,

a California general partnership organized under the laws of the State of  
hereby GRANTS to

PARK PASEO HOMEOWNERS ASSOCIATION,  
a California nonprofit corporation

the following described real property in the  
County of Orange, State of California:

Lots A through J, inclusive, of Tract No. 9365, as per Map  
recorded in Book 396, Pages 1 through 4, inclusive, of  
Miscellaneous Maps, County of Orange, State of California,  
Office of the County Recorder.

This document filed for record as  
an accommodation only. It has not  
been examined as to its execution  
or as to its effect upon the title.

Dated: April 12, 1978



STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_

SS.

AE REALTY PARTNERS, a  
California general partnership

By Elias John Garcia  
Elias John Garcia

XPRTKAT

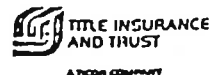
TO 1040 CA 10-741

(Agent of Partnership)

STATE OF CALIFORNIA

COUNTY OF Orange

BE 12635PG 881



SS.

On April 12, 1978 before me, the undersigned, a Notary Public  
in and for said state, personally appeared Elias John Garcia  
known to me to be the agent of the partnership that executed the within instrument and acknowledged to me  
that he executed the same for and on behalf of said  
partnership and that said partnership executed the same.

WITNESS my hand and official seal.

Signature

Phillip I. Amerbach



Escrow No.  
Loan No.

\$4.00  
C4

RECORDING REQUESTED BY  
TITLE INSURANCE & TRUST CO.

RECORDED IN OFFICIAL RECORDS  
OF ORANGE COUNTY, CALIFORNIA

12 11 PM DEC 21 1977

J. MYUE CARLYLE, County Recorder

WHEN RECORDED MAIL TO:

Philip J. Auerbach, Esquire  
LINDEROSA HOMES  
Suite 100  
2002 Business Center Drive  
Irvine, California 92715

SPACE ABOVE THIS LINE FOR RECORDER'S USE

MAIL TAX STATEMENTS TO:

THE UNDERSIGNED GRANTOR DECLARES:  
DOCUMENTARY TRANSFER TAX \$ 0.00

MAIL TAX STATEMENTS TO RETURN ADDRESS ABOVE

Computed on the consideration or value of property conveyed, OR  
 Computed on the consideration or value less liens or encumbrances  
remaining at time of sale.

CONSIDERATION LESS THAN \$100.00

Signature of Declarant or Agent permitting sale of property  
104-687-08 146

114-400-62

### GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

AE REALTY PARTNERS, a California general partnership

hereby GRANT(S) to

PARK PASEO HOMEOWNERS ASSOCIATION

the real property in the City of Irvine  
County of Orange

State of California, described as

Lots A through G of Tract 9282, per Map recorded  
in Book 396, Pages 9 and 10, of Miscellaneous Maps,  
Records of Orange County, State of California.

Lots A through G of Tract 9283, per Map recorded  
in Book 395, Pages 46 and 47, of Miscellaneous Maps,  
Records of Orange County, State of California.

This document filed for record as  
an accommodation only. It has not  
been examined as to its execution  
or as to its effect upon the title.

-7712-187 SAS



AE REALTY PARTNERS, a California  
general partnership

Dated

12/15/77

By:

*Elias John Garcia*  
Elias John Garcia

BK12501PG1897



(Agent of Partnership)

STATE OF CALIFORNIA  
COUNTY OF ORANGE

ss.

On DECEMBER 15, 1977 before me, the undersigned, a Notary Public  
in and for said state, personally appeared ELIAS JOHN GARCIA  
known to me to be the agent of the partnership that executed the within instrument and acknowledged to me  
that he executed the same for and on behalf of said  
partnership and that said partnership executed the same.

WITNESS my hand and official seal.

Signature

*Barbara Jean Schilpp*  
BARBARA JEAN SCHILPP



STAPLE HERE

RECORDING REQUIRED  
BY AIR MAIL TO

40067

#122057 715

AMENDMENT

SS.O.  
C4

RECORDED IN OFFICIAL RECORDS  
OF ORANGE COUNTY, CALIFORNIA

OF

-10 20 AM JUN 22 1977

NANCY ROT  
2082 BUSINESS CENTER DR.  
SUITE 100 / IRVINE, CA  
92604

DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS

L WYLIE CARLILE County Recorder

The Declaration of Covenants, Conditions and Restrictions, filed by KAISER-AETNA as Declarant on June 14, 1977 in Book 12241, Pages 1755 through 1824, inclusive, County of Orange, State of California, is hereby modified and amended as follows:

1. Section 1, Article I, is hereby deleted in its entirety and in its place and stead, the following shall be substituted:

"Section 1. Association shall mean and refer to PARK PASEO HOMEOWNERS ASSOCIATION, a California nonprofit corporation, its successors and assigns."

