

CC&Rs (Required Civil Code Sec. 4525)

**2829 California Street and 1933 Divisadero Street Condominium
Association, Inc.**

Order: 8W9PPL9K3
Address: 2829 California St Apt 1
Order Date: 10-12-2023
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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

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CC&R RECITALS

THIS DECLARATION is made by 2829 CALIFORNIA STREET, LLC, a California Limited Liability Company (the "Declarant"). The Declaration is made with reference to the following:

- A.** Declarant is the Owner of a tract of land located in the County of San Francisco, California, more particularly described in Exhibit "B" attached to this Declaration and incorporated into it by reference (the "Property"). The physical boundaries of the Property are shown on Final Map No. 6395 recorded October 5, 2011 in Condominium Map Book 117 at Pages 9 and 10.
- B.** There exists on the land a building containing thirteen (13) residential dwellings and three (3) commercial units.
- C.** Declarant intends by this Declaration to create a Condominium Project and to impose upon the Property mutually beneficial restrictions under a general plan of improvement for the benefit of all of the owners. Declarant intends by this Declaration to establish a Condominium Project under the provisions of California Civil Code sections 1350 et seq., the Davis-Stirling Common Interest Development Act.
- D.** Declarant establishes by this Declaration a plan for the individual ownership of real property estates, consisting of an undivided interest in common in a portion of real property referred to as the Common Area, coupled with a separate interest in space, referred to as a Unit, the boundaries of which are described on the Condominium Plan.
- E.** The entire common interest development is subject to the covenants, conditions, and restrictions in this Declaration. They are established for the purpose of protecting, preserving and enhancing the value and attractiveness of the Property for the mutual benefit of all Owners. The covenants, conditions and restrictions are enforceable as equitable servitudes, and legally bind and inure to the benefit of all present and future Owners.

CC&R ARTICLE 1. DEFINITIONS

The following initially capitalized nouns have the meanings set forth below whenever used in the Governing Documents:

"Assessment" means the proportionate costs of operating, maintaining and managing the Property assessed against each Owner. There are three types of assessments: Regular Assessments, Special Assessments and Personal Reimbursement Assessments. The characteristics of each are described in CC&R Article 5. All such Assessments shall be collectively referred to as "Assessments."

"Association" means the 2829 CALIFORNIA STREET AND 1933 DIVISADERO STREET CONDOMINIUM ASSOCIATION, INC., a California nonprofit mutual benefit corporation. In general, when the Governing Documents provide for a decision or an action by the "Association", the authority to make the decision, or to initiate and supervise the action,

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resides with the Board and not with the Owners as described in Section 4.1.

“Board” means the Board of Directors of the Association.

“Commercial Unit” means each of the following Units as shown on the Condominium Plan: 5D, 10C and 11C.

“Common Area” means the entire Property except for the Units.

“Condominium” means a Unit and an undivided interest in the Common Area together with all associated rights and responsibilities.

“Condominium Plan” means the plan showing the physical boundaries of the Property and the individual ownership interests which is attached to this Declaration as Exhibit “A”. The approximate location and physical boundaries of Units, Exclusive Use Common Areas and Common Area are shown on the Condominium Plan. The actual, as-built dimensions of the structures, either as originally constructed, or as reconstructed in accordance with the Governing Documents, shall be presumed the true boundaries and take priority over any legal description in a document, regardless of minor encroachments resulting from constructions, settlement, lateral movement or other causes.

“Emergency” means an event or condition that threatens imminent peril to the health or welfare of persons, or damage to property, or an emergency situation as defined in Civil Code § 1366 (b).

“Exclusive Use Common Area” means those portions of Common Area reserved for the exclusive use of an Owner on the Condominium Plan, consisting of: (i) The parking spaces labeled “P-1” through “P-17”; (ii) The patio area labeled “PA-1D”; (iii) The deck areas labeled “D-1D”, “D-11C”, “D-2C”, “D-3C”, and “D-4C”; (iv) The roof deck areas labeled “RD-3D”, “RD-4D”, “RD-6C”, “RD-7C”, “RD-8C” and “RD-9C”; and (v) the storage areas labeled “S-1” through “S-17”.

“Governing Documents” means this Declaration, the Bylaws, the Articles of Incorporation, and the Rules of the Association (if any).

“Governmental Regulations” means all applicable laws, ordinances, resolutions, procedures, orders, standards, conditions, approvals, rules and regulations of any governmental entity with authority over the Property.

“Majority Owner Approval” means the approval of Owners representing the majority of the voting power represented in person, or by proxy, at a properly Noticed and conducted Owner Meeting.

“Mortgage” means the conveyance of any interest in a Condominium to secure the performance of an obligation. “Mortgage” is synonymous with “deed of trust” for the purposes of the Governing Documents.

“Mortgagee” means a person or entity who holds the beneficial interest in a Mortgage. “Mortgagee” is synonymous with “beneficiary” under a deed of trust.

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“Occupant” means (i) with regard to a Commercial Unit, any person entitled to possession of the Unit, and (ii) with regard to a Residential Unit, a person who sleeps in a Unit during more than fourteen (14) days within any thirty (30)-day period.

“Owner” means the record owner of a Condominium or a contract buyer under an installment land contract with equitable title. “Owner” shall not include those who hold an interest in a Condominium merely as security for the performance of an obligation.

“Percentage Interest” means the interest in the Common Area conveyed with each Unit as shown on the Condominium Plan. Except as specifically provided in the Condominium Plan or this Declaration, each Owner is equally entitled to use of all Common Area regardless of his/her Percentage Interest.

“Property” means the entirety of the common interest development described in the Recitals to this Declaration.

“Reasonable Entry Notice”, under non-Emergency circumstances, means seventy-two (72) hours prior written notice to one of the Occupants of the area to be entered; no notice is required for entry in the case of an Emergency.

“Repair/Replacement Reserves” funds collected for repair and replacement of the major components of the Property that the Association is obligated to maintain.

“Residential Unit” means any Unit that is not a Commercial Unit.

“Rules” means the rules adopted by the Board or the Association pursuant to this Declaration, if any.

