

ASSOCIATION GOVERNING DOCUMENTS

In compliance with amendments to California Civil Code and Government Code, effective January 1, 2000, please attach this cover page to your copy of the Association's governing documents.

IF THIS DOCUMENT CONTAINS ANY RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, NATIONAL ORIGIN, OR ANCESTRY, THAT RESTRICTION VIOLATES STATE AND FEDERAL FAIR HOUSING LAWS AND IS VOID.

ANY PERSON HOLDING AN INTEREST IN THIS PROPERTY MAY REQUEST THAT THE COUNTY RECORDER REMOVE THE RESTRICTIVE COVENANT LANGUAGE PURSUANT TO SUBDIVISION © OF SECTION 12956.1 OF THE GOVERNMENT CODE.

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J. WYLIE CARLILE, County Recorder

AEGEAN HEIGHTS HOMEOWNERS ASSOCIATION

DECLARATION OF RESTRICTIONS

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AEGEAN HEIGHTS HOMEOWNERS ASSOCIATION
DECLARATION OF RESTRICTIONS

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HOLZWARTH & UNSWORTH
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Santa Ana, California 92701

DECLARATION OF RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by GREENVILLE DEVELOPMENT CO., a California corporation, hereinafter referred to as "Declarant."

W I T N E S S E T H :

WHEREAS, Declarant is the Owner of certain property in the County of Orange, State of California, which is more particularly described as follows:

Lots 1 through 6, inclusive, Lots 33 through 50, inclusive, Lots 67 through 91, inclusive, Lot 101, and Lots C, E, G, H, J, and N of Tract 8071 as shown on a Map recorded in Book 322, Pages 7 through 10, inclusive, of Miscellaneous Maps, Orange County, California; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the existing property and in the additional properties which may be annexed thereto, pursuant to the provisions of this Declaration, to create a non-profit corporation to which should be delegated and assigned the powers of maintaining and administering the Common Area and administering and enforcing the covenants and restrictions, and collecting and disbursing

the assessments and charges hereinafter created; and

WHEREAS, Declarant will or has caused a non-profit corporation, the members of which shall be the respective owners of lots in the existing property and of the lots in properties annexed pursuant to this declaration, to be formed for the purpose of exercising the functions aforesaid; and

WHEREAS, Declarant will convey the said properties, subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold, conveyed, subject to the following easements, restrictions, covenants and conditions, which are for the purpose of enhancing and protecting the value, attractiveness, 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 AEGEAN HEIGHTS HOMEOWNERS ASSOCIATION, a California non-profit corporation, its successors and assigns.

Section 2. "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, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be annexed hereto by one or more Declarations of Annexation pursuant to the provisions of Article XIV herein below.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area, to be owned by the Association at the time of the conveyance of the first Lot is described as follows:

Lot 101 and Lots C, E, G, H, J and N of Tract 8071.

Section 5. "Lot" shall mean and refer to, unless otherwise specifically stated herein, any residential lot within the Properties, but shall exclude the Common Areas described therein.

Section 6. "Declarant" shall mean and refer to GREENVILLE DEVELOPMENT CO., its successors and assigns if such successors and assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Mortgage" shall mean and include a Deed of Trust as well as a Mortgage in the conventional

sense.

Section 8. "Mortgagee" shall mean a person or entity to whom a mortgage is made and shall include the beneficiary of a Deed of Trust; "Mortgagor" shall mean a person or entity who mortgages his or its property to another, i.e., the maker of a Mortgage, and shall include the Trustor of a Deed of Trust.

Section 9. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 10. "Dwelling Unit" shall mean and refer to a building or any portion of a building located on a Lot designed and intended for use and occupancy as a residence by a single family.

Section 11. "Downhouse" shall mean a Dwelling Unit which is a part of a structure containing more than one such Dwelling Unit; provided, however, each such Dwelling Unit shall occupy a separate Lot in the Properties.

Section 12. "Patio Home" shall mean a Dwelling Unit detached from all other Dwelling Units occupying a separate Lot in the Properties; provided, however, that said Patio Home shall be of the "zero side yard" type wherein one structural wall of said home shall be on the Lot line, thus forming a portion of the perimeter fence for the adjacent Lot.

Section 13. Wherever the word "Deed of Trust" is used herein, it shall mean and be synonymous with the word "Mortgage," and the same may be used interchangeably with the

same meaning; and likewise the word "Trustor" shall be synonymous with the word "Mortgagor"; and the word "Beneficiary" shall be synonymous with the word "Mortgagee."

The aforesaid definitions shall be applicable to this Declaration and also to any supplemental Declaration (unless the context shall prohibit), filed pursuant to the provisions of this Declaration.

ARTICLE II

OWNERS' PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which 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 reasonably limit the number of guests of Owners.

(b) The right of the Association to establish uniform rules and regulations pertaining to the use of the Common Area and the recreational facilities thereof.

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

(d) The right of the Association, in accordance with its Articles, By-Laws, and this Declaration, to borrow money with the assent of two-thirds (2/3) of each class of members for the purpose of improving the Common Area and facilities and in aid thereof, to mortgage said property, provided that the rights of such mortgagee shall be subordinate to the rights of the Owners.

(e) The right of the Association to suspend the voting rights and right to use the recreational facilities 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 voting rights or right to use the recreational facilities, except for failure to pay assessments, shall be made only by the Association or a duly appointed committee thereof, after notice and hearing given and held in accordance with the By-Laws of the Association.

(f) 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 each class of members has been recorded, agreeing to such dedication or transfer, and unless written notice of the proposed action is sent to every Owner not less than fifteen (15) nor more than thirty (30) days in advance.

(g) The right of the Declarant (and its sales agents and representatives) to the exclusive use of the entire second floor of the recreation building and the non-exclusive use of the Common Area and the facilities thereof, for sales, display and exhibit purposes, which right Declarant hereby reserves; provided, however, that such use shall not be for a period of more than five (5) years after the conveyance of the Common Area to the Association, or the sale of all the residential Lots within the aforesaid real property and any real property annexed hereto in accordance with this Declaration, whichever is the earlier; provided, further, that no such use by Declarant or its sales agents or representatives shall, with the exception of the use of the second floor of the recreation building, otherwise restrict the Owners in their use and enjoyment of the Common Area or facilities thereof.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment

to the Common Area and facilities to the Members of his family, his tenants, or contract purchasers who reside on his property.

Section 3. Easements for Encroachment. There shall be reciprocal appurtenant easements of encroachment as between each Lot and such portion or portions of the Common Area adjacent thereto and/or between adjacent Lots due to the unwilling placements or settling or shifting of the improvements constructed, reconstructed or altered thereon (in accordance with the terms of the restrictions) to a distance of not more than five (5) feet, as measured from any point on the common boundary between each Lot and the adjacent portion or the Common Area or as between said adjacent portion of the Common Area or as between said adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point; provided, however, that in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, tenant or the Association.

Section 4. Easements for Utilities. The rights and duties of the Owners of Lots within the properties with respect to sanitary sewer, water, electricity, gas and telephone lines and other facilities shall be governed by the following:

(a) It shall be the duty of each respective utility company to maintain its utility facilities and connections on any Lot; provided however, that if any company shall fail to do so, it shall be the obligation of the particular Lot Owner to so maintain those facilities and connections.

(b) Wherever sanitary sewer house connections and/or water house connections or electricity, gas or telephone lines are installed within the properties, which connections or any portion thereof lie in or upon Lots owned by other than the Owner of a Lot served by said connections, the Owners of any Lot served by said connections shall have the right, and are hereby granted an easement to the full extent necessary therefor, to enter upon the Lots or to have the utility companies enter upon the Lots within the properties in or upon which said connections, or any portion thereof lie, to repair, replace and generally maintain said connections as and when the same may be necessary as set below.

(c) Wherever sanitary sewer house connections and/or water house connections or electricity, gas, or telephone lines are installed within the properties, which connections serve more than one 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.

(d) In the event of a dispute between Owners with respect to the repair or rebuilding of said connections, or with respect to the sharing of the cost thereof, then, upon written request of one of

such Owners addressed to the Association, the matter shall be submitted to its Board of Directors who shall decide the dispute, and the decision of the Board shall be final and conclusive on the parties.

(e) Easements over the properties for the installation and maintenance of electric, telephone, water, gas and sanitary sewer lines and facilities, television antenna cables and facilities and for drainage facilities as shown on the recorded map of the properties, and as may be hereafter required or needed to service the properties, are hereby reserved by Declarant, together with the right to grant and transfer the same.

Section 5. Easements for Vehicular Traffic. In addition to the general easements for use of the Common Area granted herein, there shall be and Declarant hereby covenants for itself and all future Owners within the Properties that each and every Owner shall have a non-exclusive easement appurtenant for vehicular traffic over all private streets within the Properties. As additional land within Tentative Tract 7799 is developed and sold pursuant to the overall plan stated herein, the Owners in the previous phases shall automatically gain easement rights over private streets within said new areas, and said new Owners shall automatically gain similar easements over private streets in the previous phases.

Section 6. Easements for Maintenance. For the

purpose of performing the exterior maintenance of the Common Area authorized by Article V, the Association, through its duly authorized agents or employees, shall have the right after reasonable notice to the Owner to enter upon any Lot at reasonable hours on any day. An Owner shall permit the Owner or Owners or his or their representatives of adjoining Lot or Lots to enter his Lot for the purpose of maintaining the side wall of his or their home or homes, provided that request for entry is made in advance and that such entry is at a time convenient to the Owner. In case of an emergency, such right of entry shall be immediate.

Section 7. No Partition. There shall be no judicial partition of the Common Area, nor shall Grantor or any person acquiring any interest in the Properties, or any part thereof, seek any judicial partition thereof except an action may be brought by one (1) or more of the Owners for partition thereof by sale of the entire Project, as if the Owners of all of the Lots in such Project were tenants in common in the entire Project in the same proportion as their interests in the Common Area, provided, however, that a partition shall be made only upon the showing that (1) three years after damage or destruction to the Project which renders a material part thereof unfit for its use prior thereto, the Project has not been rebuilt or repaired substantially to its state prior to its damage or destruction, or (2) that three-fourths (3/4) or more of the Project has been destroyed or substantially damaged, and that Lot Owners holding an

aggregate more than a fifty percent (50%) interest in the Common Area are opposed to repair or restoration of the Project, or (3) that the Project has been in existence in excess of fifty (50) years, that it is obsolete and uneconomical, and that Lot Owners holding an aggregate of more than fifty percent (50%) interest in the Common Area are opposed to repair or restoration of the Project, or (4) pursuant to this Declaration of Restrictions; provided, however, that if any Lot shall be owned by two (2) or more co-tenants, in common, or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition as between such co-tenants.

