

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

(The C'C' and R's)

Lot 1 through 185 of Tract 29784 as per maps recorded in Book 841, page 1-6 in the records of maps records of Los Angeles County.

NOW therefore, THE VALENCIA RACQUET CLUB HOMEOWNERS ASSOCIATION hereby declares that all of the properties described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title, or interest in the described properties or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I  
DEFINITIONS

Section 1. "Association" shall mean and refer to THEVALENCIA RACQUET CLUB HOMEOWNERS ASSOCIATION, 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, including contract sellers, 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 addition thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean and refer to all real property (including the improvements thereto) 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:

**Lots 181, 182, 183, 184, & 185 of Tract 29784**

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the Common Area.

Section 6. "First Mortgage" shall mean a recorded mortgage or deed of trust covering any Lot having priority over any other mortgage or deed of trust covering said Lot.

Section 7. "Board" shall mean and refer to the Board of Directors of the Association duly elected and acting pursuant to its Articles of Incorporation and By-Laws.

ARTICLE II  
PROPERTY RIGHTS

Section 1. Owners Easements of Enjoyment. Every owner shall have a right and easement of ingress and egress and 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 charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- (b) the right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 30 days for any infraction of its published rules and regulation after reasonable written notice and an opportunity for a hearing before the Board of Directors of the Association;
- (c) 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 members.

No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (67%) of the Owners has been recorded.

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 the property.

ARTICLE III  
MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot, which is subject to assessment, shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot, which is subject to assessment.

Section 2. All Owners shall be entitled to one (1) 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 determine, but in no event shall more than one vote be cast with respect to any Lot.

Section 3. Only Members of the Valencia Racquet Club Homeowners Association may solicit proxies for Association Meetings or issues related to Association matters.

#### ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot owned within the Properties, hereby covenants by acceptance of a deed thereof, whether or not it shall be expressed in such deed, is deemed to covenant and agrees to pay to the Association: (1) Annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided, and (3) other purposes. The Annual and special assessments, together with interest, costs, and reasonable attorney fees, shall be a charge on the land and shall be the personal obligation of the person who was the Owner of the property at the time when the Assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the properties and for the improvement and maintenance of the Common Areas and of the homes situated on the properties.

Section 3. The Maximum Annual Assessment.

- (a) may be increased each year not more than twenty percent (20%) above the maximum for the previous year without a vote of the membership.
- (b) may be increased above twenty percent (20%) by vote or written assent of fifty-one percent (51%) of the members.
- (c) The Board of Directors may fix the Annual Assessment at an amount not to exceed the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessment 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, or other purposes including fixtures and personal property related thereto, provided that any such assessment shall have a vote or written assent of fifty-one percent (51%) of the members.

Section 5. Notice and Quorum for Any Action Authorized under Sections 3 and 4. Any action authorized under Sections 3 and 4 shall be taken at a meeting called for that purpose, written notice of which shall be sent to all Members not less than 30 days nor more than 60 days in advance of the meeting. A quorum for such meeting shall be fifty-one percent (51%) of the members entitled to vote on such action. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the quorum required for the preceding meeting. If the proposed action is favored by the majority of the votes cast at such meeting, but such vote is less than the requisite fifty-one percent (51%), members who were not present in person or by proxy may give their assent in writing, provided the same is obtained by the appropriate Officers of the Association not later than thirty (30) days from the date of such meeting.

Section 6. Uniform Rate of Assessment. Both Annual and Special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly, bi-monthly, or quarterly basis.

Section 7. Date of Commencement of Annual Assessment: Due Dates. The Board of Directors shall fix the amount of the annual assessments 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 at least thirty (30) days in advance of each assessment period. 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 assessment on a specified Lot has been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall be assessed a 10% late charge. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien on the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by the non-use of the Common Area, or abandon of his Lot. Upon delivery of appropriate notice to the Association, the holder of any first deed of trust, or first mortgage on one or more of the Lots, shall be entitled to notification from the Association of any default by the Owner of any such Lot in the performance of such Owner's obligations under this Declaration or the Association's Articles or By-Laws, which is not cured in thirty (30) days. A failure by the Association to give such notice shall not affect the validity of the assessment liens.