“Unit” means the areas so designated on the Condominium Plan. Each Unit consists of the area bounded by the interior unfinished surfaces of its perimeter walls, bearing walls, floors, fireplaces, ceilings, windows and interior portions of window frames and trim, doors (including windows in doors) and interior portions of door frames and trim, and includes both the portions of the building so described and the airspace so encompassed. A Unit includes (i) the paint on all interior surfaces located or exposed within the Unit, (ii) window sashes or other elements that directly contact the glass portion of the window, (iii) door and window hardware and all mechanical elements of doors and windows, and (iv) portions of the electrical, plumbing, HVAC, and other systems serving only the Unit. A Unit does not include any portion of the frames of windows or exterior doors that is not exposed within a unit interior, or any structural component of walls, ceilings, and floors.

“Utilities” means services or systems related to electricity, water, sewer, HVAC, communications, scavenger, recycling, and fire detection and suppression, and all incidental pipes, conduits, ducts, wiring, equipment and enclosures.

CC&R ARTICLE 2. OWNER’S PROPERTY RIGHTS

2.1 OWNER’S EASEMENTS. The following are reserved for the benefit of each Owner and Unit: (i) a nonexclusive easement for ingress, egress and support through the Common Area, (ii) a nonexclusive easement for Utilities at reasonable places through the

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Common Area, and (iii) an easement for minor encroachments resulting from construction, repair, shifting, settlement or movement upon any portion of the Property. In addition,

2.2 SEVERANCE AND SUBDIVISION OF CONDOMINIUMS. There shall be no further subdivision of a Condominium into different interests than provided in this Declaration. No Owner shall transfer an ownership interest in a Condominium which does not include all associated rights, title and interests described in the Governing Documents. Any transfer in violation of this section is void.

2.3 ASSIGNMENT OF EXCLUSIVE USE COMMON AREA.

- A.** The areas designated "P-1" through "P-17" on the Condominium Plan are parking spaces; easements for the exclusive use of each of these spaces shall be granted as Exclusive Use Common Area appurtenant to a particular Unit. When a handicapped person is an Occupant, usage rights to certain spaces shall be modified as provided in Subsection 7.2D. In the event that any parking space is not granted as Exclusive Use Common Area appurtenant to a particular Unit, it shall be deemed Common Area to be shared equally by all Owners.
- B.** The area designated "PA-1D" on the Condominium Plan is a patio area. The areas designated "D-1D", "D-11C", "D-2C", "D-3C", and "D-4C" on the Condominium Plan are deck areas. The areas designated "RD-3D", "RD-4D", "RD-6C", "RD-7C", "RD-8C" and "RD-9C" on the Condominium Plan are roof deck areas. Easements for the exclusive use of each of these spaces shall be granted as Exclusive Use Common Area appurtenant to the correspondingly-numbered Units.
- C.** The areas designated "S-1" through "S-17" on the Condominium Plan are storage spaces; easements for the exclusive use of each of these spaces shall be granted as Exclusive Use Common Area appurtenant to a particular Unit. In the event that any storage space is not granted as Exclusive Use Common Area appurtenant to a particular Unit, it shall be deemed Common Area to be shared equally by all Owners.

CC&R ARTICLE 3. ASSOCIATION POWERS AND DUTIES

3.1 GENERAL POWERS OF ASSOCIATION. The Association shall have the power to do any lawful thing required or permitted to be done under the Governing Documents and necessary, appropriate or incidental to the exercise of the express powers or duties of the Association for the peace, health, comfort, safety and general welfare of the Owners, subject only to the limitations on those powers set forth in the Governing Documents. The duties and powers of the Association shall include, but are not limited to, those specifically enumerated in this Declaration. The activities of the Association shall be conducted, and all powers exercised, by and under the direction of the Board.

3.2 ENFORCEMENT.

- A. Disciplinary Powers of Association.** The Association shall exercise prudent business judgment in determining whether, when and how to enforce the Governing Documents. The Association is authorized to impose fines, suspend

voting rights, and impose any other disciplinary action for violation of the Governing Documents to the fullest extent permitted by California law; however, the Association may not impair an Owner's right to use and enjoy his/her Condominium as part of any disciplinary action. Each Owner shall have a right of action against another Owner or the Association for failure to comply with the Governing Documents or with a decision of the Association. A failure by the Association to enforce any provision of the Governing Documents on one or more occasions shall not be deemed a waiver or estoppel of the Association's right to enforce a similar or other violation of the Governing Documents.

B. Prerequisites for Imposition of Monetary Penalties. Before a policy involving the imposition of monetary penalties takes effect, and any time such penalties are revised, the Association shall follow the procedures described in Section 5.4 regarding adoption or modification of Rules.

C. Owner Discipline Prerequisites. For the purposes of this Declaration, the phrase "Owner Discipline" shall be broadly defined to include any measure taken by the Association against an Owner in response to a violation of the Governing Documents other than the following: (i) imposition of a Personal Reimbursement Assessment to reimburse the Association for costs associated with the repair of damage for which an Owner, Occupant or invitee is responsible; (ii) removal of improperly parked or stored vehicles or other items as authorized by this Declaration; (iii) enforcement of alteration-related requirements as described in Section 2.10; and (iv) any Association response to the nonpayment by the Owner of a properly levied Assessment (of any type). Owner Discipline shall include the imposition of fines and penalties.

D. Owner Discipline Procedures. Only the Board has the power to impose Owner Discipline; such power cannot be delegated to a manager, employee, or committee. A Board decision to impose Owner Discipline is invalid unless the Board fulfills the procedural requirements of this Section. When the Board meets to consider imposing Owner Discipline, it shall provide notice to the Owner delivered personally or by first class mail at least ten (10) days before the meeting. The notice shall contain the date, time and place of the meeting, a description of the alleged violation, and a statement that the Owner may attend and address the Board either in open session or in executive session. If the Board imposes discipline, it shall provide notice to the Owner delivered personally or by first class mail within fifteen (15) days following the action.

3.3 ADOPTION OF RULES. The Association may adopt and change Rules related to the management and use of the Property and the implementation of the Governing Documents using the procedure described in this Section. These procedures shall also apply to the adoption of or modification of any schedule of fines or penalties.

A. A draft of each proposed Rule or Rule change shall first be tentatively approved by the Board. Following such tentative approval, the Board shall provide a notice to each Owner that includes the full text of the draft along with a description of the purpose and effect of the proposed Rule or Rule change. The notice shall invite each Owner to submit comments regarding the proposal to the Board within thirty (30) days.