Section 8. Waiver of Use. No Owner 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 and the facilities thereon or by abandonment of his Lot.

Section 9. Title to the Common Area. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Areas in the existing property to the Association, free and clear of all encumbrances and liens, except current real property taxes, which taxes shall be prorated to the date of transfer. Said conveyance shall be made to the Association prior to or concurrently with the conveyance of any improved Lot in the existing property.

Section 10. Maintenance and Protection of Drain Lines. In all patio homes where a retaining wall is constructed on the plot site line and a perforated drain is placed adjacent to it,

the up-hill property owner shall not interfere with the normal operation of this drain and the down-hill property owner shall have the right to enter his neighbor's property to maintain and repair said drain along with the retaining wall and the exterior wall of his dwelling. Neither property owner shall interfere with the normal drainage operation of said drain line.

ARTICLE III

MEMBERSHIP IN ASSOCIATION

Section 1. Membership. Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from the fee ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

Section 2. Transfer. The Association Membership held by any Owner of a Lot shall not be transferred, pledged, or alienated in any way, except upon the sale or encumbrance of such Lot, and then only to the purchaser or mortgagee of such Lot upon foreclosure. Any attempt to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association.

ARTICLE IV

VOTING RIGHTS

Section 1. Classes of Voting Membership. The As-

sociation shall have two classes of voting membership as follows:

Class A. Class A Members shall be all Owners with the exception of the Declarant, and they shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. 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 shall be the Declarant and it shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership upon the happening of the first of any of the following events:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership;

(b) Two years from the date of the issuance of the most recent Public Report for a phase of the overall development; or

(c) On January 1, 1977.

Section 2. Vote Distribution. Members shall be entitled to vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be members, and the vote for each Lot shall be exercised as they among themselves determine, but, in no event, except in the

case of Class B members, shall more than one vote be cast with respect to any such Lot. Said voting rights shall be subject to the restrictions and limitations provided hereinafter and in the By-Laws of the Association.

ARTICLE V

DUTIES AND POWERS OF ASSOCIATION

Section 1. The Association shall also have the power and duty to:

(a) Own, maintain, and otherwise manage the Common Areas and all facilities, improvements, and landscaping thereon, and all other property acquired by the Association. Landscaping in the Common Area described in this Declaration (Phase One) shall be installed and maintained at all times (except upon the prior written consent of the County) in accordance with that certain Landscape Plan prepared by Lang & Wood, entitled "Aegean Hills P.U.D., Tract 8071, Los Alisos Service Area #12, Muirlands Blvd. & Olympus Drive," dated 11-30-72, Sheet Nos. L-1 through L-8. All additional areas of Tract 8071 covered by said Landscape Plan but not described by this Declaration (Phase Two) shall be bonded, installed, and maintained by Declarant until fifty-one percent (51%) of the Lots in said Phase Two are sold, at which time said areas shall be maintained by the Association as hereinabove described.

(b) Pay any real and personal property taxes and other charges assessed against the Common Area.

(c) Have the authority to obtain, for the benefit of all of the Lots and Common Areas, all water, gas, and electric service and refuse collection.

(d) Grant easements where necessary for utilities and sewer facilities over the Common Areas to serve the Common Areas and the Lots.

(e) Maintain such policy or policies of insurance on property owned by the Association and the private property owned by the respective Owners as the Board of Directors of the Association deems necessary or desirable in furthering the purposes of and protecting the interests of the Association and members and as directed by this Declaration and the By-Laws.

(f) Have the authority to employ a manager or other persons and to contract with independent contractors or managing agents 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 shall provide for the right of the Association to terminate the same at the first annual meeting of the members of the Association.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obli-

gation of Assessment. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) regular annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees for the collection thereof, 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 Annual Assessments. The annual assessments levied by the Association shall be used exclusively to promote the health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area. Said annual assessment shall include, and the Association shall acquire and pay for out of the funds derived from said annual assessments, the following:

A. Townhouse and Patio Homes. The following listed expenses shall be shared equally by all Owners:

(a) Water, electrical, lighting, and other necessary utility service for the Common Area.

(b) Maintenance and repair of storm drains, sanitary sewers and private driveways and streets lying within the Common Area.

(c) Fire insurance covering the full insurable replacement value of the Common Area with extended coverage.

(d) Liability insurance insuring the Association against any liability to the public or to any Owner, their invitees or tenants incident to their occupation and/or use of the Common Area, with limits of liability to be set by the Association, such limits and coverage to be reviewed at least annually by the Association and increased or decreased in its discretion.

(e) Workman's Compensation Insurance to the extent necessary to comply with any applicable laws, and any other insurance deemed necessary by the Board of Directors of the Association.

(f) Standard fidelity bond covering all Members of the Board of Directors of the Association and other employees of the Association if and in an amount as determined by the Board of Directors.

(g) Painting, maintenance, repair, and replacement of all buildings, equipment, and land-

scaping in, on, and of the Common Area, as the Board of Directors of the Association shall determine is necessary and proper.

(h) Landscape planting and maintenance (including irrigation), and lighting and irrigation equipment installation and maintenance service for the Common Areas.

(i) Removal and replacement of any part of a patio or fence that extends into the Common Area under authority of an easement when access to a utility line underneath such patio or fence is requested by any utility company. Provided, however, that said cost shall be charged to the Owner of the Lot involved if said Owner caused the patio or fence to be so placed on the Common Area.

(j) Any other material, supplies, furniture, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments which the Association is required to secure or pay for pursuant to the terms of these restrictions or by law, or which in the opinion of the Association's Board of Directors shall be necessary or proper for the operation of the Common Area, or for the benefit of the Lot Owners, or for the enforcement of these restrictions.

B. Townhouses Only. In addition to those duties of the Association listed in Section 2.A. im-

mediately above, the expense of which shall be shared equally by all Owners, the following duties of the Association shall apply only to Townhouses and the expense of which shall be borne only by the Townhouse Owners:

Paint, maintain, and repair and replace (if required because of normal wear, tear, or deterioration), roofs, gutters, downspouts, and exterior building surfaces, and maintain the landscaping (including the trees, shrubs, grass, and walks) within each Lot.

Such exterior maintenance shall not include: grass surfaces, landscaping within the private patio areas of each Lot; patio covers or other additions built or maintained within said private patio areas by an Owner; repairs or replacements arising out of or caused by the willful or negligent act of the Owner, his family, guests, or invitees, or caused by any of the perils covered by a standard form fire insurance policy with extended coverage endorsement thereon, or caused by flood, earthquake, or other acts of God. Such excluded items shall be the responsibility of each Lot Owner; provided, however, that if an Owner shall fail to maintain or make the repairs or replacements which are the responsibility of each Owner, as provided above, then, upon vote of a majority of the Board of Directors, and after not less than thirty (30) days notice to the Owner, the Association shall have the right (but not the obligation) to enter upon

the Lot and provide such maintenance or make such repairs or replacements, and the cost thereof shall be added to the assessments chargeable to such Lot and shall be payable to the Association by the Owner of such Lot. For the purposes solely of performing the exterior maintenance authorized by this Article, the Association's agents or employees shall have the right, after reasonable notice to the Owner, to enter upon any Lot or exterior or any Dwelling Unit at reasonable hours.

Section 3. Basis and Maximum Annual Assessment.

Until January 1, of the year immediately following the conveyance of the first Lot in the Properties to an Owner, the maximum monthly assessment under Article VI, Section 2.A. shall be thirty-eight dollars and ninety-four cents (\$38.94) per Lot, and the additional assessment provided for in Article VI, Section 2.B. shall be four dollars and eight-seven cents (\$4.87) per Lot.

(a) From and after January 1, of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased, effective January 1 of each year, not more than five percent (5%) above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot

to an Owner, the maximum annual assessment may be increased above five percent (5%) by the vote or written assent of fifty-one percent (51%) of each class of Members who are subject to such increase.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized 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 or to the Townhouses; provided that any such assessment shall have the assent of fifty-one percent (51%) of the votes of each class of Members who are subject to such assessment.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action by the Members authorized under Sections 3 and 4 shall be sent to all Members not less than thirty (30) days, nor more than sixty (60) days, in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast fifty percent (50%) of all votes of each class of membership shall constitute a quorum. 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 at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments provided for in Article VI, Section 2.A. must be fixed at a uniform rate for all Lots within the Properties; those assessments provided for in Article VI, Section 2.B. shall be assessed at a uniform rate, but only to Townhouse Owners. All assessments shall be collected on a monthly or quarterly basis at the discretion of the Board of Directors.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the fiscal year as set forth in Article XVI of the By-Laws. 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 be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer or agent of the Association, setting forth whether

the assessments on a specified Lot have been paid.

Section 8. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments herein:

- (a) All Properties dedicated to and accepted by a local public authority;
- (b) The Common Area; and
- (c) All Properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of California. However, no land or improvements devoted to dwelling use shall be exempt from said assessment.

ARTICLE VII

EFFECT OF NON-PAYMENT OF ASSESSMENTS

REMEDIES OF THE ASSOCIATION

Section 1. Effect of Non-Payment of Assessments:
Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or by abandonment of his Lot.

Section 2. Notice of Lien. No action shall be brought to foreclose said assessment lien or to proceed under

the power of sale herein provided less than thirty (30) days after the date a notice of claim of lien is deposited in the United States Mail, certified or registered, postage prepaid, to the Owner of said Lot, and a copy thereof is recorded by the Association in the office of the County Recorder in which the Properties are located; said notice of claim must recite a good and sufficient legal description of any such Lot, the record Owner or reputed Owner thereof, the amount claimed (which may at the Association's option include interest on the unpaid assessment at the rate of ten percent [10%] per annum, plus reasonable attorney's fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the claimant.

Section 3. Foreclosure Sale. Any such sale provided for above is to be conducted by the Board of Directors, its attorney or other person authorized by the Board in accordance with the provisions of Sections 2924, 2924A, 2924B, and 2924C of the Civil Code of the State of California, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted by law. The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale, and to acquire and hold, lease, mortgage, and convey the same.