Section 9. Subordination of the Lien to First Deeds of Trust and First Mortgages. The lien of the assessments provided from herein shall be subordinate to the lien of any first deed of trust or first mortgage. 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 deed in

lieu of foreclosure 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 V EXTERIOR MAINTENANCE

In the event an Owner of any Lot in the Properties shall fail to maintain the premises and the improvements situated thereon in a manner satisfactory to the Board of Directors of the Association, after approval by two-thirds (2/3) vote of the Board of Directors, said Board shall have the right, through its agents or employees, to enter upon said parcel and repair, maintain, and restore the Lot and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject. There shall be no entry into the dwelling unit without the express consent of the Owner.

## ARTICLE VI ARCHITECTURAL CONTROL

No building, fence, wall, or other structure shall be commenced, erected, or maintained upon Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to the harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an Architectural Committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

## ARTICLE VII COMMON STRUCTURES

### Section 1. Party Walls.

- (a) General Rules of Law to Apply. Each wall, which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots, shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.
- (b) Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.
- (c) Destruction by Fire or Other Casualty. If a party wall is destroyed by fire or other casualty, any Owner who has used the wall may restore it. If the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.
- (d) Weatherproofing. Notwithstanding any other provision of this Article, an Owner, who by his negligent or willful act, causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.
- (e) Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.
- (f) Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator and such arbitrators shall choose one additional arbitrator, and the decision by a majority of all the arbitrators.

Section 2. Other Common Structural Parts. If there are any other parts of the structures on Lots 1 through 180 and which are so constructed that they are shared in common by the adjoining Owners, they shall be used in common by each in such a manner so as to not interfere with their use by the others. Any damage or injury to these common parts other than that caused by the act or negligence of one of the Owners shall be repaired at the joint expense of the Owners.

Section 3. Maintenance. The Owners of the party walls and common structural parts shall maintain them in good order and repair at all times. No substantial structural alteration, repair, or addition, shall be made to the walls or other structural parts without the prior consent of the Architectural Committee and compliance with applicable building codes.

Section 4. Destruction of Common Area Improvements on Lots 181 through 185 Inclusive. In the event of a total or partial destruction of the Common Area improvements in the development, the improvements shall be rebuilt using the available proceeds of the insurance carried pursuant to the Article VIII. Any rebuilding shall be subject to the rights of any

holder of a mortgage or deed of trust. If said proceeds are insufficient to cover the cost of repairs and/or reconstruction thereof, then a special assessment shall be levied pursuant to Article IV, Section 4 hereof.

## ARTICLE VIII AUTHORITY OF THE ASSOCIATION

Section 1. Specific Authority. The Association, for the benefit of the Lots and the Owners, shall perform, acquire, provide, and pay for, out of the assessments, herein provided for:

- (a) water, gas, electricity, refuse collection, and other necessary utility services, maintenance, and replacement of landscaping, and painting and repair of the Common Area and such furnishing and equipment for the Common Area as the Association shall determine are necessary and proper, and the Association shall have the exclusive right and duty to acquire the same;
- (b) refuse collection for the lots (if the Association elects to contract for such service).
- (c) a policy or policies of fire insurance, with extended coverage endorsement, for the full insurable value of the Common Area, or such other fire and casualty insurance as the Association shall determine which gives substantially greater protection.
- (d) Policy or policies insuring the Association, its Agents, guests, and invitees and the Owners against liability to the public or to the Owners, their guests and invitees incident to the ownership or use of the Common Area, in an amount not less than prescribed by California State Law (such limits and coverage to be reviewed at intervals of not less than three (3) years and adjusted, if necessary, to provide such coverage and protection as the Association may deem prudent.)
- (e) Workmen's Compensation insurance to the extent necessary to comply with any applicable law. No person other than the owner of a Lot or the Mortgagee or beneficiary where permitted by the mortgage or deed of trust, has the right to place hazard or liability insurance for that Lot.
- (f) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, insurance, taxes, (including taxes assessed on the Common Area), or assessments, which, in the opinion of the Board of Directors, shall be necessary, required, or proper for the enforcement of the provisions thereof.

Section 2. Association Powers, Exclusive. Except as provided otherwise above, the Association shall have the exclusive right and obligation to contract for all goods, services, and insurance, payment for which is to be made from the Association's funds. Services for the Common Area or the Owner's Association with the terms of any service contract shall be limited to one year, except with the approval of a majority of the members of the Owner's Association. The Association and its designated agents shall have the right of ingress in and to the Lots and Common Area for the purposes of this Article VIII.