- B.** At least thirty (30) days after such notice is given, the Board shall convene a Board Meeting to vote on formal adoption of the proposal. During the meeting, the Board shall consider any comments submitted by an Owner.
- C.** As soon as possible, but not more than fifteen (15) days, after adopting a Rule or Rule change, the Board shall provide a notice to each Owner that includes the full text of the Rule or Rule change.
- D.** If the Board determines that a Rule or Rule change is required immediately to address an imminent threat to public health or safety, or an imminent risk of substantial economic loss to the Association, it may make an "Emergency Rule" without providing the advance notice and comment period otherwise required under Subsection A. An Emergency Rule is effective for one hundred twenty (120) days, unless it provides for a shorter effective period. After an Emergency Rule is adopted, the Board shall give the notice required by Subsection C, and shall include in such notice the full text of the Emergency Rule, a description of its purpose and effect, and the date of its expiration.
- E.** A Rule or Rule change adopted by the Board may be reversed by Owner vote at a Special Owner Meeting convened in accordance with Civil Code Section 1357.140. Following such a reversal, the Board may not readopt the same Rule or Rule change for one (1) year following the Special Meeting; however, this provision does not preclude the Board from adopting a different Rule on the same subject as the one that was reversed.

3.4 LEGAL ACTIONS. The Association may institute, defend, settle or intervene in litigation, mediation, arbitration or administrative proceedings in any matter relating to the Property including but not limited to (i) enforcement of the Governing Documents, (ii) damage to the Common Area, (iii) damage to other parts of the Property which the Association is obligated to maintain or repair, or (iv) damage to Units or Exclusive Use Common Areas which arises out of, or is integrally related to, damage to the Common Areas or other parts of the Property which the Association is obligated to maintain or repair. The Association shall not be required to conduct inspections, maintain inspection records, exhaust any applicable casualty insurance coverage, or provide an opportunity to cure prior to initiating a civil action.

3.5 MECHANICS LIENS. When a mechanics lien against the Common Area arises from work for which an Owner has contracted, the Association may discharge it and charge any associated cost to the responsible Owner as a Personal Reimbursement Assessment. When a mechanics lien against the Common Area arises from work for which the Association has contracted and there is no dispute with the entity that filed the lien, the Association shall promptly discharge the lien. When a mechanics lien against a Unit arises from work for which the Association has contracted and the Unit Owner so requests, the Association shall promptly discharge it.

3.6 UTILITY SERVICE. The Association shall obtain Utility service for the Common Area. In addition, when a particular Utility cannot reasonably be obtained by a Unit independently, the Association shall obtain it.

3.7 ASSOCIATION'S EASEMENT FOR ACCESS. The Association shall have an easement for access through every part of the Property, including the Units, after Reasonable Entry Notice, to perform its duties under the Governing Documents. Entry by the Association

shall be made with as little inconvenience as possible to the Occupants. Any damage caused by the entry shall be promptly repaired at the expense of the Association.

3.8 QUARTERLY REVIEW OF FINANCIAL STATUS. Quarterly or more frequently the Association shall (i) review the latest bank statements and reconciliations for its accounts, (ii) review its income and expense statements, and (iii) compare the current year's actual revenues and expenses to the budget.

3.9 ANNUAL BUDGETING AND REPORTING.

A. Operating Budget. Each year, the Association shall create a *pro forma* "Operating Budget" describing the anticipated funding requirements of the Association for the next fiscal year in compliance with California Civil Code §1365. The Operating Budget shall consist of (i) the operating expenses such as premiums for Association insurance, costs for utilities supplied by the Association, management fees, an allowance for minor Association repair costs, and other routine recurring expenses, and (ii) the Repair/Replacement Reserves calculated based on the Reserve Funding Plan described in Section 3.10. The Board shall adopt an Operating Budget at least forty five (45) days before the beginning of each fiscal year. The Association manager (if any) or President shall prepare a draft Operating Budget and convene a Board Meeting to present it for adoption. No director shall unreasonably withhold his/her approval of an Operating Budget. In general, a majority of directors may approve an Operating Budget; however, if the Operating Budget would cause an increase of more than ten percent (10%) in any Owner's Regular Assessment, Majority Owner Approval shall be required. Following adoption, the Association shall distribute the Operating Budget, along with an Assessment and Reserve Funding Disclosure Summary in the form required by California Civil Code §1365.2, not less than thirty (30), nor more than ninety (90), days before the beginning of the fiscal year.

B. Dispute Resolution Reminder. Along with the Operating Budget, the Association shall distribute (i) a description of the Association's internal dispute resolution process (Section 9.4A of this Declaration), and (ii) a copy or summary of Civil Code Section 1369.510 et. seq. along with the following statement: "Failure of a member of the association to comply with the alternative dispute resolution requirements of Section 1369.520 of the Civil Code may result in the loss of your right to sue the association or another member of the association regarding enforcement of the governing documents or the applicable law".

C. Insurance Summary. Along with the Operating Budget, the Association shall distribute a summary of the information regarding the Association's insurance coverage for property damage, general liability, earthquake (if any) and flood (if any), in compliance with Civil Code Section 1365(e).

D. Assessment and Foreclosure Policy. Along with the Operating Budget, the Association shall distribute the notices required by Civil Code Section 1365.1 relating to collections, foreclosures, payment plans, and Association meetings regarding these matters.

E. Alteration Approval Policy. Along with the Operating Budget, the Association shall distribute a summary of requirements for Association approval of physical changes to property. The summary shall describe the types of changes that require Association approval and shall include a copy of the procedure used to review and approve or disapprove a proposed change.

F. Annual Report. Within one hundred and twenty (120) days after the close of the fiscal year, the Association shall prepare and distribute to each Owner an annual report for the previous year that includes the following:

- (1)** A year-end balance sheet, an income statement and a statement of cash flow;
- (2)** A statement of the location where records of Owner names and addresses are kept.
- (3)** Any information required by Corporations Code §8322.

If the Association's gross income exceeds seventy-five thousand dollars (\$75,000.00), the annual report shall be prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy. If the annual report is not prepared by an independent accountant, it shall be accompanied by the certificate of an officer of the Association that the statements were prepared without audit from the books and records of the Association.