Section 4. Curing of Default. Upon the timely curing of any default for which a notice of claim or lien was filed by the Association, the officers thereof are hereby authorized to file or record, as the case may be, an ap-

appropriate release of such notice, upon payment by the defaulting Owner of a fee, to be determined by the Association, but not to exceed fifteen dollars (\$15.00), to cover the costs of preparing and filing or recording such release.

Section 5. Cumulative Remedies. The assessment lien and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments, as above provided.

Section 6. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage recorded prior to the imposition of such assessment lien. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, 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.

ARTICLE VIII

ARCHITECTURAL CONTROL

Section 1. Architectural Approval. No building, fence, wall, or other structure shall be commenced, erected, or maintained upon the Properties, nor shall any exterior addition to or change or alteration thereof, including,

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but not limited to, patio covers, lighting fixtures, mechanical equipment, sporting devices or equipment, or cosmetic features, be made until the plans and specifications showing the nature, kind, color, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Committee provided for in Section 2 hereof. In the event said committee, or its designated representatives, fails to approve or disapprove such design and location in writing within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required, and this Article will be deemed to have been fully complied with.

Section 2. Appointment of Architectural Committee.

The Declarant shall initially appoint the Architectural Committee, consisting of not less than three (3) members, who shall remain in office until: (a) five (5) years from the date of recording of this Declaration; or (b) ninety percent (90%) of the Lots in the existing Properties and the Lots in tracts annexed thereto, pursuant to Article XIV hereof, have been conveyed, whichever shall first occur. From and after such time or event, as the case may be, the Architectural Committee shall be composed of the Board of Directors of the Association, or of three (3) or more representatives appointed by the Board, who need not be members of the Association. Prior to the time that the Board of Directors is vested with authority, Declarant shall have the power to remove persons from the Committee and shall have the power

to fill all vacancies.

ARTICLE IX

OBLIGATION TO MAINTAIN, REPAIR, AND REBUILD

Section 1. Maintenance by Owner. Subject to the provisions of this Declaration regarding exterior maintenance of Townhouses, Party Walls, and Architectural Committee approval, each Owner shall, at his sole cost and expense, maintain and repair his residence, keeping the same in good condition, and making all structural repairs as they may be required.

Section 2. Damage and Destruction Affecting Residences: Duty to Rebuild. If all or any portion of any residence is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner of said residence to rebuild, repair, or reconstruct said residence in a manner which will restore it substantially to its appearance and condition immediately prior to the casualty.

Section 3. Variance in Exterior Appearance and Design. Any Owner who has suffered damage may apply for approval to the Board of Directors for reconstruction, rebuilding, or repair of his residence in a manner which will provide for an exterior appearance and design different from that which existed prior to the date of the casualty. Application for such approval shall be made in writing together with full and complete plans and specifications, working drawings and elevations showing the proposed reconstructions and the end result thereof. The Board of Direc-

tors shall grant such approval only if the design proposed by the Owner would result in a finished residence in harmony with the exterior design of the other residences on the Properties. Failure of the Board of Directors to act within thirty (30) days after receipt of such a request in writing, coupled with the drawings and plot plans showing the full and complete nature of the proposed change shall constitute approval thereof. Construction not in compliance with the drawings and plot plans shall constitute a private nuisance hereunder.

Section 4. Time Limitation. The Owner or Owners of any damaged residence and the Board of Directors shall be obligated to proceed with all due diligence hereunder and commence reconstruction within three (3) months after the damage occurs and complete reconstruction within six (6) months after damage occurs, unless prevented by causes beyond their reasonable control.

ARTICLE X

USE RESTRICTIONS

The Property shall be occupied and used as follows:

Section 1. Each Lot shall be used as a residence for a single family and for no other purpose.

Section 2. No part of the Properties shall ever be used or caused to be used or allowed or authorized in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending, or other such non-residential purposes, except Declarant, its successors or assigns, and the Owners of any tract annexed pursuant to the

provisions hereof, may use the Properties for a model home site, and display and sales office during the construction and sales period.

Section 3. No noxious or offensive activity shall be carried on in or upon any Lot or the Common Area, nor shall anything be done therein which may be or become an annoyance or nuisance to other Owners.

Section 4. No sign or billboard of any kind shall be displayed to the public view on any portion of the Properties or any Lot, except one sign for each building site, of not more than eighteen (18) inches by twenty-four (24) inches, advertising the property for sale or rent, or except signs, regardless of size, used by Declarant, its successors or assigns, to advertise the property during construction and sales periods.

Section 5. No Owner of a Lot shall park, store, or keep any vehicle except wholly within the parking area designated therefor. No Owner shall park, store, or keep any large commercial-type vehicle (dump truck, cement mixer truck, oil or gas truck, etc.), any recreational vehicle (camper unit, motorhome, trailer, boat trailer, mobile home or other similar vehicle), boats over twenty (20) feet in length, or any vehicle other than a private passenger vehicle upon any uncovered parking space other than the vehicle storage area which will become a part of the Properties at a future time. The above excludes camper trucks up to and including three-quarter (3/4) ton, when used for everyday-

type transportation. No Owner of a Lot shall conduct major repairs or major restorations of any motor vehicle, boat, trailer, aircraft, or other vehicle upon any portion of any Lot or upon the Common Area, including the garage spaces, except for emergency repairs thereto, and then only to the extent necessary to enable movement thereof to a proper repair facility.

Section 6. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot or the Common Area, except that dogs, cats, and other household pets may be kept on Lots subject to rules and regulations adopted by the Association, provided that they are not kept, bred, or maintained for any commercial purpose.

Section 7. No rubbish, trash, garbage, or other waste material shall be kept or permitted upon any Lot or Common Areas except in sanitary containers located in appropriate areas screened and concealed from view.

Section 8. No fence, hedge, wall, or other dividing instrumentality shall be constructed or maintained on any Lot, except as the same may conform to the requirements set, from time to time, for each Lot or group of Lots by the Architectural Committee with respect to size, design, and the materials of which it is constructed. Notwithstanding the foregoing, Declarant may vary or exceed any size, design, and materials limitation in any fence, hedge, wall, or other dividing instrumentality constructed by Declarant in accordance with its present or future architectural plans.

Section 9. No outbuilding, basement, tent, shack,

garage, trailer, camper, motorhome, or shed or temporary building of any kind shall be used as a residence, either temporarily or permanently.

Section 10. Nothing shall be altered or constructed in or removed from the Common Areas except upon the written consent of the Association.

Section 11. Declarant or its transferees will undertake the work of developing all of the Lots included within said property. The completion of that work and sale, rental, or other disposal of residential Units is essential to the establishment and welfare of said property as a residential community. In order that said work may be completed and said property be established as a fully-occupied residential community as rapidly as possible, nothing in this Declaration shall be understood or construed to:

(a) Prevent Declarant, its transferees, or its or their contractors or subcontractors, from doing on said property or any part thereof whatever they determine to be reasonably necessary or advisable in connection with the completion of said work;

(b) Prevent Declarant, its transferees, or its or their representatives, from erecting, constructing, and maintaining on any part or parts of said property owned or controlled by Declarant, or its transferees or its or their contractors or subcontractors, such structures as may be reasonably necessary for the conduct of its business of completing said work and establishing said prop-

erty as a residential community, and disposing of the same in parcels by sale, lease, or otherwise;

(c) Prevent Declarant, or its transferees, or its or their contractors or subcontractors, from conducting on any part or parts of said property owned or controlled by Declarant, or its transferees, its or their business of completing said work and of establishing said property as a residential community and of disposing of said property in parcels by sale, lease, or otherwise; or

(d) Prevent Declarant, or its transferees, or its or their contractors or subcontractors, from maintaining such sign or signs on any of said Lots owned or controlled by any of them as may be necessary in connection with the sale, lease, or other marketing of the Properties.

(e) As used in this Section and its Subsections, the words "its transferees" specifically do not include purchasers of Lots improved with completed residences.

Section 12. No radio station or shortwave operators of any kind shall operate from any Lot or residence. No exterior television or radio antenna of any kind shall be constructed or erected on any Lot or residence; provided, however, that exterior television antennas may be maintained upon individual Lots until such time as a cable television antenna system is available to any such Lot.

Section 13. No air-conditioning unit, or any por-

tion thereof, may be installed upon or on the roof of any Dwelling Unit within this Project. No air-conditioning unit, or any portion thereof, may be installed elsewhere on or in the exterior of any Dwelling Unit without the prior written consent of the Architectural Committee.

Section 14. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, or mineral excavations or shafts be permitted upon the surface of any Lot or within five hundred (500) feet below the surface of the Properties. No derrick or other structure designed for use in boring for water, oil, or natural gas shall be erected, maintained, or permitted upon any Lot.

Section 15. All Lots and any improvements placed thereon shall at all times be maintained in such a manner as to prevent their becoming unsightly by reason of unattractive growth on such Lot, or the accumulation of rubbish or debris thereon. In the event that such Lot or improvement thereon is not so maintained, the Association shall have the right, but not the obligation, through its agents and employees, to enter thereon for the purpose of maintenance, restoration, or repair, the cost of which shall be added to and become a part of the annual charge to which such Lot is subject.

ARTICLE XI

WALLS--PATIO HOMES

Section 1. Introduction. The Owners of Patio Homes

in the Properties collectively, and each such Owner individually, will have a vested interest in the continued existence of this system of walls in a manner consistent with the original concept of architectural design. Accordingly, this Declaration creates a number of rights and obligations on the part of the Owners, intended to accomplish this purpose. Said rights and delegations shall apply to Patio Homes only.

Section 2. Definitions Regarding Walls. There will be two distinct types of walls constructed on the Properties relating to the Patio Homes. They are defined as follows:

(a) "Party Wall" means a wall located on a line separating two Lots.

(b) "Structural Wall" means a portion of a Party Wall which is a part of a residential structure or garage, so that one side of the wall is part of the interior of the structure (referred to herein as the "interior of the wall") and the other side is a boundary fence for the neighboring Lot (referred to herein as the "exterior of the wall").

(c) The term "Wall" refers to the two types of Walls defined above and to no others.

(d) The term "on the Lot line" means any wall which is physically located substantially parallel to and within twelve (12) inches of a Lot line, it being the intention of this Declaration to constitute such walls as party walls whether or not they are physically located on both Lots.

Section 3: Rules Applicable to Party Walls.

(a) Ownership of Party Walls. Each party wall or portion thereof shall be owned by the Owner of the Lot on which the wall or portion thereof is located. Notwithstanding the ownership of the walls, all walls of the type defined herein as party walls shall constitute party walls in which the adjoining Owners shall have the rights, benefits, burdens and obligations provided herein.