2. Wherever the words "PASEO PARK" are used herein, they shall be deleted and in their place and stead, the words "PARK PASEO" shall be substituted.

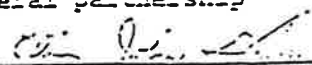
3. Exhibit "A" shall be deleted in its entirety and in its place and stead, a new Exhibit "A" attached hereto shall be substituted.

4. The amount of Three Hundred Dollars (\$300.00) shall be inserted in the blank space of Article V, Section 3.

5. "Section 24, Article XIII - Effect of Breach on Lenders' Lien. No breach of the Covenants, Conditions and Restrictions herein contained, nor the effect of any lien provided for herein, shall effect, impair, defeat or render invalid the lien or charge of any mortgage made in good faith and for value encumbering any residence; but, all of said Covenants, Conditions and Restrictions shall be binding upon and effective against any owner whose title is derived through foreclosure or trust deed sale or otherwise with respect to a residence."

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 21st day of June, 1977.

KAISER-AETNA, a California  
general partnership

By:   
Its Duly Authorized Agent



RECORDING REQUESTED  
BY MAIL TO

40067

BX 12256PG

AMENDMENT

\$5.00  
C4

RECORDED IN OFFICIAL RECORDS  
OF ORANGE COUNTY, CALIFORNIA

OF

-10 20 AM JUN 22 1977

NANCY KOT  
2032 BUSINESS CENTER DR.  
SUITE 100 / IRVINE, CA  
92664

DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS

J. WYLIE CARLYLE, County Recorder

The Declaration of Covenants, Conditions and Restrictions, filed by KAISER-AETNA as Declarant on June 14, 1977 in Book 12241, Pages 1765 through 1824, inclusive, County of Orange, State of California, is hereby modified and amended as follows:

1. Section 1, Article I, is hereby deleted in its entirety and in its place and stead, the following shall be substituted:

"Section 1. Association shall mean and refer to PARK PASEO HOMEOWNERS ASSOCIATION, a California nonprofit corporation, its successors and assigns."

2. Wherever the words "PASEO PARK" are used herein, they shall be deleted and in their place and stead, the words "PARK PASEO" shall be substituted.

3. Exhibit "A" shall be deleted in its entirety and in its place and stead, a new Exhibit "A" attached hereto shall be substituted.

I HEREBY CERTIFY THAT IF AFFIXED WITH THE SEAL OF ORANGE COUNTY RECORDER, THIS IS A TRUE COPY OF THE PERMANENT RECORD FILED OR RECORDED IN THIS OFFICE

DATE 6-23-77 FILE 3-



COUNTY RECORDER

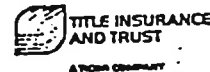
*J. Wylie Carlyle*

ORANGE COUNTY, STATE OF CALIFORNIA

BY 1969 CA (10-74)

(Agent of Partnership)

BX 12256PG 716



STATE OF CALIFORNIA

COUNTY OF Orange

ss.

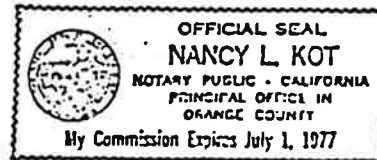
On June 21, 1977 before me, the undersigned, a Notary Public in and for said state, personally appeared Elias John Garcia

known to me to be the agent of the partnership that executed the within instrument and acknowledged to me that he executed the same for and on behalf of said partnership and that said partnership executed the same.

WITNESS my hand and official seal.

STAPLE HERE

Signature *Nancy L. Kot*  
Nancy L. Kot



(This area for official notarial seal)

I HEREBY CERTIFY THAT IF AFFIXED WITH THE SEAL OF ORANGE COUNTY RECORDER, THIS IS A TRUE COPY OF THE PERMANENT RECORD FILED OR RECORDED IN THIS OFFICE

DATE 6-23-77 FILE 3-



COUNTY RECORDER

*J. Philip Carlyle*

ORANGE COUNTY, STATE OF CALIFORNIA

1969 CA 10-741

Agent of Partnership)

EX 1225EPG 716



STATE OF CALIFORNIA

COUNTY OF Orange } ss.