3.10 REPAIR/REPLACEMENT RESERVE FUNDING PLAN.

A. At least once every three (3) years, the Association shall adopt a "Reserve Funding Plan" that indicates how the Association plans to meet its obligation for the repair and replacement of the major components of those portions of the Property that the Association is obligated to maintain with an expected remaining life of thirty (30) years or less, excluding those components the Association has determined will not be replaced or repaired. The Reserve Funding Plan shall include a schedule of the date and amount of any change in Regular or Special Assessment that would be needed to sufficiently fund its Repair/Replacement Reserves. The Reserve Funding Plan shall be adopted at an Owner Meeting. If the Association determines that an Assessment increase is necessary, any increase shall be approved in a separate action of the Association that is consistent with the procedure described in Civil Code 1366.

B. Prior to adopting a Reserve Funding Plan, the Association shall conduct a competent and diligent visual inspection of the accessible areas of the major components of those portions of the Property that the Association is obligated to maintain to determine its Repair/Replacement Reserve requirements. The reserve study shall be conducted by a qualified individual or entity, and shall contain the following information: (i) Identification of the major components that have a remaining useful life of less than thirty (30) years; (ii) An estimate of the remaining useful life of such components; (iii) An estimate of the cost of repair or replacement of such components at the end of their useful life; and (iv) An

estimate of the total annual contribution necessary to defray such cost after subtracting currently available Repair/Replacement Reserve funds.

3.11 REPAIR/REPLACEMENT RESERVE FUND ADMINISTRATION.

- A. Repair/Replacement Reserve Account.** The Association shall deposit Repair/Replacement Reserves in an account that is segregated from its other funds. Withdrawal of funds from the Repair/Replacement Reserve account shall require the signatures of either two (2) directors or one (1) director and one (1) officer.
- B. Using Repair/Replacement Reserves.** The Association shall not expend Repair/Replacement Reserves for any purpose other than maintenance, repair or replacement, or litigation or arbitration involving maintenance, repair or replacement, of items that the Association is obligated to maintain, repair or replace. When the decision is made to use Repair/Replacement Reserves or to temporarily transfer money from the Repair/Replacement Reserves to pay for litigation or arbitration, the Association shall notify the Owners of the decision and the availability of an accounting with the next available mailing, and thereafter prepare an accounting of the litigation or arbitration-related expenses at least quarterly and make the accounting available for inspection by Owners at the Association office.
- C. Borrowing Repair/Replacement Reserves.** Repair/Replacement Reserves may be used to meet short-term cash flow requirements or other expenses if the Board has provided notice of the intent to consider such use in a properly prepared and transmitted Board meeting notice which included the reasons the funds are needed, some of the options for repayment, and whether a Special Assessment may be considered. If the Board authorizes the use, it shall issue a written finding, recorded in its minutes, explaining the reasons that the funds are needed, and describing when and how the money will be returned to the segregated Repair/Replacement Reserve account. The Repair/Replacement Reserve funds shall be restored within one (1) year of the date it is initially transferred out of the segregated Repair/Replacement Reserve account, except that the Board may, after giving the same notice required for originally considering use of the funds, and making a written finding, supported by documentation, that a temporary delay would be in the best interest of the Association, temporarily delay the restoration. The Association shall exercise prudent fiscal management in maintaining the integrity of Repair/Replacement Reserves, and shall, if necessary, levy a Special Assessment to recover the full amount of the diverted funds within the time limits required by this Section.

3.12 DOCUMENTS PROVIDED AT OWNER REQUEST. To the full extent and in the manner required by law, the Association shall make its records available for inspection and copying by any Owner or Owner's designee, and by any director.

3.13 MANAGER. The Association may employ, or retain as independent contractor, a manager to perform all or any part of the Association's delegable duties. Any management contract shall be in writing and provide for the right of termination without a termination fee by either party with immediate notice if for cause, or with contract-specified advance notice of if without cause. The Association shall not delegate the following powers: (i) to borrow money;

(ii) to use Association property as security for a debt; (iii) to levy Assessments; (iv) to begin litigation; (v) to make capital expenditures in excess of budgeted amounts; (vi) to impose discipline for violation of the Governing Documents; or (vii) to hold disciplinary hearings.

3.14 ENFORCEMENT OF BONDED OBLIGATIONS. The following provisions shall apply whenever the Association is the obligee under a bond or other arrangement (the "Bond") provided by Declarant to secure completion of Common Area improvements.

- A.** If any Common Area improvement for which a Notice of Completion has not been filed within sixty (60) days after the completion date specified within the Planned Construction Statement appended to the Bond, or within thirty (30) days after the expiration of any written extension given by the Association, the Board shall consider and vote on whether to enforce the Bond.
- B.** If the Board fails to consider and vote on Bond enforcement within the required time frames, or if the Board votes against enforcement, a Special Owner Meeting shall be held not less than thirty five (35) days nor more than forty five (45) days following receipt by the Board of a petition requesting the meeting and signed by Owners representing at least five percent (5%) of the total voting power of the Association.
- C.** At the Special Owner Meeting, the Owners other than Declarant shall vote on Bond enforcement. If a majority of Owners, other than Declarant, favor enforcement, the Board shall immediately implement the decision by initiating and pursuing appropriate action in the name of the Association.

CC&R ARTICLE 4. ASSOCIATION DECISIONMAKING

4.1 AUTHORITY OF BOARD. In general, all of the activities of the Association shall be conducted, and all powers exercised, by and under the direction of the Board. Whenever the Governing Documents state that the "Association" may or must make a decision, including the enactment, alteration, or repeal of any Rule, the decision is to be made by a vote of the Board rather than by the vote of the Owners. The only exception to these general rules is when the Governing Documents specifically state that a particular decision or action requires the approval of Owners.