(b) Maintenance and Decoration of Party Walls. Each Lot Owner shall maintain in good state of repair the side of each party wall facing his Lot and shall do nothing which may alter, damage, impair, or tend to alter, damage or impair, the structural integrity of the wall. Each Lot Owner may decorate and landscape the side of the party wall facing his Lot and shall have an easement to decorate and landscape and for ingress and egress over, under and through any portion of a neighboring Lot, up to twelve (12) inches in width, located on the side of the party wall facing his Lot (i.e. between the party wall and his Lot line). The Owner of a Lot adjoining the exterior of a structural wall shall not drive any nails, screws, bolts or other objects into the structural wall and shall not erect or maintain within four (4) feet of a structural wall any structure or plant which may impede or interfere with any necessary maintenance, repairs

or restoration of the structural wall.

(c) Damage to Party Walls. If any party wall is damaged or destroyed through the act of a Lot Owner, whose Lot adjoins such wall or any of his family, guests or agents (whether or not such act is negligent or otherwise culpable), so as to deprive the other adjoining Lot Owners of the full use and enjoyment of such walls, then the first of the aforementioned Owners shall forthwith proceed to rebuild and repair the same to as good condition as formerly existed, without cost to the adjoining Owner or Owners. If any such party wall is damaged or destroyed by some cause (including ordinary wear and tear and deterioration from lapse of time), other than the act of one of the adjoining Lot Owners, his agents, guests, or family, all Owners whose Lots adjoin such wall shall proceed forthwith to rebuild or repair the same to as good condition as formerly existed at their joint and equal expense provided that the Owner of the structure in which any damaged or destroyed structural wall is located shall bear all expenses of rebuilding or repairing structural walls. In the event of a dispute between Lot Owners with respect to the sharing of the cost thereof, such Lot Owners shall submit the matter to binding arbitration to, and under the rules of, the American Arbitration Association.

(d) Easement for Repair of Structural Walls. There is specifically reserved an easement upon each

Lot adjoining the exterior of a structural wall as the servient tenement, for the benefit of the adjoining Lot on which the structural wall and structure is located and the Owner thereof as dominant tenement to perform such work during daylight hours as may be necessary or advisable in connection with the maintenance, repair, or restoration of the structural wall and the structure of which it is a part, and an easement for ingress and egress to perform such work. The Owner of the dominant tenement shall have no liability for damage to or removal of any structures, decoration, or landscaping erected within four (4) feet of a structural wall, which is necessarily occasioned by such work.

(e) Alterations. In addition, no additions, alterations, repairs, or restoration to any walls shall be commenced, erected, or maintained until the plans and specifications showing the nature, kind, shape, height, materials, location, and approximate cost of the same shall have been approved in writing by the Architectural Control Committee. No alteration to or removal of party wall footing shall be made without the prior approval of the County of Orange Department of Building and Safety.

(f) The Homeowners Association shall be responsible for maintaining the integrity of all footing.

Section 4. Right to Contribution Runs With Land.

The right of any Owner to contribute to the land and other rights under this Article shall be appurtenant to the land and

shall pass to the Owner's successors in title.

Section 5. Arbitration. In the event of any dispute arising concerning a party wall, or under the provision of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decisions shall be a majority of all the arbitrators.

ARTICLE XII

DAMAGE OR DESTRUCTION TO COMMON AREA

Section 1. Damage to or destruction of all or any portion of the Common Area shall be handled in the following manner:

(a) In the event of damage or destruction to the Common Area, and the insurance proceeds are sufficient to effect total restoration, then the Association shall cause such Common Area to be repaired and reconstructed substantially as it previously existed.

(b) If the insurance proceeds are within five thousand dollars (\$5,000.00) or less of being sufficient to effect total restoration to the Common Area, then the Association shall cause such Common Area to be repaired and reconstructed substantially as they previously existed and the difference between the insurance proceeds and the actual cost shall be levied as an assessment equally against each of the Lot Owners.

(c) If the insurance proceeds are insufficient by more than Five Thousand Dollars (\$5,000.00)

to effect total restoration to the Common Areas, then by written consent or vote of a majority of the Owners, they shall determine whether (a) to rebuild and restore in substantially the same manner as the improvements existed prior to damage and to raise the necessary funds over the insurance proceeds by levying equal assessments against all Lots, (b) to rebuild and restore in a way which utilizes all available insurance proceeds and an additional amount not in excess of five thousand dollars (\$5,000.00), and which is assessable equally to all Owners but which is less expensive than replacing these improvements in substantially the same manner as they existed prior to being damaged, or (c) to not rebuild, and to distribute the available insurance proceeds equally to the Owners and mortgagees of the Lots as their interests may appear.

(d) If reconstruction or restoration has not actually commenced within one (1) year from the date of any damage to which Article XII is applicable, then the covenant against partition provided for herein in Subsection 7 of Article II shall terminate and be of no further force and effect.

ARTICLE XIII

INSURANCE

Section 1. Liability Insurance. The Board shall

have the obligation to acquire and pay for out of the maintenance fund a policy or policies insuring the Board and each and all of the Owners against any liability to the public or to the Owners or any other person resulting from or incident to the ownership, management and use of the Common Area by the Board, Owners, their invitees and tenants, and members of the public, the liability limits under which insurance shall not be less than Five Hundred Thousand Dollars (\$500,000.00) for the total bodily injury from any one accident, Two Hundred Thousand Dollars (\$200,000.00) bodily injury to one person, Ten Thousand Dollars (\$10,000.00) total medical payment for each accident, and Two Hundred Fifty Dollars (\$250.00) medical payment for any one person injured and Five Hundred Thousand Dollars (\$500,000.00) for property damage (such limits to be reviewed at least annually by the Board and increased in its discretion). The Board shall have authority to decrease only the medical payment limits, in its discretion. The Board may also obtain such errors and omissions insurance or other insurance as it deems advisable insuring the Board and each member thereof against any liability for any act or omission in carrying out their obligations hereunder or resulting from their membership on the Board or on any committee thereof.

ARTICLE XIV.

ANNEXATION OF ADDITIONAL PROPERTIES

Additional properties may be annexed to and become subject

to this Declaration by any of the methods set forth herein below in this Article, as follows:

Section 1. Annexation Pursuant to Approval. Upon approval in writing by the Association, pursuant to a two-thirds (2/3) majority vote of each class of members, or the written assent of such members, the Owner of any property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association, may file or record a supplementary Declaration as described in Section 3 of this Article.

Section 2. Annexation Pursuant to General Plan. All or any part of the real property within Tentative Tract 7799 may be annexed, from time to time, to the Properties and added to the scheme of this Declaration and subject to the jurisdiction of the Association without the assent of the Association or its members, provided and on condition that:

(a) Any annexation pursuant to this Section shall be made prior to ten (10) years from the date of recording of this Declaration; provided, however, that any such annexation shall be made within two (2) years from the date of the issuance of the most recent Public Report for a phase of the overall development.

(b) The development of the additional Properties shall be in accordance with a general plan of development originally submitted to the County

of Orange, with the processing papers for the existing Properties.

(c) Prior to the conveyance of any improved Lots in a recorded tract located within the real property described in this Section, fee simple title to any Common Area within said tract shall be conveyed to the Association free and clear of all encumbrances and liens, except current real property taxes, which taxes shall be prorated to the date of transfer, and easements, conditions, and reservations then of record, including those set forth in this Declaration; provided, however, that if the construction of Dwelling Units in any tract shall be in stages, then for all purposes herein, each separate stage of construction shall be deemed to be and shall be construed as a separate tract, and with respect to such stage, only those Common Area Lots which are within the area encompassed by such separate stage, shall be as conveyed. (As used herein, "stage" or "stage of construction" shall mean only those Lots within a tract upon which are constructed Dwelling Units and/or Common Area improvements under a separate general construction contract or are covered by a separate construction loan.)

(d) A supplementary declaration, as described in Section 3 of this Article, shall be recorded

covering the applicable portion of the real property described in this Section.

Section 3. Supplementary Declarations. The additions authorized under the foregoing Sections shall be made by filing of record a supplementary declaration of covenants, conditions, and restrictions, or similar instrument, with respect to the additional Properties which shall extend the scheme of this Declaration to such Properties. Such supplementary declarations contemplated above may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added Properties and as are not inconsistent with the scheme of this Declaration. In no event, however, shall any such supplementary declaration revoke, modify, or add to the covenants established by this Declaration within the existing property, except as hereinafter otherwise provided.

ARTICLE XV

GENERAL PROVISIONS

Section 1. Enforcement. The Declaration of Restrictions, the Articles of Incorporation, and the By-Laws may be enforced by the Association as follows:

(a) Breach of any of the covenants contained in the Declaration and the continuation of any such breach may be enjoined, abated, or remedied

by appropriate legal proceedings by any Owner, by the Association or the successors in interest of the Association.

(b) The result of every act or omission whereby any of the covenants contained in this Declaration are 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 any Owner, by the Association or its successors in interest.

(c) The remedies herein provided for breach of the covenants contained in this Declaration shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

(d) The failure of the Association to enforce any of the covenants contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter.

(e) A breach of the covenants, conditions, and restrictions contained in this Declaration shall not affect or impair the lien or charge of any bona fide mortgage or deed of trust made in good faith and for value on any residential Lot or the improvements thereon, provided, however, that any subsequent Owner of such property shall be bound by said covenants, whether

such Owner's title was acquired by foreclosure in a trustee's sale or otherwise.

(f) The Association shall have the right to suspend the voting rights and right to use of the recreational facilities by a member for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed thirty (30) days after notice and hearing for any infraction of its published rules and regulations.

Section 2. Severability. Invalidation of any one of these covenants 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 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 the owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of fifty (50) years from the date this Declaration is recorded, after which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years, unless an instrument, signed by a majority of the then Owners of the Lots, has been recorded, agreeing to change said covenants 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 and for the maintenance of community recreational facilities and community areas. 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. Amendments. This Declaration of Covenants and Restrictions may be amended only by an affirmative vote of not less than seventy-five percent (75%) of the Owners, and, further, this amendment provision shall not be amended to allow amendments by vote of less than seventy-five percent (75%) of the Owners.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 15th day of November, 1973.

GREENVILLE DEVELOPMENT CO.