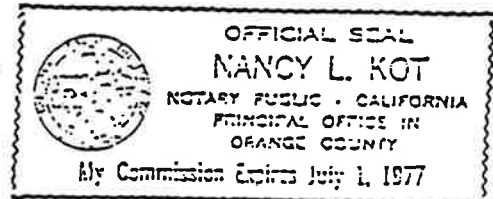
On June 21, 1977 before me, the undersigned, a Notary Public in and for said state, personally appeared Elias John Garcia

known to me to be the agent of the partnership that executed the within instrument and acknowledged to me that he executed the same for and on behalf of said partnership and that said partnership executed the same.

WITNESS my hand and official seal.

Signature *Nancy L. Kot*

Nancy L. Kot



(This area for official notarial seal)

EX 12680PC 590

LEGAL DESCRIPTION

Lots 1 through 49, inclusive, of Tract 9282 as per Map recorded in Book 396, Pages 8 through 10, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 45, inclusive, of Tract 9365 as per Map recorded in Book 396, Pages 1 through 4, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 56, inclusive, of Tract 9354 as per Map recorded in Book 396, Pages 11 through 13, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 35, inclusive, of Tract 9283 as per Map recorded in Book 395, Pages 46 through 47, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

- and -

Lots 1 through 49, inclusive, of Tract 9363 as per Map recorded in Book 395, Pages 35 through 38, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

COMMON AREAS

Lots A through G, inclusive, of Tract 9282 as per Map recorded in Book 396, Pages 8 through 10, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots A through J, inclusive, of Tract 9365 as per Map recorded in Book 396, Pages 1 through 4, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots A through J, inclusive, of Tract 9354 as per Map recorded in Book 396, Pages 11 through 13, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots A through G, inclusive, of Tract 9283 as per Map recorded in Book 395, Pages 46 through 47, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

- and -

Lot 50 and Lots A through I, inclusive, of Tract 9363 as per Map recorded in Book 395, Pages 35 through 38, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

All of said real property is located in the City of Irvine, County of Orange, State of California.

126809 589

The annexation affectuated hereby is made in accordance with ARTICLE X, Section 10.3, of the Declaration, the development of the real property annexed hereby being in accordance with a General Plan heretofore submitted to the City of Irvine, State of California.

Dated: May 17, 1978



AE REALTY PARTNERS, a California general partnership

By: Elias John Garcia  
Elias John Garcia

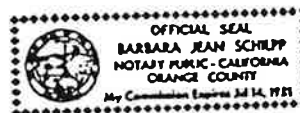
Its: Duly Authorized Agent

STATE OF CALIFORNIA )  
                          ) SS.  
COUNTY OF ORANGE )

On May 17, 1978, before me, the undersigned, a Notary Public in and for said state, personally appeared ELIAS JOHN GARCIA, known to me to be the agent of the partnership that executed the within instrument and acknowledged to me that he executed the same for and on behalf of said partnership and that said partnership executed the same.

WITNES my hand and official seal:

Barbara Jean Schupp  
(Signature)



(Notarial Seal)

29632

BK 12682:1496

\$5.00  
C2

WHEN RECORDED, MAIL TO:

Philip I. Auerbach, Esquire  
PONDEROSA HOMES  
Post Office Box 2340  
Newport Beach, California 92660

RECORDING REQUESTED BY  
TITLE INSURANCE & TRUST CO.

RECORDED IN OFFICIAL RECORDS  
OF ORANGE COUNTY, CALIFORNIA

-1 25 PM MAY 19 1978

LEE A. BRANCH County Recorder

SECOND  
DECLARATION OF ANNEXATION

By reference to the provisions of ARTICLE X of the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereafter "Declaration"), recorded June 14, 1977, as Instrument No. 24436, Official Records of Orange County, State of California, AE REALTY PARTNERS, a California general partnership, successor in interest to KAISER-AETNA (the Declarant herein), developer of all of the real property described in said Declaration and the AMENDMENT thereto, recorded June 22, 1977, as Instrument No. 40067, Official Records of Orange County, State of California, and AE REALTY PARTNERS, being the owner of the real property described as Lots 1 through 51, inclusive, and Lots A through I, inclusive of Tract 9367, in the City of Irvine, County of Orange, State of California, as per Map recorded in Book 399, Pages 19 through 22, inclusive, of Miscellaneous Maps, in the Office of the County Recorder of said County, hereby annexes and adds said Lots 1 through 51, inclusive, and Lots A through I, inclusive, to, and makes them a part of, the Properties (as that term is defined in the Declaration), and by virtue hereof, same shall be subject to all terms and provisions of the Declaration, which by this reference is incorporated here n and made a part hereof, except that:

TI  
5-182

(a) That legal description set forth at Page 1 shall be amended to read as follows:

See Exhibit "A" attached hereto.