4.2 ACTIONS REQUIRING OWNER APPROVAL. So long as the Declarant remains an Owner, any matter requiring a prescribed majority of the voting power of the Association shall require the vote of a bare majority of the total voting power of the Association plus the vote of the prescribed majority of the total voting power residing in Owners other than Declarant. The following actions require Majority Owner Approval:

- A.** Entering into a contract with a third person wherein the third person will furnish goods or services for the Common Area or the Association for a term of longer than one (1) year with the following exceptions:
 - (1)** A management contract, the terms of which have been approved by the Federal Housing Administration or the Veterans Administration;
 - (2)** A contract with a public utility company if the rates charged for the

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materials or services are regulated by the Public Utilities Commission provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate;

- (3) Prepaid casualty and/or liability insurance policies of not to exceed three years duration provided that the policy permits short rate cancellation by the insured;
- (4) Lease agreements for laundry room fixtures and equipment of not to exceed five (5) years duration provided that the lessor under the agreement is not an entity in which the Declarant has a direct or indirect ownership interest;
- (5) Agreements for cable television services and equipment or satellite television services and equipment of not to exceed five (5) years duration provided that the supplier is not an entity in which the Declarant has a direct or indirect ownership interest;
- (6) Agreements for sale or lease of burglar alarm and fire alarm equipment, installation and services of not to exceed five years duration provided that the supplier or suppliers are not entities in which the Declarant has a direct or indirect ownership interest; and
- (7) A contract for a term not to exceed three (3) years that is terminable by the Association after no longer than one (1) year without cause, penalty or other obligation upon ninety (90) days written notice of termination to the other party.

B. Except in an Emergency, retroactively revising the Regular Assessment for a particular year, or increasing the Regular Assessment more than ten percent (10%);

C. Levying a Special Assessment which, when added to all other Special Assessments levied during the same fiscal year, exceeds five percent (5%) of the budgeted gross expenses for that fiscal year; however, Majority Owner Approval shall not be required if the Special Assessment is levied to address Emergency conditions;

D. Changing the allocation of responsibility for maintenance, repair or replacement between the Owners and the Association;

E. Incurring aggregate expenditures for capital improvements to the Common Area in any fiscal year in excess of five percent (5%) of the Association's budgeted gross expenses for that fiscal year, or transferring any Association property having an aggregate fair market value greater than five percent (5%) of the Association's budgeted gross expenses for the fiscal year in which the Property is sold;

F. Using the proceeds from an insurance claim or from a settlement or judgment of a legal dispute for any other purpose other than to restore the loss or damage for

which the recovery was obtained;

- G. Adding, annexing or withdrawing real estate to or from the Property, and granting easements or usage rights affecting the Common Area; and
- H. Paying compensation other than expense reimbursement to Association directors or officers for services performed for the Association.

The following actions require Majority Owner Approval, plus the approval of each Owner both directly and detrimentally affected by the action:

- I. Changing the method of allocating Assessments or voting rights among Owners;
- J. Altering, or redefining the boundaries of a Unit or Exclusive Use Common Area.

The following actions require the approval of Owners, constituting a quorum, casting seventy-five percent (75%) of the votes at a meeting of the Association:

- K. Except as otherwise provided in this Declaration, abandoning the Property or terminating Association activities prior to the expiration of the term provided in the Governing Documents;
- L. Imposing any restriction of the free alienation or transferability of a Condominium, other than restrictions on the leasing of Units; and
- M. Altering or amending the provisions of this Declaration regarding assessment liens, assessment lien priority, insurance, leasing of Units, or repair of the Property following Catastrophic Damage or condemnation.

CC&R ARTICLE 5. ASSESSMENTS AND LIENS

5.1 TYPES OF ASSESSMENTS. There are three types of Assessments: Regular Assessments, Special Assessments and Personal Reimbursement Assessments.

- A. **Regular Assessments.** Regular Assessments shall be levied against all Owners to fund the operating and Repair/Replacement Reserve requirements of the Association as projected in the *pro forma* operating budget prepared in accordance with Civil Code §1365.5. If at any time during the fiscal year, the Association determines that the amount of the Regular Assessments is inadequate or excessive, it may revise it for the balance of the fiscal year. Until January 1 of the year immediately following the conveyance of the first Condominium, Regular Assessment shall be the amount determined by Declarant and shall be based on the number of full calendar months remaining in that fiscal year.
- B. **Special Assessments.** Special Assessments may be levied against all Owners to defray (i) the cost of construction, repair or replacement of capital improvements to portions of the Property which the Association is obligated to maintain, (ii)

extraordinary expenses of the Association that were not anticipated in the *pro forma* operating budget, or (iii) any other purpose permitted by law.

C. Personal Reimbursement Assessments. A Personal Reimbursement Assessment may be levied against any Owner to enforce the Owner's obligations and responsibilities under the Governing Documents.

5.2 USE OF ASSESSMENTS. Revenue raised by Assessments must be used to maintain, preserve and enhance the Property, or to promote the health, safety and general welfare of the Owners.

5.3 DIVISION OF ASSESSMENTS.

A. Parking Cost Center. For the purposes of this Subsection, the term "Parking Area" shall refer, collectively, to the areas designated "P-1" through "P-17" on the Condominium Plan. The portion of Regular and Special Assessment levied for certain costs associated with the Parking Area shall be divided into seventeen (17) equal shares, and it shall be the responsibility of each Condominium assigned an individually-numbered parking space to pay one (1) share per individually-numbered parking space assigned. (Although the area designated "P-16" on the Condominium Plan consists of two (2) parking spaces, the Owner assigned "P-16" shall pay the same portion of Regular and Special Assessments as the Owner of any other parking space). The following costs shall be allocated in this manner:

- (1)** A fractional portion of the following: (i) premiums for all Association insurance, (ii) all custodial costs, (iii) the cost of preparation of all Repair/Replacement Reserve studies, (iv) any allowance in the annual budget for minor repairs, (v) the cost of pest control (to the extent such cost is paid by the Association), and (vi) all management and administrative costs; Such fractional portion shall be derived by dividing the total square footages of all parking spaces into the combined total square footage of all Units and all parking spaces;
- (2)** Costs of repair and replacement, and associated Repair/Replacement Reserves, relating to the following elements of the area designated "Garage" on the Condominium Plan: (i) all lights and light fixtures; (ii) all non-structural components of floor and ramp surfaces; (iii) paint or other surface coating on the interior surfaces of walls, floors and ceilings; (iv) all garage doors (including the door motors and opening mechanisms but excluding exterior paint); and
- (3)** The full cost of electricity serving all or any part of the area designated "Garage" on the Condominium Plan.