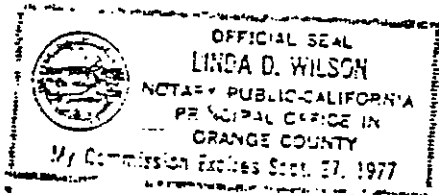
BY: A. C. Payne - Pres

BY: Robert J. Solomon - Secy

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On November 15, 1973, before me, the undersigned, a Notary Public in and for said State, personally appeared A. L. LEYVA, known to me to be the President, and STANLEY SOLOMON, known to me to be the Secretary, of the corporation that executed the within instrument, and known to me to be the persons who executed the within instrument on behalf of the corporation named therein, and acknowledged to me that such corporation executed the within instrument pursuant to its By-Laws or a resolution of its Board of Directors.

WITNESS my hand and official seal.



Linda D. Wilson

[SEAL]

BA 125257 597

12246

Recording Requested By and
When Recorded Mail to:

\$6.00
C3

RECORDING REQUESTED BY
FIRST AMERICAN TITLE INS. CO.

RECORDED IN OFFICIAL RECORDS
OF ORANGE COUNTY, CALIFORNIA

HOME SAVINGS AND LOAN ASSOCIATION
3731 Wilshire Boulevard
Los Angeles, California 90010

10 40 PM JAN 10 1978

J. WYLLIE CARLYLE, County Recorder

Attention: Richard A. Hostin

(Space Above for Recorder's Use)

NOTICE OF ADDITION OF TERRITORY
AND SUPPLEMENTAL DECLARATION OF RESTRICTIONS
FOR
AEGEAN HEIGHTS

THIS NOTICE OF ADDITION OF TERRITORY AND SUPPLEMENTAL
DECLARATION ("Supplemental Declaration") is made on _____
January 9 _____, 1978, by HOME SAVINGS AND LOAN ASSOCIATION,
a California corporation ("Declarant").

P R E A M B L E:

A. Declarant is the owner of certain real property
(the "Annexed Territory") located in the unincorporated area of
Orange County, California, described as:

Lots numbered 1 to 55, inclusive of
Tract 7799, as shown on a Subdivision
Map, filed on December 22 _____, 1977,
in Book 421 _____, Pages 42 to 44 _____,
inclusive, of Miscellaneous Maps, in
the Office of the Orange County
Recorder.

B. A Declaration of Covenants, Conditions and
Restrictions and Reservation of Easements for Aegean Heights
Homeowners Association was recorded on February 7, 1974, as
Instrument No. 5079, in Book 11071, Pages 1596 to 1647,
inclusive, of Official Records of Orange County, California;
and amended by instruments recorded, respectively, on June 21,

1974, as Instrument No. 22328, in Book 11177, Pages 1360 to 1362, inclusive; January 9, 1975, as Instrument No. 5635, in Book 11320, Pages 1264 to 1270, inclusive; and November 12, 1976, as Instrument No. 17533, in Book 11959, Pages 917 to 921, inclusive, of Official Records of Orange County, California (collectively the "Declaration"). The Declaration is binding upon all Owners of Lots in the Properties (as defined in the Declaration).

C. Pursuant to Article XIV, Section 2 of the Declaration, Declarant now desires to add the Annexed Territory to the Properties in Aegean Heights.

THEREFORE, DECLARANT HEREBY DECLARES AS FOLLOWS:

1. Annexation of Territory. Declarant is the owner of the Annexed Territory and hereby declares that the Annexed Territory is annexed to and made a part of the residential development known as Aegean Heights, subject to the provisions of the Declaration.

2. Membership in Association. Each purchaser of one (1) or more Lots (exclusive of the Common Area) within the Annexed Territory shall become an "Owner" as defined in the Declaration and shall automatically become a member of Aegean Heights Homeowners Association, a California nonprofit corporation ("Association"), as set forth in Article III, Section I of the Declaration.

3. Annexation of Common Area. Declarant is the owner of certain real property ("Common Area"), described as Lots A to H, inclusive, of Tract 7799, as shown on a Subdivision Map recorded on December 22, 1977, in Book 421, Pages 42 to 44, inclusive, of Miscellaneous Maps, in the Office of the Orange County Recorder, California. Declarant hereby declares that the Common Area herein described is hereby annexed to the Common Area described in Article I, Section 4 of the Declaration. The Common Area in this Phase of

Aegean Heights shall be conveyed lien free to the Association, prior to the close of escrow for the sale of the first Lot of the Annexed Territory to a purchaser from Declarant pursuant to a Final Subdivision Public Report, subject to the provisions of the Declaration and the within Supplemental Declaration.

4. Assessment Obligations. The rights, obligations and easements of all Owners of Lots located in the Annexed Territory shall be the same as the rights and obligations of the Owners of Lots currently affected by the Declaration. The annual assessments provided for in the Declaration shall commence as to all Lots in the Annexed Territory on the first day of the month following the date on which the deed is recorded conveying the first Lot in the Annexed Territory to a purchaser from Declarant pursuant to a Final Subdivision Public Report.

5. Miscellaneous. The provisions of this Supplemental Declaration shall run with all of the Annexed Territory and all the Properties, and shall be binding upon all persons having or acquiring any interest in the Properties, the Annexed Territory, and any interest therein, and shall inure to the benefit of and be binding upon each successor in interest of Declarant, and may be enforced by any Owner, Declarant, the Association, or their successors in interest. Unless otherwise provided herein, the terms in this Supplemental Declaration shall have the same meanings as set forth in the Declaration. Except as otherwise expressly provided, all of the provisions of the Declaration are hereby incorporated by this reference as if fully set forth herein.

This Supplemental Declaration has been executed on
the date first written above.

HOME SAVINGS AND LOAN ASSOCIATION,
a California corporation

By *Richard A. Hostin*
Richard A. Hostin
Vice President

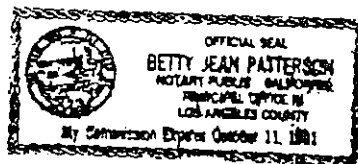
By *Heidi Curry*
Heidi Curry
Assistant Secretary

"Declarant"

STATE OF CALIFORNIA)
) SS
COUNTY OF LOS ANGELES)

On January 9, 1978, before me,
the undersigned, a Notary Public in and for said state,
personally appeared RICHARD A. HOSTIN known to me to be a
Vice President and HEIDI CURRY known to me to be an Assistant
Secretary of HOME SAVINGS AND LOAN ASSOCIATION, the corporation
that executed the within Instrument, known to me to be the
persons who executed the within Instrument on behalf of the
corporation therein named, and acknowledged to me that such
corporation executed the within instrument pursuant to its
by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



Betty Jean Patterson
Notary Public in and for said
County and State

31128

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RECORDING REQUESTED BY
FIRST AMERICAN TITLE INS. CO.

RECORDED IN OFFICIAL RECORDS
OF ORANGE COUNTY, CALIFORNIA

When Recorded, Return to:

-4 30 PM DEC 22 1977

RICHARDS, WATSON, DREYFUSS & GERSHON
Attorneys at Law
333 South Hope Street, 38th Floor
Los Angeles, California 90071
Attention: Mark L. Lamken

L. WYLLIE CARLYLE, County Recorder

SUPPLEMENTARY DECLARATION OF RESTRICTIONS
AND DECLARATION OF ANNEXATION

Tract 9780

Orange County, California

This Supplementary Declaration of Restrictions and Declaration of Annexation is made this 21st day of December, 1977, by Home Savings and Loan Association, a California corporation, ("Declarant"), with reference to the following facts:

A. Reference is made to that certain Declaration of Restrictions for Aegean Heights Homeowners Association ("Original Declaration" herein), recorded on February 7, 1974, as Instrument No. 5079, in Book 11071, pages 1596 through 1647, inclusive, Official Records of Orange County, California, as amended by instrument recorded, respectively on June 21, 1974, as Instrument No. 22328, in Book 11177, Pages 1360 to 1362, inclusive; January 9, 1975, as Instrument No. 5635, in Book 11320, Pages 1264 to 1270, inclusive; and November 12, 1976, as Instrument No. 17533, in Book 11959, Pages 917 to 921, inclusive, of Official Records of Orange County, California, (the original Declaration and said amendments hereto are referred to herein, collectively, as "Declaration"). The Declaration is binding upon all Owners of Lots in the Properties (as defined in the Declaration).

B. Declarant is the sole owner of Tract 9780, more particularly described hereinbelow. Said real property constitutes a portion of tentative Tract 7799 referred to in Section 2 of Article XIV of the Original Declaration.

C. Section 2 of Article XIV of the Original Declaration provides that all or any part of Tentative Tract 7799 may be annexed to the Properties, as described in the Declaration, and added to the scheme of the Declaration and subjected to the jurisdiction of the Aegean Heights Homeowners Association, upon conditions stated in said Section, and by the filing of a Supplementary Declaration, pursuant to Section 3 of said Article XIV.

D. Tract 9780 complies with the conditions stated in Section 2 of said Article XIV.

MLL52-158

NOW, THEREFORE, Declarant declares as follows:

Article I

Annexation

All that certain real property situated in the unincorporated areas of County of Orange, State of California, described as:

Parcel 1. Lots 1 through 62, inclusive, of Tract 9780, as shown on Map thereof recorded on December 6, 1977, in Book 420, pages 31 through 35, inclusive, of Miscellaneous Maps in the Office of the County Recorder of Orange County, California ("Lots" herein).

Parcel 2. Lots A through H, inclusive, L through P inclusive, and R through U, inclusive, of Tract 9780, as shown on Map thereof recorded on December 6, 1977, in Book 420, pages 31 through 35, inclusive, of Miscellaneous Maps in the Office of the County Recorder of Orange County, California ("Common Area" herein)

is and it shall hereafter be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, charges and liens set forth in that said Declaration, as supplemented hereby, and by this reference thereto, said Declaration is hereby incorporated herein and made a part hereof, all of which shall run with and shall apply to and be binding upon all parties having or acquiring any right, title or interest in the property hereinabove described or any part hereof; and are imposed upon said real property or part thereof as a servitude in favor of each and every parcel or lot thereof as the dominant tenement or tenements.

Article II

Membership in Association

Each Owner of a Lot within Tract 9780 shall be and become an "Owner", as defined in the Original Declaration and automatically become a member of Aegean Heights Homeowner Association, a California non-profit corporation, ("Association") as set forth in Article III, Section 1 of the Declaration.

Article III

Nature of Dwelling Units

Each dwelling unit constructed on a Lot shall be, and be deemed to be for all purposes, a Patio Home, as

defined by Section 12 of Article I of the Declaration, notwithstanding the fact that no portion of the dwelling unit structural walls are constructed on a lot line.