## ARTICLE IX GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, condition, covenants, reservation, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

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

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by an instrument signed by not less than 75% of the Lot Owners. Any amendment must be recorded. No amendment to any part of this Declaration shall affect the rights of a holder of a First Trust Deed recorded prior to recordation of such amendment who does not join in the execution of such amendment.

Section 4. Partition. The Homeowners Association, which shall own Lots 181, 182, 183, 184, and 185, covenant not to seek judicial partition of these Lots so long as any of the buildings on Lots 1 through 180 and any additional annexed Lots remain undestroyed. Any attempt to judicial partition shall be considered a breach of these restrictions.

Section 5. Annexation. Additional residential property and common area may be annexed to the properties with consent of 2/3 of the members annexation of additional properties, mergers, and consolidation, dedication, or mortgaging of the Common Area, special assessments and amendment of this Declaration of C'C&R's.

ARTICLE X  
RESTRICTIONS

Section 1. All Lots in the tract and in such property as shall be annexed thereto shall be known and described as residential lots and shall be used for no purpose other than permanent, single family residences. No structure of a temporary character (trailer, tent, shack, garage, barn, boat, or recreational vehicle or device) shall be used on any Lot at any time as a residence, either temporarily or permanently.

Section 2. No trailer, camper, boat, commercial vehicle, motorcycles, recreational vehicle, or other equipment shall be permitted to be stored on any property within the properties unless placed on a portion of the Lot that is acceptable to the architectural committee. Further, no maintenance, repair, rebuilding, dismantling, repainting, or servicing of any kind may be performed on the above with the exception of normal washing and polishing incident and necessary to such equipment.

Section 3. No part of the Lots shall ever be used or cause to be used or allowed or authorized in any way directly or indirectly, for any business, professional, or non-residential purposes.

Section 4. No sign or billboard of any kind shall be displayed to the public view on any portion of the Common Area or on any Lot, except one sign, for each Lot, of reasonable and customary dimensions, advertising the property for sale or rent.

Section 5. 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 500 feet below the surface of any of the property. 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 6. No noxious or offensive trade or activity shall be carried on upon any Lot or any part of the properties, nor shall anything be done thereon which may be, or may become, an annoyance to the neighborhood, or which in any way interfere with the quiet enjoyment of each of the Owners or his respective dwelling unit, or which in any way increase the rate of insurance.

Section 7. No animals, livestock, poultry, bees, or other insects of any kind shall be raised, bred on or in any dwelling or Lot, except dogs, cats, or other household pets may be kept, provided they are not kept, bred, or maintained for any commercial purpose or in unreasonable numbers, as provided in the City and County Ordinances and Zoning Codes, nor shall any household pets be kept on the properties which result in an annoyance or are obnoxious to residents in the vicinity.

Section 8. No towers, antenna, aerials, or other facilities for the reception or transmission of radio or television broadcasts or other means of communication shall be erected on any Lot except by installations inside or by underground conduits.

Section 9. Each Owner shall be responsible to maintain his property free from rubbish, garbage, litter, and noxious weeds and to maintain the dwelling in good condition and repair at all times. All clotheslines, refuse containers, and storage areas shall be prohibited upon any Lot unless obscured from view of adjoining Lots and streets.

Section 10. All solid walls or fences with the exception of the party wall, located within five (5) feet of the property line shall not have their integrity changed or broken in any way nor shall they be colored in any way without the consent of the Architectural Committee.

ARTICLE XI  
OWNERSHIP AND TENANT NOTICE

Section 1. Notice of Sale or Transfer of Lot. Upon sale or transfer of any Lot, the former owner shall, within ten (10) days after completion of sale or transfer, notify the Association in writing at the Association's mailing address stating the date of sale or transfer, name(s) of the new owner(s) and the name and address of the first mortgage holder, if any.

Section 2. Notice of change of Tenants.

- (a) Owners shall notify the Association in writing at the Association's mailing address within ten (10) days of change of tenants or vacation of tenants from their property.
- (b) In accordance with the requirements of Article II, Section 2., Delegation of Use, delegation of Common Area facilities use to tenants by Owners in lieu of use by Lot Owner shall be made in writing by the Lot Owner to the Association at the Association's mailing address prior to use of the Common Area facilities by tenants.