(b) There shall be added to the end of ARTICLE I, Section 9, the following new sentence:

"The Common Area to be owned by the Association, free and clear of all encumbrances and liens in the nature of mortgages and deeds of trust at the time of conveyance of the first lot within Lots 1 through 51, inclusive, of said Tract 9367 is described as Lots A through I, inclusive, of Tract 9367."

The annexation affectuated hereby is made in accordance with ARTICLE X, Section 10.3, of the Declaration, the development of the real property annexed hereby being in accordance with a General Plan heretofore submitted to the City of Irvine, State of California.

Dated: May 17, 1978



AE REALTY PARTNERS, a California general partnership

By: Elias John Garcia  
Elias John Garcia

By: Duly Authorized Agent

STATE OF CALIFORNIA )  
                                  ) SS.  
COUNTY OF ORANGE )

On May 17, 1978, before me, the undersigned, a Notary Public in and for said state, personally appeared ELIAS JOHN GARCIA, known to me to be the agent of the partnership that executed the within instrument and acknowledged to me that he executed the same for and on behalf of said partnership and that said partnership executed the same.

WITNESS my hand and official seal.

Barbara Jean Schilpp  
(Signature)



(Notarial Seal)

LEGAL DESCRIPTION

EX. 12682-1498

Lots 1 through 49, inclusive, of Tract 9282 as per Map recorded in Book 396, Pages 8 through 10, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 45, inclusive, of Tract 9365 as per Map recorded in Book 396, Pages 1 through 4, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 56, inclusive, of Tract 9354 as per Map recorded in Book 396, Pages 11 through 13, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 35, inclusive, of Tract 9283 as per Map recorded in Book 395, Pages 46 through 47, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 49, inclusive, of Tract 9363 as per Map recorded in Book 395, Pages 35 through 38, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

- and -

Lots 1 through 51, inclusive, of Tract 9367 as per Map recorded in Book 399, Pages 19 through 22, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

COMMON AREAS

Lots A through G, inclusive, of Tract 9282 as per Map recorded in Book 396, Pages 8 through 10, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots A through J, inclusive, of Tract 9365 as per Map recorded in Book 396, Pages 1 through 4, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots A through J, inclusive, of Tract 9354 as per Map recorded in Book 396, Pages 11 through 13, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots A through G, inclusive, of Tract 9283 as per Map recorded in Book 395, Pages 46 through 47, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lot 50 and Lots A through I, inclusive, of Tract 9363 as per Map recorded in Book 395, Pages 35 through 38, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

- and -

Lots A through I, inclusive, of Tract 9367 as per Map recorded in Book 399, Pages 19 through 22, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

All of said real property is located in the City of Irvine, County of Orange, State of California.

EXHIBIT "A"

LEGAL DESCRIPTION

Lots 1 through 49, inclusive, of Tract 9282 as per map recorded in Book 396, Pages 8 through 10, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

Lots 1 through 45, inclusive, of Tract 9365 as per map recorded in Book 396, Pages 1 through 4, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

Lots 1 through 56, inclusive, of Tract 9354 as per map recorded in Book 396, Pages 11 through 13, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

Lots 1 through 35, inclusive, of Tract 9283 as per map recorded in Book 395, Pages 46 through 47, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

COMMON AREAS

Lots A through G, inclusive, of Tract 9282 as per map recorded in Book 396, Pages 8 through 10, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

Lots A through J, inclusive, of Tract 9365 as per map recorded in Book 396, Pages 1 through 4, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

Lots A through J, inclusive, of Tract 9354 as per map recorded in Book 396, Pages 11 through 13, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

Lots A through G, inclusive, of Tract 9283 as per map recorded in Book 395, Pages 46 through 47, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

All of said real property is located in the City of Irvine, County of Orange, State of California.