Article IV

Transfer of Common Area; Additional Common Area

Section 1. All of the Common Area annexed pursuant to Article I hereof shall be conveyed to Association lien free prior to the closing of the first sale of a Lot within Tract 9780 to a purchaser from Declarant pursuant to a Final Subdivision Public Report, subject to the provisions of the Declaration, as supplemented hereby.

Section 2. At the same time the Common Area is conveyed to Association, Declarant shall convey to Association, for the use and benefit of its members, additional Common Area consisting of:

A non-exclusive easement for ingress, egress and vehicular parking purposes over that portion of Lot 62 of said Tract 9780 described as:

Beginning at the most southerly corner of Lot No. 62 in Tract No. 9780, as shown on a map for said Tract recorded in Book 420, Pages 31 to 35, inclusive, of Miscellaneous Maps, Records of Orange County; thence North 19° 35' 05" West 50.00 feet to the TRUE POINT OF BEGINNING; thence continuing North 19° 35' 05" West 7.37 feet to the beginning of a tangent curve concave easterly and having a radius of 64.00 feet; thence northerly 23.13 feet along said curve through a central angle of 20° 42' 27" a line radial to this point bears North 88° 52' 38" West; thence North 70° 24' 55" East 20.00 feet; thence South 19° 35' 05" East 30.00 feet; thence South 70° 24' 55" West 24.14 feet to the TRUE POINT OF BEGINNING.

Article V

Rights of Owners; Commencement of Assessment

Section 1. The rights, obligations and easements of all Owners of Lots within Tract 9780 shall be the same as the right, obligations and easements of Owners of Lots currently affected by the Declaration.

Section 2. The annual assessment provided for in the Declaration shall commence as to all Lots within Tract 9780 on the first day of the month following the date on which the deed is recorded conveying the first Lot within Tract 9780 to a purchaser from Declarant pursuant to a Final Subdivision Public Report.

Article VI

Side Yard Easements

Section 1. Certain of the Lots in Tract 9780 shall be conveyed with easements over adjoining Lots, or subject to easements for the benefit of adjacent property, or both, and the right to create, grant and reserve such easements is hereby reserved by Declarant. Each easement so granted or reserved shall be an easement five (5') feet in width for ingress, egress and surface use purposes as more fully described hereinbelow, and such easements are referred to herein as "Side Yard Easements".

Section 2. Each Side Yard Easement shall be granted and reserved by reference to Article VI and shall be designated by a legal description and/or by reference to the easements depicted on the recorded Tract Map for Tract 9780 and identified with the letters "AA" thereon.

Section 3. Each subsequent conveyance of a Lot shall be deemed to include a conveyance of the Side Yard Easement which is appurtenant thereto, which is non-severable therefrom. Each adjoining Lot shall be deemed to be conveyed and held subject to such Side Yard Easements.

Section 4. The rights of the respective parties with respect to the Side Yard Easement and easement areas included therein (which may abut a wall of the dwelling unit on the adjoining Lot ("abutting dwelling unit" herein)), shall be as follows:

a. Allowable uses are restricted to landscaping (flowers, plants, lawn, sprinklers, hose bibs and so forth), swimming pool decking, patio decking, and use as a general recreational and garden area; provided, however, that nothing shall be erected, planted or maintained within the easement area which might impede or interfere with any necessary and reasonable maintenance, repair or restoration of any structural wall of, or adjacent to, the abutting dwelling unit.

b. All other uses are not allowed, including without limiting the foregoing, installations of swimming pool heating and filtering equipment, barbecue equipment and facilities, and recreational sports equipment and facilities.

c. The owner of the Side Yard Easement shall not drive any nails, screws, bolts or other objects of any kind whatsoever into, nor attach any object to the wall of the abutting dwelling unit.

d. The owner of the abutting dwelling unit shall have the right at all reasonable times during daylight hours to enter the Side Yard Easement for the purpose of repairing and/or maintaining the abutting dwelling unit wall and any appurtenances thereto.

MIL52-198

e. The owner of the abutting dwelling unit shall have the responsibility for painting and repairing any structural wall owned by him and facing onto the Side Yard Easement; provided, however, that in the case of damage to such a wall caused by the owner of the Side Yard Easement, his family, guests, servants, agents or invitees, such repairs shall be made at the expense of the Owner of the Side Yard Easement. If an action at law be required to enforce payment for such repairs, the prevailing party shall be entitled to recover the costs of suit, including reasonable attorneys' fees. No repairs, additions, alterations and/or restoration of any such structural wall shall be commenced, erected or maintained or the paint colors therefor selected until the plans and specifications, showing the nature, kind, shape, height, materials, location, color and approximate cost thereof shall have been approved by the Architectural Committee.

After completion of such repairs, additions, alterations or restoration, the Owner of the abutting dwelling unit shall restore the Side Yard Easement area to the condition in which it existed immediately prior to the commencement of such work.

f. The Owner of the adjoining Lot shall have the right to drainage over, across and upon the easement for water resulting from the normal usage of the adjoining Lot and the Owner of the Side Yard Easement shall maintain the easement area in such manner as will not interfere with such drainage.

g. The Owner of the Side Yard Easement, except as otherwise provided in this Section 4 of Article VI, shall have the exclusive use of the surface of the easement area subject to the rights of any other easement holders (utilities, sewers, etc.), if any, and subject to minor encroachments, if any, existing at the time of the creation of the easement or arising through subsidence of buildings or walls in existence at the time of creation of the easement.

h. The Owner of the adjoining Lot shall have such right to use the subsurface underlying the easement area, including the right of lateral and subjacent support, as shall not unreasonably interfere with the rights granted to the Owner of the Side Yard Easement.

i. Except as specifically provided herein to the contrary, the Owner of the Side Yard Easement shall have the sole responsibility to maintain and preserve the Side Yard Easement area and all items installed thereon, including without limitation any transverse garden walls extending from such Owner's Lot through the Side Yard Easement and any landscaping thereon, whether within or without such garden walls.

j. In the event that any dispute shall arise between the owner of the Side Yard Easement and the owner of the Lot which is subject thereto, such dispute shall be submitted to arbitration in the manner provided in Section 5 of Article XI of the Declaration.

Article VII

Reservation of Easements

Easements over the real property annexed pursuant to Article I hereof for the installation and maintenance of electric, telephone, cable, television, water, gas, drainage and sanitary sewer lines and facilities and the like are hereby reserved by Declarant, together with the right to grant and transfer the same.

IN WITNESS WHEREOF, the undersigned being the Declarant herein, has executed this Instrument the day and year first above written.

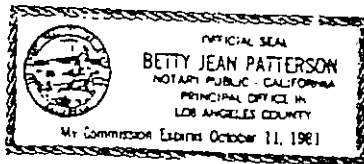
HOME SAVINGS AND LOAN ASSOCIATION
By Richard A. Hostin
Its Vice President

By Heidi Curry
Its Assistant Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF Los Angeles)

On December 21, 1977, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Richard A. Hostin, known to me to be the Vice President, and Heidi Curry known to be the Assistant Secretary, of the corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



Betty Jean Patterson
Notary Public in and for said
County and State

6027

RECORDING REQUESTED BY
TITLE INSURANCE & TRUST CO.

BN11983PG 966

Recording requested by and
when recorded return to:

HOLZWARTH & SCHOELLERMAN
4350 Von Karman Avenue
Suite 450
Newport Beach, California 92660

RECORDING IN COUNTY RECORDS
OF ORANGE COUNTY, CALIFORNIA

10 2nd 4 PM DEC 13 1970

A WYLIE CARLYLE, County Recorder

DECLARATION OF ANNEXATION

FOR

AEGEAN HEIGHTS

A PLANNED UNIT DEVELOPMENT

to that Declarant's right to annex property to the original Declaration and Project pursuant to the terms of the Declaration; and

WHEREAS, the property herein described is to be developed by the construction thereon of Townhouses; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the existing property and in the additional Properties which may be annexed thereto, pursuant to the provisions of this Declaration, to create a nonprofit corporation to which should be delegated and assigned the powers of maintaining and administering the Association Property and administering and enforcing the covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, a nonprofit corporation, the Members of which shall be the respective Owners of Lots in the existing property and of the Lots in Properties annexed pursuant to this Declaration, has been formed for the purpose of exercising the functions aforesaid; and

WHEREAS, Declarant will convey the said Properties, subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth.

NOW, THEREFORE, Declarant hereby declares that all of the Properties described above shall be held, sold, conveyed, subject to the following easements, restrictions, covenants and conditions, which are for the purpose of enhancing and protecting the value, attractiveness 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.

A. Pursuant to Article XIV of the Declaration, Declarant hereby annexes the Properties to Aegean Heights Planned Unit Development and by such annexation hereby causes the Properties to become subject to all of the covenants, conditions and restrictions stated in the Declaration as if the Properties had been described in said Declaration. Lots B, C and D shall be a part of the "Common Area" as defined in Section 4 of Article I of the Declaration of Restrictions recorded in Book 11071, Pages 1596 through 1647, inclusive of Official Records of Orange County, California, according to the terms of said Declaration of Restrictions.

B. Each purchaser of one (1) or more Lots within the Properties shall become an "Owner" as defined in the Declaration, and shall automatically become a member of AEGEAN HEIGHTS HOMEOWNERS ASSOCIATION (herein called the "Association"). Each Owner shall be deemed to have agreed to, and shall become liable for, performance of all duties and obligations stated in the Declaration, including, but not limited to, the payment of all Association assessments against his lot or lots.

C. Assessments as to all residential lots herein shall begin on the first of the month after the first close of escrow for a lot herein.

D. Each Owner shall have one (1) vote per lot owned and

shall be responsible for one one hundred forty-third (1/143) of the annual Association budget.

E. The Declaration of Annexation recorded June 23, 1976 in Book 11784, Pages 170 et seq., of Official Records of Orange County, California, is hereby deleted and removed from record, and shall be of no further force or effect as to the real property described hereinabove, and is hereby replaced in its entirety by this Declaration of Annexation.

IN WITNESS WHEREOF, Declarant has executed this instrument this 20th day of November, 1976.

SYD CARNINE, INC.,
a California corporation

BY: [Signature]
SYD CARNINE, President

CONFORMED COPY
Not Compared with Original

RECORDING REQUESTED BY
TITLE INSURANCE & TRUST CO.