B. Residential-Only Assessments. The portion of Regular and Special Assessment levied for the following items shall be allocated equally among the thirteen (13) Residential Units:

- (1) Repair and replacement, and associated Repair/Replacement Reserves, relating to the elevator, elevator shaft, mechanical elements serving only the elevator, and Utility elements serving only the elevator;
- (2) All service contracts, telephone service, and electrical service relating to the elevator; and
- (3) Repair and replacement, and associated Repair/Replacement Reserves, relating to: (i) the main entry door serving only the Residential Units; (ii) interior painting, floor covering and lighting of the lobby, interior hallways, and stairwells, serving only the Residential Units; and (iii) the intercom system and the mailboxes.

C. Commercial-Only Assessments. The portion of Regular and Special Assessment levied for Repair and replacement, and associated Repair/Replacement Reserves, relating to the following items shall be allocated equally among the three (3) Commercial Units: (i) the main entry door serving only the Commercial Units; and (ii) interior painting, floor covering and lighting of the lobby and restroom serving only the Commercial Units.

D. Shared (Residential and Commercial) Assessments. Except as otherwise provided in Subsections A, B, and C:

- (1) The portion of Regular and Special Assessments levied for the cost of insurance, exterior and interior Common Area painting and reserves for exterior and interior Common Area painting, roofing and reserves for roofing, major repair, replacement and improvement of the structural elements of the Common Area, water and sewer service, and scavenger service, shall be allocated among all Units (Commercial Units and Residential Units) based upon their relative square footage of interior floor area as shown on Exhibit "C" (and there shall be no division of costs based upon which building a Unit is located within); and
- (2) All other portions of Regular and Special Assessments shall be allocated among all Units (Commercial Units and Residential Units) equally.

5.4 PAYMENT OF ASSESSMENTS. Regular Assessments shall be levied against all Units in on the first day of the month following the conveyance of the first Condominium from the Declarant to an Owner, and shall thereafter be levied on the first day of the first month of each fiscal year. Regular Assessments shall be due and payable in equal monthly installments on the first day of each month of the fiscal year, unless the Association adopts some other basis for collection. The Association shall notify each Owner in writing of the amount of the Regular Assessments for the upcoming fiscal year at the same time it distributes the *pro forma* operating budget. In addition, the Association shall notify each Owner in writing of any change in the Regular Assessments or of the levy of any Special Assessment not less than thirty (30) nor more than sixty (60) days before the due date of such changed or Special Assessment. The due date for payment of a Personal Reimbursement Assessment shall be stated in the notice of the assessment and be at least thirty (30) days after notice is given. Assessments are due and payable on their due dates without deduction or offset for any claim an Owner may have against the Association. Each Assessment, together with authorized charges, is the joint and several personal obligation of all Owners of the Condominium against which it is levied. No

Owner may exempt him/herself from liability for payment of Assessments.

5.5 DELINQUENT ASSESSMENTS.

A. Delinquency Timing and Charges. An Assessment becomes delinquent if payment is not received by the Association within fifteen (15) days after its due date. The Association may impose a late charge of ten percent (10%) or \$10.00, whichever is greater, on delinquent payments as compensation for additional administrative costs. A late charge may be imposed on each delinquent payment, but may not be imposed more than once on any single delinquent payment. The Association may also recover reasonable costs incurred in collecting delinquent Assessments including reasonable attorney's fees. The Association may also charge interest on delinquent payments, late charges, collection costs, and attorney's fees, at the rate of twelve percent (12%) per annum beginning thirty (30) days after the due date and continuing until the date payment is received.

B. Repeated Delinquency. If a Regular Assessment installment is not paid within fifteen (15) days of the due date more than three (3) times during a fiscal year, the Association may declare the entire remaining unpaid balance of the Regular Assessment for that fiscal year immediately due and payable in full by written notice to the Owner.

C. Assessment Liens. A penalty, fine, charge or other financial obligation, including costs and expenses of collection, levied by the Association against an Owner as a Personal Reimbursement Assessment for a violation of the Governing Documents may be made a lien against the Condominium of such Owner, but may not be enforced by nonjudicial foreclosure under Civil Code §§2924, 2924(b) and 2924(c) except as allowed by law. The obligation may be enforced by judicial foreclosure or judicial execution once the obligation is reduced to judgment. A lien for delinquent Regular Assessments and Special Assessments, and a lien for delinquent Personal Reimbursement Assessments levied to reimburse the Association for costs associated with the repair of damage for which an Owner, Occupant or invitee is responsible, may be enforced in any manner permitted by California Law (including Civil Code Section 1367.4 and any successor provision). When legally permitted, enforcement may include nonjudicial foreclosure conducted in accordance with the provisions of Civil Code §§2924, 2924(b) and 2924(c). A delinquent Assessment, regardless of type, plus any late charges, interest, costs of collection or related charges may be made a lien on the delinquent Owner's Condominium by recording a notice of delinquent Assessment with the County Recorder. The notice of delinquent Assessment shall contain the information and meet the other requirements of Civil Code §1367.1(d). Such a lien may be enforced in any manner permitted by law.

D. Owner Rights and Remedies. At least thirty (30) days prior to recording a lien against a Condominium, the Association shall provide to the Owner, by certified mail, a notice ("Owner Notice Of Delinquency") in compliance with Civil Code Section 1367.1(a).

- (1) The Owner may dispute the debt by submitting to the Board a written explanation of the reasons for his/her dispute. The Board shall respond in writing to the Owner within fifteen (15) days of the date of the postmark of the explanation, if the explanation is mailed within fifteen (15) days of the postmark of the Owner Notice Of Delinquency.
- (2) Under certain limited circumstances as described in Civil Code Section 1366.3, an Owner may use alternative dispute resolution process mentioned in that Section to resolve a dispute regarding Assessments.
- (3) An owner may submit a written request to meet with the Board to discuss a payment plan for the debt. The Association shall provide the Owner the standards for payment plans, if any exist. The Board shall meet with the Owner in executive session within forty five (45) days of the postmark of the request, if the request is mailed within fifteen (15) days of the date of the postmark of the Owner Notice Of Delinquency, unless there is no regularly scheduled Board meeting within that period, in which case the Board may designate a committee of one or more directors to meet with the Owner.