LEGAL DESCRIPTION

Lots 1 through 49, inclusive, of Tract 9282 as per Map recorded in Book 396, Pages 8 through 10, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 45, inclusive, of Tract 9365 as per Map recorded in Book 396, Pages 1 through 4, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 56, inclusive, of Tract 9354 as per Map recorded in Book 396, Pages 11 through 13, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 35, inclusive, of Tract 9283 as per Map recorded in Book 395, Pages 46 through 47, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

- and -

Lots 1 through 49, inclusive, of Tract 9363 as per Map recorded in Book 395, Pages 35 through 38, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

COMMON AREAS

Lots A through G, inclusive, of Tract 9282 as per Map recorded in Book 396, Pages 8 through 10, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots A through J, inclusive, of Tract 9365 as per Map recorded in Book 396, Pages 1 through 4, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots A through J, inclusive, of Tract 9354 as per Map recorded in Book 396, Pages 11 through 13, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots A through G, inclusive, of Tract 9283 as per Map recorded in Book 395, Pages 46 through 47, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

- and -

Lot 50 and Lots A through I, inclusive, of Tract 9363 as per Map recorded in Book 395, Pages 35 through 38, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

All of said real property is located in the City of Irvine, County of Orange, State of California.

RECORDING REQUESTED  
BY AND MAIL TO

40067

AMENDMENT

\$5.00  
C4

BK 122567 715

RECORDED IN OFFICIAL RECORDS  
OF ORANGE COUNTY, CALIFORNIA

JUN 22 1977

NANCY KOT  
2082 BUSINESS CENTER DR.  
SUITE 100/ IRVINE, CA  
92614

DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS

L WYLIE CARLYLE, County Recorder

The Declaration of Covenants, Conditions and Restrictions, filed by KAISER-AETNA as Declarant on June 14, 1977 in Book 12241, Pages 1765 through 1824, inclusive, County of Orange, State of California, is hereby modified and amended as follows:

1. Section 1, Article I, is hereby deleted in its entirety and in its place and stead, the following shall be substituted:

"Section 1. Association shall mean and refer to PARK PASEO HOMEOWNERS ASSOCIATION, a California nonprofit corporation, its successors and assigns."

2. Wherever the words "PASEO PARK" are used herein, they shall be deleted and in their place and stead, the words "PARK PASEO" shall be substituted.

3. Exhibit "A" shall be deleted in its entirety and in its place and stead, a new Exhibit "A" attached hereto shall be substituted.

4. The amount of Three Hundred Dollars (\$300.00) shall be inserted in the blank space of Article V, Section 3.

5. "Section 24, Article XIII - Effect of Breach on Lenders' Lien. No breach of the Covenants, Conditions and Restrictions herein contained, nor the effect of any lien provided for herein, shall effect, impair, defeat or render invalid

STATE OF CALIFORNIA  
(Part of Partnership)

COUNTY OF Orange } fl

On June 21, 1977 before me, the undersigned, a Notary Public

in and for said state, personally appeared Elias John Garcia

known to me to be the agent of the partnership that executed the within instrument and acknowledged to me that he executed the same for and on behalf of said partnership and that said partnership executed the same.

WITNESS my hand and official seal.

*Nancy L. Kot*  
Signature  
Nancy L. Kot

BK 122567 716

TITLE INSURANCE  
AND TRUST  
AND COMPANY

OFFICIAL SEAL  
NANCY L. KOT  
NOTARY PUBLIC - CALIFORNIA  
PRINCIPAL OFFICE IN  
ORANGE COUNTY  
My Commission expires July 1, 1977

(This area for official e-mailed seal)

EX 12680P 589

The annexation affectuated hereby is made in accordance with ARTICLE X, Section 10.3, of the Declaration, the development of the real property annexed hereby being in accordance with a General Plan heretofore submitted to the City of Irvine, State of California.

Dated: May 17, 1978



AE REALTY PARTNERS, a California general partnership

By: Elias John Garcia  
Elias John Garcia

Its: Duly Authorized Agent

STATE OF CALIFORNIA )  
                                  ) SS.  
COUNTY OF ORANGE )

On May 17, 1978, before me, the undersigned, a Notary Public in and for said state, personally appeared ELIAS JOHN GARCIA, known to me to be the agent of the partnership that executed the within instrument and acknowledged to me that he executed the same for and on behalf of said partnership and that said partnership executed the same.

WITNES my hand and official seal.

Barbara Jean Schiepp  
(Signature)



(Notarial Seal)

23632

BK 12682:1496

WHEN RECORDED, MAIL TO:

\$5.00  
C2

Philip I. Auerbach, Esquire  
PONDEROSA HOMES  
Post Office Box 2340  
Newport Beach, California 92660

RECORDING REQUESTED BY  
TITLE INSURANCE & TRUST CO.