Recording requested by and
when recorded return to:

\$8.00
C10

HOLZWARTH & SCHOELLERMAN
4350 Von Karman Avenue
Suite 450
Newport Beach, California 92660

RECORDED IN OFFICIAL RECORDS
OF ORANGE COUNTY, CALIFORNIA

45^{Min.}
Past 9 A.M. NOV 12 1976

J. WYLLIE CARLYLE, County Recorder

DECLARATION OF ANNEXATION

FOR

AEGEAN HEIGHTS

A PLANNED UNIT DEVELOPMENT

DECLARATION OF ANNEXATION

THIS DECLARATION OF ANNEXATION is made on the date hereinafter set forth by SYD CAPTINE, INC., a California corporation hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the Owner of certain property in the County of Orange, State of California, which is more particularly described as follows:

Lots 1 through 11, inclusive, and Lot A of Tract 8532 as shown on a Map recorded in Book 368, Pages 9 through 12, inclusive, of Miscellaneous Maps, Orange County, California.

AND WHEREAS, said property is a portion of the real property and improvements (herein jointly called the "Properties") being that certain Planned Unit Development called "Aegean Heights" located in the County of Orange, State of California, pursuant to that certain Declaration of Restrictions (herein called the "Declaration") recorded February 7, 1974, in Book 11071, Pages 1596 et seq., in the Official Records of the Orange County Recorder; and

WHEREAS, Declarant herein is the successor in interest to the Declarant defined in the Declaration, succeeds specifically

11-8-76

to that Declarant's right to annex property to the original Declaration and Project pursuant to the terms of the Declaration; and

WHEREAS, the property herein described is to be developed by the construction thereon of Townhouses; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the existing property and in the additional Properties which may be annexed thereto, pursuant to the provisions of this Declaration, to create a nonprofit corporation to which should be delegated and assigned the powers of maintaining and administering the Association Property and administering and enforcing the covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, a nonprofit corporation, the Members of which shall be the respective Owners of Lots in the existing property and of the Lots in Properties annexed pursuant to this Declaration, has been formed for the purpose of exercising the functions aforesaid; and

WHEREAS, Declarant will convey the said Properties, subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth.

NOW, THEREFORE, Declarant hereby declares that all of the Properties described above shall be held, sold, conveyed, subject to the following easements, restrictions, covenants and conditions, which are for the purpose of enhancing and protecting the value, attractiveness 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.

A. Pursuant to Article XIV of the Declaration, Declarant hereby annexes the Properties to Aegean Heights Planned Unit Development and by such annexation hereby causes the Properties to become subject to all of the covenants, conditions and restrictions stated in the Declaration as if the Properties had been described in said Declaration. Lot A shall be a part of the "Common Area" as defined in Section 4 of Article I of the Declaration of Restrictions recorded in Book 11071, Pages 1596 through 1647, inclusive of Official Records of Orange County, California, according to the terms of said Declaration of Restrictions.

B. Each purchaser of one (1) or more Lots within the Properties shall become an "Owner" as defined in the Declaration, and shall automatically become a member of AEGEAN HEIGHTS HOMEOWNERS ASSOCIATION (herein called the "Association"). Each Owner shall be deemed to have agreed to, and shall become liable for, performance of all duties and obligations stated in the Declaration, including, but not limited to, the payment of all Association assessments against his Lot or Lots.

C. Assessments as to all residential Lots herein shall begin on the first of the month after the first close of escrow for a Lot herein.

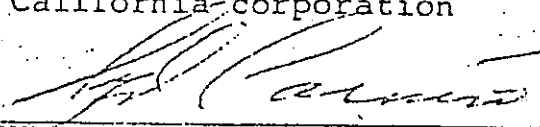
D. Each Owner shall have one (1) vote per Lot owned and

shall be responsible for one one hundred fifth (1/105) of the annual Association budget.

E. The Declaration of Annexation recorded June 23, 1976 in Book 11784, Pages 170 et seq., of Official Records of Orange County, California, is hereby deleted and removed from record, and shall be of no further force or effect as to the real property described hereinabove, and is hereby replaced in its entirety by this Declaration of Annexation.

IN WITNESS WHEREOF, Declarant has executed this instrument this 8th day of November, 1976.

SYD CARNINE, INC.,
a California corporation

BY: 
SYD CARNINE, President

CONFORMED COPY
Not Compared with Original

RECORDING REQUESTED BY
TITLE INSURANCE & TRUST CO.

Recording requested by and
when recorded return to:

HOLZWARTH & SCHOELLERMAN
4350 Von Karman Avenue
Suite 450
Newport Beach, California 92660

\$7.00
C10

RECORDED IN OFFICIAL RECORDS
OF ORANGE COUNTY, CALIFORNIA

45^{Min.}
Past 9 A.M. NOV 12 1976

J. WYLIE CARLYLE, County Recorder

AMENDMENT TO
DECLARATION OF RESTRICTIONS
FOR
AEGEAN HEIGHTS HOMEOWNERS ASSOCIATION

AMENDMENT TO
DECLARATION OF RESTRICTIONS

THIS AMENDMENT TO DECLARATION OF RESTRICTIONS is made on the day hereinafter set forth.

WITNESSETH:

WHEREAS, a Declaration of Restrictions (herein called "Declaration") was recorded February 7, 1974 in Book 11071, Pages 1596 et seq., of Official Records of Orange County, California, affecting the following described real property:

Lots 1 through 6, inclusive, Lots 33 through 50, inclusive, Lots 67 through 91, inclusive, Lot 101, and Lots C, E, G, H, J, and N of Tract 8071 as shown on a Map recorded in Book 322, Pages 7 through 10, inclusive, of Miscellaneous Maps, Orange County, California.

AND WHEREAS, a Declaration of Annexation was recorded June 21, 1974 in Book 11177, Pages 1363 et seq., of Official Records of Orange County, California, affecting the following described real property:

Lots 7 through 32, inclusive, Lots 51 through 66, inclusive, Lots 92 through 100, inclusive, and Lots A, B, D, F, I, K, L, M, O and P of Tract 8071 as shown on a Map recorded in Book 322, Pages 7 through 10, inclusive, of Miscellaneous Maps, Orange County, California.

AND WHEREAS, all of said real property described above is

herein referred to as the "Properties;" and

WHEREAS, pursuant to an affirmative vote of seventy-five percent (75%) of the owners of the Properties, it is desired to amend the Declaration and all documents annexed thereto as hereinafter stated.

NOW, THEREFORE, pursuant to Section 5 of Article XV of the Declaration, the Declaration is hereby amended as follows:

1. Section 13 of Article X is hereby deleted in its entirety and a new Section 13 of Article X is hereby stated as follows:

"Section 13. No air-conditioning unit, or any portion thereof, may be installed upon or on the roof of any Dwelling Unit within this Project without the prior written consent of the Architectural Committee. The Architectural Committee shall have the right to approve or disapprove size, shape, noise level and proposed location of such air-conditioning unit."

2. Section 5 of Article X is hereby deleted in its entirety, and a new Section 5 of Article X is hereby stated as follows:

"Section 5. No Owner of a Lot shall park, store, or keep any vehicle except wholly within the parking area designated therefor. No Owner shall park, store, or keep any large commercial-type vehicle (dump truck, cement mixer truck, oil or gas truck, etc.), any recreational vehicle (camper unit, motorhome, trailer, boat trailer, mobile home or other similar vehicle), boats over twenty (20) feet in length, or any vehicle other than a private passenger vehicle upon any un-

covered parking space. The above excludes camper trucks up to and including three-quarter (3/4) ton, when used for everyday-type transportation. No Owner of a Lot shall conduct major repairs or major restorations of any motor vehicle, boat, trailer, aircraft, or other vehicle upon any exposed portion of any Lot or upon the Common Area except for emergency repairs thereto, and then only to the extent necessary to enable movement thereof to a proper repair facility."

3. Except as stated hereinabove, the Declaration shall remain in full force and effect as originally recorded, subject only to previous amendments.

Dated: November 8, 1976

This Amendment to Declaration of Restrictions is hereby executed by the duly authorized officers of Aegean Heights Homeowners Association pursuant to an affirmative vote of at least seventy-five percent (75%) of the owners of the Association in favor of this Amendment.

AEGEAN HEIGHTS HOMEOWNERS ASSOCIATION

BY: *Donald R. Smith, Jr.*

5635

RECORDING REQUESTED BY
TITLE INSURANCE & TRUST CO.

\$9.00
C9

RECORDED IN OFFICIAL RECORDS
OF ORANGE COUNTY, CALIFORNIA
57 ^{Min.} 3 PM ^{Pass.} JAN 9 1975
J. WYLIE CARLYLE, County Recorder

AK 1320161264

Recording requested by and
when recorded return to:

HOLZWARTH & UNSWORTH
888 North Main Street
Suite 800
Santa Ana, California 92701

AMENDMENT TO

DECLARATION OF RESTRICTIONS

AK 1-010

AMENDMENT TO
DECLARATION OF RESTRICTIONS

THIS AMENDMENT TO DECLARATION OF RESTRICTIONS, made on the date hereinafter set forth by GREENVILLE DEVELOPMENT CO., a California corporation, as the General Partner of GREENVILLE DEVELOPMENT CO., LTD., a Limited Partnership, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the Owner of that certain real property in the County of Orange, State of California, more particularly described as follows:

Lots 1 through 101, inclusive, and Lots A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, and P of Tract 8071 as shown on a Map recorded in Book 322, Pages 7 through 10, inclusive, of Miscellaneous Maps, Orange County, California.

AND WHEREAS, there was recorded a Declaration of Restrictions covering a portion of the above described real property in Book 11071 at Pages 1596 et seq., of Official Records of Orange County, California, on February 7, 1974, and there was recorded a Declaration of Annexation covering the balance of the above described real property in Book 11177 at Pages 1364 et seq., of Official Records of Orange County, California, on June 21, 1974; and

WHEREAS, Declarant desires at this time to amend said Declaration of Restrictions and Declaration of Annexation.

NOW, THEREFORE, Declarant hereby amends the Declaration of

Restrictions and the Declaration of Annexation in the following manner:

A. Article XVI entitled "Mortgagee Protection Clause" is hereby added to the Declaration of Restrictions as follows:

"ARTICLE XVI

MORTGAGEE PROTECTION CLAUSE

Section 1. Notwithstanding any and all provisions hereof to the contrary, in order to induce the Federal Home Loan Mortgage Corporation to 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 Declaration, these added provisions shall control):

(a) Each holder of a first mortgage or first Deed of Trust encumbering any Lot 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 his Declaration, the Articles of Incorporation of the Association or the By-Laws of the Association which is not cured within thirty (30) days.