E. Homestead Waiver. Each Owner waives the benefit of statutory debtor protection, including homestead and exemption rights, to the full extent permitted by California and Federal law with respect to enforcement of Assessment liens.

F. Payment of Delinquent Assessments. Payment toward a delinquent Assessment shall be credited first to satisfying the Assessment, and then to late charges, collection costs, attorney's fees and interest. Upon payment of the sums specified in the notice, the Association shall promptly record a notice acknowledging satisfaction and releasing the lien. The lien shall not be affected by the sale or transfer (other than through foreclosure) of the affected Condominium.

5.6 STATUS CERTIFICATE. Upon written request of an Owner, the Association shall provide an Owner with a written statement, signed by an authorized representative of the Association, stating the amount of all unpaid Assessments, fines, penalties, charges and other financial obligations owed to the Association by the Owner as of the date of the statement. The statement shall be conclusively presumed accurate as of its date in favor of any good faith purchaser of a Condominium who relies on it. The Association may charge a reasonable fee for the statement which shall not exceed the actual administrative cost.

CC&R ARTICLE 6. REPAIRS AND INSURANCE

6.1 OWNER MAINTENANCE RESPONSIBILITY.

A. Units. Each Owner shall maintain, repair and replace all elements of his/her Unit in a condition that does not impair the value or desirability of other Condominiums or the Property as a whole.

B. Exclusive Use Common Area.

- (1) Each Owner shall maintain, repair and replace, in a condition that does not impair the value or desirability of other Condominiums or the Property as a whole, each element of his/her assigned deck, roof deck, or patio that serve only the item itself, but not those elements that contribute to the existence or support of Common Area or of Exclusive Use Common Area assigned to another Owner. In addition, with regard to roof decks, the Owner shall be responsible for any additional cost for maintenance, repair or replacement of roofing or parapets that is a consequence of the existence of the roof deck. The Association shall perform the work of repairing or replacing the roof, including any associated removal and replacement of the roof deck, and shall assess the incremental cost as a Personal Reimbursement Assessment. Structural and retaining walls, and all drainage systems, are not within the ambit of this Subsection and are always maintained, repaired and replaced by, and at the expense of, the Association.
- (2) Each Owner shall maintain, repair and replace, in a condition that does not impair the value or desirability of other Condominiums or the Property as a whole, (i) any finished wall, floor, or ceiling surfaces which serve only his/her assigned storage area (if any), and (ii) all elements (except exterior paint) of any door and window, including the opening mechanism, which serve only such storage area.

C. Failure To Maintain. If an Owner fails to satisfy his/her maintenance, repair or replacement requirements, the Association may do so and assess any associated expense as a Personal Reimbursement Assessment. However, the failure of the Association to do so shall not shift to it the responsibility for any loss or damage resulting from the Owner's failure.

D. Building Permits and Approvals. In cases where a building permit is required by Governmental Regulations, unless otherwise specifically authorized by the Association, each Owner shall (i) obtain all required permits and approvals, (ii) provide notice with a copy of such permits and approvals to the Association at least ten (10) calendar days before commencing work, and (iii) obtain final governmental inspection and sign-off.

E. Timing of Work Completion. All work performed by or on behalf of an Owner must be diligently and consistently pursued through completion, and must be completed within a reasonable time.

6.2 ASSOCIATION MAINTENANCE RESPONSIBILITY .

- A. Common Area.** The Association shall maintain, repair and replace all Common Area that is not Exclusive Use Common Area in good condition and repair.
- B. Exclusive Use Common Area.** The Association shall maintain, repair and replace in good condition and repair all elements of Exclusive Use Common Area which are not required to be maintained by an Owner under Subsection 6.1B.

6.3 CONSEQUENTIAL DAMAGE AND LOSS. The following provisions shall supersede the general rules described in Sections 6.1 and 6.2.

A. Damage Due To Conduct.

- (1) **Owner Responsibility.** Each Owner is responsible for the costs of all maintenance, repair or replacement of all areas of the Property necessitated by the acts or omissions of him/herself, his/her guests, his/her invitees (including independent contractors and employees), any Occupants of his/her Condominium and of the guests and invitees of such Occupants. The Association shall perform the work, and shall assess the cost as a Personal Reimbursement Assessment.
- (2) **Association Responsibility.** The Association is responsible for the costs of all maintenance, repair or replacement of all areas of the Property necessitated by the conduct and behavior of its invitees (including independent contractors and employees).

B. Damage Due To Malfunction.

- (1) **Covered Loss/Point of Origin.** In instances where the damage is not the result of conduct as described in Subsection A, to establish responsibility for costs of repair or replacement in instances where no one is at fault, the Association shall determine the following:
 - (a) Whether the loss would be covered by a typical policy of fire and casualty insurance required to be maintained either by the Association, or by an Owner, under the insurance provisions of this Declaration (a "Covered Loss"); and
 - (b) Whether the Association, or a particular Owner or subgroup of Owners, is responsible for the maintenance, repair and replacement of the specific element that is the "Point of Origin". The Point of Origin is the specific element of the Property that malfunctioned first, and began the chain of events that led to the loss or damage.
- (2) **Covered Loss/Association Policy.** If the loss is a Covered Loss under a policy the Association is required to carry, the Association shall submit a claim for such loss. To the extent the cost of repair or replacement exceeds policy limits or is within a policy deductible, or if coverage is denied despite reasonable efforts by the Association, such cost of repair or replacement shall be allocated based on Point of Origin as provided in Subsection (4) below. However, if there is no coverage as a result of the failure of the Association to maintain coverage required by this Declaration, the Association shall pay the entire cost of repair or replacement.
- (3) **Covered Loss/Owner Policy.** If the loss is a Covered Loss under a policy an Owner is required by this Declaration to carry, the Owner shall

submit a claim for such loss. Since each Owner determines the policy limits and deductibles associated with the fire and casualty coverage he/she obtains, each Owner shall be responsible for all cost of repair or replacement exceeding policy limits or within a policy deductible. If coverage is denied despite reasonable efforts by the Owner, the cost of repair or replacement shall be allocated based on Point of Origin as provided in Subsection (4) below. If there is no coverage as a result of the failure of the Owner to maintain coverage required by this Declaration, such Owner shall pay the entire cost of repair or replacement.