RECORDED IN OFFICIAL RECORDS  
OF ORANGE COUNTY, CALIFORNIA

-1 25 PM MAY 19 1978

LEE A. BRANCH County Recorder

SECOND

DECLARATION OF ANNEXATION

By reference to the provisions of ARTICLE X of the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereafter "Declaration"), recorded June 14, 1977, as Instrument No. 24436, Official Records of Orange County, State of California, AE REALTY PARTNERS, a California general partnership, successor in interest to KAISER-AETNA (the Declarant herein), developer of all of the real property described in said Declaration and the AMENDMENT thereto, recorded June 22, 1977, as Instrument No. 40067, Official Records of Orange County, State of California, and AE REALTY PARTNERS, being the owner of the real property described as Lots 1 through 51, inclusive, and Lots A through I, inclusive of Tract 9367, in the City of Irvine, County of Orange, State of California, as per Map recorded in Book 399, Pages 19 through 22, inclusive, of Miscellaneous Maps, in the Office of the County Recorder of said County, hereby annexes and adds said Lots 1 through 51, inclusive, and Lots A through I, inclusive, to, and makes them a part of, the Properties (as that term is defined in the Declaration), and by virtue hereof, same shall be subject to all terms and provisions of the Declaration, which by this reference is incorporated here in and made a part hereof, except that:

TI  
5-183

(a) That legal description set forth at Page 1 shall be amended to read as follows:

See Exhibit "A" attached hereto.

(b) There shall be added to the end of ARTICLE I, Section 9, the following new sentence:

"The Common Area to be owned by the Association, free and clear of all encumbrances and liens in the nature of mortgages and deeds of trust at the time of conveyance of the first lot within Lots 1 through 51, inclusive, of said Tract 9367 is described as Lots A through I, inclusive, of Tract 9367."

12680 589

The annexation affectuated hereby is made in accordance with ARTICLE X, Section 10.3, of the Declaration, the development of the real property annexed hereby being in accordance with a General Plan heretofore submitted to the City of Irvine, State of California.

Dated: May 17, 1978



AE REALTY PARTNERS, a California general partnership

By: Elias John Garcia  
Elias John Garcia  
Its: Duly Authorized Agent

STATE OF CALIFORNIA )  
                                  ) SS.  
COUNTY OF ORANGE )

On May 17, 1978, before me, the undersigned, a Notary Public in and for said state, personally appeared ELIAS JOHN GARCIA, known to me to be the agent of the partnership that executed the within instrument and acknowledged to me that he executed the same for and on behalf of said partnership and that said partnership executed the same.

WITNES my hand and official seal:

Barbara Jean Schrupp  
(Signature)



(Notarial Seal)

29632

BK 12682; 1496

WHEN RECORDED, MAIL TO:

\$5.00  
C2

Philip I. Anerbach, Esquire  
PONDEROSA HOMES  
Post Office Box 2340  
Newport Beach, California 92660

RECORDING REQUESTED BY  
TITLE INSURANCE & TRUST CO.

RECORDED IN OFFICIAL RECORDS  
OF ORANGE COUNTY, CALIFORNIA

-1 25 PM MAY 19 1978

LEE A. BRANCH County Recorder

SECOND

DECLARATION OF ANNEXATION

By reference to the provisions of ARTICLE X of the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereafter "Declaration"), recorded June 14, 1977, as Instrument No. 24436, Official Records of Orange County, State of California, AE REALTY PARTNERS, a California general partnership, successor in interest to KAISER-AETNA (the Declarant herein), developer of all of the real property described in said Declaration and the AMENDMENT thereto, recorded June 22, 1977, as Instrument No. 40067, Official Records of Orange County, State of California, and AE REALTY PARTNERS, being the owner of the real property described as Lots 1 through 51, inclusive, and Lots A through I, inclusive of Tract 9367, in the City of Irvine, County of Orange, State of California, as per Map recorded in Book 399, Pages 19 through 22, inclusive, of Miscellaneous Maps, in the Office of the County Recorder of said County, hereby annexes and adds said Lots 1 through 51, inclusive, and Lots A through I, inclusive, to, and makes them a part of, the Properties (as that term is defined in the Declaration), and by virtue hereof, same shall be subject to all terms and provisions of the Declaration, which by this reference is incorporated here n and made a part hereof, except that:

TI  
5-193

(a) That legal description set forth at Page 1 shall be amended to read as follows:

See Exhibit "A" attached hereto.