(b) Each holder of a first mortgage or first Deed of Trust encumbering any Lot which comes into possession of such Lot pursuant to the remedies provided in such mortgage or Deed of Trust, or by foreclosure of such mortgage or Deed of Trust, or by Deed (or assignment) in lieu of foreclosure, shall be exempt

from any "right of first refusal," or other restriction on the sale or rental of such Lot including, but not limited to, restrictions on the age of the occupants of such Lot and restrictions on the posting of signs pertaining to the sale or rental of such Lot.

(c) Each holder of a first mortgage or first Deed of Trust encumbering any Lot which comes into possession of such Lot pursuant to the remedies provided in such mortgage or Deed of Trust, or by foreclosure of such mortgage or Deed of Trust, or by Deed (or assignment) in lieu of foreclosure, shall take title to such Lot free and clear of any claims for unpaid assessments or charges against such Lot which accrued prior to the time such holder comes into possession of such Lot.

(d) Unless all holders of first mortgages or first Deeds of Trust on Lots have given their prior written approval, the Association shall not:

- (1) change Section 1 of this Article;
- (2) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer real estate or improvements thereon which are owned, directly or indirectly, by such Association;

[The granting of easements for public utilities or for other public purposes consistent with the intended use of such property by the Planned Unit Development shall not be deemed a transfer within the meaning of this clause.]

(3) change the method of determining the obligations, assessments, dues or other charges which may be levied against Lot Owner;

(4) by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design of the exterior appearance of units, the exterior maintenance of units, the maintenance of party walls or common fences and driveways, or the upkeep of lawns and plantings in the Project;

(5) fail to maintain Fire and Extended Coverage on insurance Project common property on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurance value (based on current replacement cost);

(6) Use hazard insurance proceeds for losses to any Project common property for other than repair, replacement or reconstruction of such improvements.

(e) First mortgagees shall have the right to examine the books and records of the Association."

B. In all other respects, said Declaration of Restrictions, as amended, and Declaration of Annexation, shall remain in full force and effect as originally recorded.

IN WITNESS WHEREOF, the undersigned, being the Declarant

herein, has hereunto set its hand and seal this 23 day of
October, 1974.

GREENVILLE DEVELOPMENT CO., LTD.,
a Limited Partnership

By GREENVILLE DEVELOPMENT CO., the
General Partner thereof

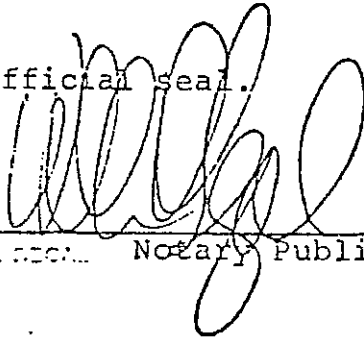
By A. L. Leyva
A. L. Leyva, President

By Lawrence T. Solomon
Lawrence T. Solomon,
Secretary

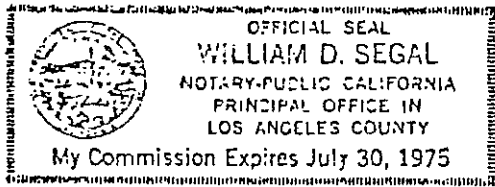
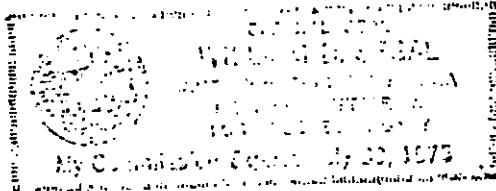
STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On October 23, 1974, before me, the undersigned, a Notary Public in and for said State, personally appeared A. L. Leyva and Lawrence T. Solomon, known to me to be the President and Secretary, respectively, of Greenville Development Co., the General Partner of Greenville Development Co., Ltd., and acknowledged to me that they executed the within instrument.

WITNESS my hand and official seal.



WILLIAM D. SEGAL Notary Public



22329

EX 1117781363

\$8.00
C1

RECORDED IN
OFFICIAL RECORDS OF
ORANGE COUNTY, CAL.

JUN 21 11 54 AM '74

J. WYLLIE CARLYLE
COUNTY RECORDER

Recording requested by and
when recorded return to:

HOLZWARTH & UNSWORTH
888 North Main Street
Suite 800
Santa Ana, California 92701

DECLARATION OF ANNEXATION
FOR
AEGEAN HEIGHTS
A PLANNED UNIT DEVELOPMENT

DECLARATION OF ANNEXATION

THIS DECLARATION OF ANNEXATION is made on the date hereinafter set forth by GREENVILLE DEVELOPMENT CO., a California corporation hereinafter referred to as "Declarant."

W I T N E S S E T H:

WHEREAS, Declarant is the Owner of certain property in the County of Orange, State of California, which is more particularly described as follows:

Lots 7 through 32, inclusive, Lots 51 through 66, inclusive, Lots 92 through 100, inclusive, and Lots A, B, D, F, I, K, L, M, O and P of Tract 8071 as shown on a Map recorded in Book 322, Pages 7 through 10, inclusive, of Miscellaneous Maps, Orange County, California.

AND WHEREAS, said property is a portion of the real property and improvements (herein jointly called the "Properties") being that certain Planned Unit Development called "Aegean Heights" located in the County of Orange, State of California, pursuant to that certain Declaration of Restrictions (herein called the "Declaration") recorded February 7, 1974, in Book 11071, Pages 1596 et seq., in the Official Records of the Orange County Recorder; and

WHEREAS, the property herein described is to be developed by the construction thereon of Townhouses and Patio Homes; and

WHEREAS, Declarant has deemed it desirable, for the effi-

cient preservation of the values and amenities in the existing property and in the additional Properties which may be annexed thereto, pursuant to the provisions of this Declaration, to create a nonprofit corporation to which should be delegated and assigned the powers of maintaining and administering the Association Property and administering and enforcing the covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant will or has caused a nonprofit corporation, the Members of which shall be the respective Owners of Lots in the existing property and of the Lots in Properties annexed pursuant to this Declaration, to be formed for the purpose of exercising the functions aforesaid; and

WHEREAS, Declarant will convey the said Properties, subject to certain protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth.

NOW, THEREFORE, Declarant hereby declares that all of the Properties described above shall be held, sold, conveyed, subject to the following easements, restrictions, covenants and conditions, which are for the purpose of enhancing and protecting the value, attractiveness 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.

A. Pursuant to Article XIV of the Declaration, Declarant hereby annexes the Properties to Aegean Heights

Planned Unit Development and by such annexation hereby causes the Properties to become subject to all of the covenants, conditions and restrictions stated in the Declaration as if the Properties had been described in said Declaration. Lots A, B, D, F, I, K, L, M, O, and P shall be a part of the "Common Area" as defined in Section 4 of Article I of the Declaration of Restrictions recorded in Book 11071, Pages 1596 through 1647, inclusive of Official Records of Orange County, California, according to the terms of said Declaration of Restrictions.

B. Each purchaser of one (1) or more Lots within the Properties shall become an "Owner" as defined in the Declaration, and shall automatically become a member of AEGEAN HEIGHTS HOMEOWNERS ASSOCIATION (herein called the "Association"). Each Owner shall be deemed to have agreed to, and shall become liable for, performance of all duties and obligations stated in the Declaration, including, but not limited to, the payment of all Association assessments against his Lot or Lots.

C. There are fifty-one (51) Lots in this Annexation. However, Declarant is presently building on forty-five (45) Lots. The six (6) remaining Lots (Lots 51, 55, 92, 93, 94 and 95) shall be maintained by the Association as green-belt areas; provided, however, that Declarant reserves the right for a period of three (3) years from date hereof to build residential units on these Lots. Declarant shall not be assessed by the Association for

these Lots until such time as a Notice of Completion is recorded or a Certificate of Occupancy issued.

D. Each Owner shall have one (1) vote per Lot owned and shall be responsible for one one-hundredth (1/100th) of the annual Association budget.

IN WITNESS WHEREOF, Declarant has executed this instrument this 17th day of June, 1974.

GREENVILLE DEVELOPMENT CO.,
a California corporation

BY: *A. L. Leyva*
A. L. LEYVA, President

BY: *Lawrence T. Solomon*
LAWRENCE T. SOLOMON, Secretary

When recorded return to:

22020
\$5.00
C1

HOLZWARTH & UNSWORTH
888 North Main Street
Suite 800
Santa Ana, California 92701

RECORDED IN
OFFICIAL RECORDS OF
ORANGE COUNTY, CAL.

JUN 21 11 54 AM '74

J. WYLLIE CARLYLE
COUNTY RECORDER

AMENDMENT TO
DECLARATION OF RESTRICTIONS

THIS AMENDMENT TO DECLARATION OF RESTRICTIONS, made on the date hereinafter set forth by GREENVILLE DEVELOPMENT CO., a California corporation, hereinafter referred to as "Declarant."

W I T N E S S E T H:

WHEREAS, Declarant is the Owner of certain property in the County of Orange, State of California, which is more particularly described as follows:

Lots 1 through 6, inclusive, Lots 33 through 50, inclusive, Lots 67 through 91, inclusive, Lot 101, and Lots C, E, G, H, J, and N of Tract 8071 as shown on a Map recorded in Book 322, Pages 7 through 10, inclusive, of Miscellaneous Maps, Orange County, California; and

WHEREAS, Declarant has caused to be recorded a Declaration of Restrictions covering the above described real property in Book 11071 at Pages 1596 et seq., of Official Records of Orange County, California, on February 7, 1974; and

WHEREAS, Declarant desires at this time to amend said Declaration of Restrictions.

NOW, THEREFORE, Declarant hereby amends the Declaration of Restrictions in the following manner only:

A. Section 3 of Article VI on page 21 of the Declaration, entitled "Basis and Maximum Annual Assessment," is hereby amended to state that the maximum monthly assessment under Article VI, Section 2A of the Declaration shall be \$45.93 per Lot, and the additional assessment provided for in Article VI, Section 2B shall be \$6.00 per Lot.

B. In all other respects, said Declaration of Restrictions shall remain in full force and effect as originally recorded.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 21st day of June, 1974.

GREENVILLE DEVELOPMENT CO.

BY: A. L. Rogers - Pres.

BY: James W. Johnson - Sec'y