(b) There shall be added to the end of ARTICLE I, Section 9, the following new sentence:

"The Common Area to be owned by the Association, free and clear of all encumbrances and liens in the nature of mortgages and deeds of trust at the time of conveyance of the first lot within Lots 1 through 51, inclusive, of said Tract 9367 is described as Lots A through I, inclusive, of Tract 9367."

The annexation affectuated hereby is made in accordance with ARTICLE X, Section 10.3, of the Declaration, the development of the real property annexed hereby being in accordance with a General Plan heretofore submitted to the City of Irvine, State of California.

Dated: May 17, 1978



AE REALTY PARTNERS, a California general partnership

By: Elias John Garcia  
Elias John Garcia

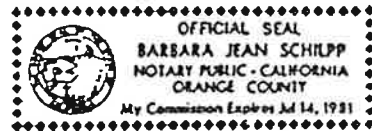
By: Duly Authorized Agent

STATE OF CALIFORNIA )  
                                  ) SS.  
COUNTY OF ORANGE )

On May 17, 1978, before me, the undersigned, a Notary Public in and for said state, personally appeared ELIAS JOHN GARCIA, known to me to be the agent of the partnership that executed the within instrument and acknowledged to me that he executed the same for and on behalf of said partnership and that said partnership executed the same.

WITNESS my hand and official seal.

Barbara Jean Schilpp  
(Signature)



(Notarial Seal)

LEGAL DESCRIPTION

EX. 12682-1498

Lots 1 through 49, inclusive, of Tract 9282 as per Map recorded in Book 396, Pages 8 through 10, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 45, inclusive, of Tract 9365 as per Map recorded in Book 396, Pages 1 through 4, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 56, inclusive, of Tract 9354 as per Map recorded in Book 396, Pages 11 through 13, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 35, inclusive, of Tract 9283 as per Map recorded in Book 395, Pages 46 through 47, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 49, inclusive, of Tract 9363 as per Map recorded in Book 395, Pages 35 through 38, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

- and -

Lots 1 through 51, inclusive, of Tract 9367 as per Map recorded in Book 399, Pages 19 through 22, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

COMMON AREAS

Lots A through G, inclusive, of Tract 9282 as per Map recorded in Book 396, Pages 8 through 10, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

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Lots A through J, inclusive, of Tract 9354 as per Map recorded in Book 396, Pages 11 through 13, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots A through G, inclusive, of Tract 9283 as per Map recorded in Book 395, Pages 46 through 47, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lot 50 and Lots A through I, inclusive, of Tract 9363 as per Map recorded in Book 395, Pages 35 through 38, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

- and -

Lots A through I, inclusive, of Tract 9367 as per Map recorded in Book 399, Pages 19 through 22, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

All of said real property is located in the City of Irvine, County of Orange, State of California.

EXHIBIT "A"



RECORDING REQUESTED  
BY AND MAIL TO

40067

AMENDMENT

\$5.00  
C4

12256PG 715

RECORDED IN OFFICIAL RECORDS  
OF ORANGE COUNTY, CALIFORNIA

10 30 AM JUN 22 1977

NANCY KOT  
2082 BUSINESS CENTER DR.  
SUITE 100/ IRVINE, CA  
92614

DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS

L. WYLLIE CARLYLE, County Recorder

The Declaration of Covenants, Conditions and Restrictions, filed by KAISER-AETNA as Declarant on June 14, 1977 in Book 12241, Pages 1765 through 1824, inclusive, County of Orange, State of California, is hereby modified and amended as follows:

1. Section 1, Article I, is hereby deleted in its entirety and in its place and stead, the following shall be substituted:

"Section 1. Association shall mean and refer to PARK PASEO HOMEOWNERS ASSOCIATION, a California nonprofit corporation, its successors and assigns."

2. Wherever the words "PASEO PARK" are used herein, they shall be deleted and in their place and stead, the words "PARK PASEO" shall be substituted.

3. Exhibit "A" shall be deleted in its entirety and in its place and stead, a new Exhibit "A" attached hereto shall be substituted.

4. The amount of Three Hundred Dollars (\$300.00) shall be inserted in the blank space of Article V, Section 3.

5. "Section 24, Article XIII - Effect of Breach on Lenders' Lien. No breach of the Covenants, Conditions and Restrictions herein contained, nor the effect of any lien provided for herein, shall effect, impair, defeat or render invalid

STATE OF CALIFORNIA  
(Agent of Partnership)

STATE OF CALIFORNIA  
COUNTY OF Orange

12256PG 716

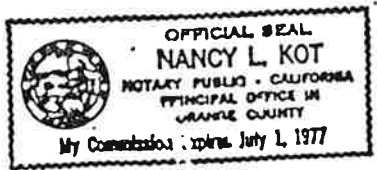


On June 21, 1977 before me, the undersigned, a Notary Public in and for said state, personally appeared Elias John Garcia

known to me to be the agent of the partnership that executed the within instrument and acknowledged to me that he executed the same for and on behalf of said partnership and that said partnership executed the same.

WITNESS my hand and official seal.

*Nancy L. Kot*  
Signature  
Nancy L. Kot



(This seal for official & serial use)

26976

NY 126808 588

\$5.00  
C2

WHEN RECORDED, MAIL TO:

Philip I. Auerbach, Esquire  
PONDEROSA HOMES  
Post Office Box 2340  
Newport Beach, California 92660

RECORDING REQUESTED BY  
TITLE INSURANCE & TRUST CO.

RECORDED IN OFFICIAL RECORDS  
OF ORANGE COUNTY, CALIFORNIA

-IX 10 PM MAY 18 1978

LEE A. BRANCH County Recorder

FIRST  
DECLARATION OF ANNEXATION

By reference to the provisions of ARTICLE X of the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereafter "Declaration"), recorded June 14, 1977, as Instrument No. 24436, Official Records of Orange County, State of California, AE REALTY PARTNERS, a California general partnership, successor in interest to KAISER-AETNA (the Declarant herein), developer of all of the real property described in said Declaration and the AMENDMENT thereto, recorded June 22, 1977, as Instrument No. 40067, Official Records of Orange County, State of California, and AE REALTY PARTNERS, being the owner of the real property described as Lots 1 through 50, inclusive, and Lots A through I, inclusive, of Tract 9363, in the City of Irvine, County of Orange, State of California, as per Map recorded in Book 395, Pages 35 through 38, inclusive, of Miscellaneous Maps, in the Office of the County Recorder of said County, hereby annexes and adds said Lots 1 through 50, inclusive, and Lots A through I, inclusive, to, and makes them a part of, the Properties (as that term is defined in the Declaration), and by virtue hereof, same shall be subject to all terms and provisions of the Declaration, which by this reference is incorporated herein and made a part hereof, except that:

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(a) That legal description set forth at Page 1 shall be amended to read as follows:

See Exhibit "A" attached hereto.

(b) There shall be added to the end of ARTICLE I, Section 9, the following new sentences:

"The common Area to be owned by the Association, free and clear of all encumbrances and liens in the nature of mortgages and deeds of trust at the time of conveyance of the first lot within Lots 1 through 49, inclusive, of said Tract 9363 is described as Lot 50 and Lots A through I, inclusive, of Tract 9363."

LEGAL DESCRIPTION

Lots 1 through 49, inclusive, of Tract 9282 as per Map recorded in Book 396, Pages 8 through 10, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 45, inclusive, of Tract 9365 as per Map recorded in Book 396, Pages 1 through 4, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 56, inclusive, of Tract 9354 as per Map recorded in Book 396, Pages 11 through 13, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots 1 through 35, inclusive, of Tract 9283 as per Map recorded in Book 395, Pages 46 through 47, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

- and -

Lots 1 through 49, inclusive, of Tract 9363 as per Map recorded in Book 395, Pages 35 through 38, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

COMMON AREAS

Lots A through G, inclusive, of Tract 9282 as per Map recorded in Book 396, Pages 8 through 10, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots A through J, inclusive, of Tract 9365 as per Map recorded in Book 396, Pages 1 through 4, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots A through J, inclusive, of Tract 9354 as per Map recorded in Book 396, Pages 11 through 13, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

Lots A through G, inclusive, of Tract 9283 as per Map recorded in Book 395, Pages 46 through 47, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder;

- and -

Lot 50 and Lots A through I, inclusive, of Tract 9363 as per Map recorded in Book 395, Pages 35 through 38, inclusive, of Miscellaneous Maps in the County of Orange, State of California, Office of the County Recorder.

All of said real property is located in the City of Irvine, County of Orange, State of California.