(4) Non-Covered Loss/Denial of Coverage. If the loss is not a Covered Loss (as defined above), or where the preceding Subsections provide that the cost of repair or replacement shall be allocated based on Point of Origin, the following provisions shall apply:

(a) If the Association is responsible for the element at the Point of Origin, it shall be responsible for the costs of repair or replacement. For example, if the Association is responsible for exterior painting and siding, water intrudes into the building from the side, and the interior of a Unit is damaged, the Association would be responsible for the cost of repair or replacement of damage to, or within, the Unit.

(b) If an Owner is responsible for the element at the Point of Origin, he/she shall be responsible for the costs of repair or replacement. For example, if an Owner is responsible to maintain a plumbing pipe, and the pipe bursts resulting in damage to the Common Area and to another Unit, the Owner would be responsible for the cost of repair or replacement of all the damage to, or within, the Common Area and the other Unit. In such an instance, the Association shall perform the work in the Common Area and the other Unit, and shall assess the cost as a Personal Reimbursement Assessment.

6.4 INSURANCE COVERAGE.

A. Liability Insurance.

(1) The Association shall maintain an insurance policy insuring the Association, its directors, officers and the Owners against public liability incident to ownership and use of the Property. The limits of coverage shall not be less than two million dollars (\$2,000,000) per incident of injury, death and property damage. The policy shall contain a severability of interest endorsement precluding the insurer from denying coverage to a named insured because his/her act or omission created liability in favor of another insured. The policy shall also contain a contractual liability endorsement.

(2) The Association shall maintain an insurance policy insuring the Association, its directors and officers against liability arising out of acts or omissions in their capacity as agents of the Association. The limits of

coverage shall not be less than five hundred thousand dollars (\$500,000) per incident. The policy shall provide prior acts coverage.

- (3) Each Owner of a Residential Unit must obtain and maintain insurance covering his/her personal liability, and shall provide proof of such insurance to the Association upon request. Limits of liability shall not be less than a combined limit of three hundred thousand dollars (\$300,000) for injury, death and property damage.
- (4) The Owner of the Commercial Unit or, if such Unit is leased or rented, the Occupants of the Commercial Unit, must obtain and maintain premises liability insurance, and shall provide proof of such insurance to the Association upon request. Limits of liability shall not be less than a combined limit of two million dollars (\$2,000,000) per incident of injury, death and property damage.

B. Casualty Insurance.

- (1) For the purposes of interpreting and applying any and all provisions of any casualty insurance policy covering any portion of the Property and its contents, a Unit and Exclusive Use Common Area shall not be deemed to include, and Common Area shall be deemed to include, cabinetry, counters, built-in appliances, or other fixtures or elements permanently attached to the Property, even if such elements are located within the perimeter boundaries of a Unit. These modified definitions shall apply for the exclusive purposes of interpreting and applying provisions of casualty insurance policies, and for absolutely no other purposes. Other provisions of this Declaration shall be used for all other purposes, including the allocation of responsibility and cost for maintenance, repair and replacement between the Owners and the Association, and the allocation of such responsibility and cost among the Owners.
- (2) The Association shall maintain a master policy of fire and casualty insurance covering the Property, including all cabinetry, counters, built-in appliances, or other fixtures or elements permanently attached to the Property. Such policy shall provide a multi-peril coverage endorsement, and coverage for such other risks as are commonly covered with respect to Properties similar to the Property in construction, location and use, or such other fire and casualty insurance as the Association determines gives substantially equal or greater protection. Coverage shall be in an amount equal to the full replacement value of the insured items and elements.
- (3) Each Owner of a Residential Unit or, in the case of a leased or rented Unit, the Occupants of the Unit, must obtain and maintain insurance covering those portions of his/her personal property not covered by the Association casualty insurance coverage, and shall provide proof of such insurance to the Association upon request.

(4) The Owner or Occupant of a Commercial Unit shall maintain a policy of fire and casualty insurance providing multi-peril coverage for all insurable items and information kept in the Unit, and shall provide proof of such insurance to the Association upon request. The policy shall contain a waiver of subrogation rights against the Association and other Owners.

C. Inability To Obtain Insurance. If the insurance required by this Declaration is difficult, impractical or unduly expensive to obtain, the Association shall obtain insurance as nearly equivalent to the required insurance as is reasonably available.

D. Claims Against Association Insurance. A decision not to submit a particular claim to a Association insurance carrier must be approved by any Owner who will be forced to pay additional repair or replacement costs as a result of the decision.

E. Casualty Insurance Proceeds.

(1) When a particular Owner is responsible to repair and replace an item under this Declaration (as opposed to where he/she is responsible only to pay the cost of repair or replacement), and the Association receive insurance proceeds for repair or replacement of the item, the proceeds shall be distributed to such Owner, subject to the limitations in Subsection (2) below.

(2) When Subsection (1) entitles one or more Owners to receive proceeds from Association insurance, but such proceeds must be allocated between Owners or between the Association and one or more Owners, the Association shall use information provided by the insurance carrier relating to how the amount of proceeds was calculated, to the extent such information is available. When such information is not available, or when such information is incomplete, the proceeds shall be allocated in proportion to the cost of repair or replacement of the damaged or lost items. Under no circumstances shall the proceeds be allocated based upon Percentage Interest.

(3) If Association insurance proceeds allocated to a particular Owner are insufficient to pay the costs of repair or replacement for which such Owner is responsible, the Owner shall pay the additional amounts. Similarly, where an Owner is responsible for the cost of repair or replacement (as opposed to where he/she is responsible to repair and replace the item), and the Association insurance proceeds allocated to such repair or replacement do not cover the full cost, the Owner shall pay the additional amounts.

F. Other Insurance Requirements.

(1) If the Association has employees, it shall maintain workers' compensation insurance as required by law.

- (2) Each Association insurance policy shall (i) name the Association as trustee for policy benefits payable to the Owners, (ii) provide a waiver of subrogation rights against the Association, its officers and the Owners, (iii) state that coverage be primary and not affected by any other insurance held by an Owner, and (iv) require that at least thirty (30) days prior written notice be given to the Association by the insurer before cancellation.
- (3) The Association's insurance shall be written by an insurance company qualified to do business in California with a rating of at least an "A" by Best's Insurance Reports or equivalent.
- (4) All policies of insurance shall be reviewed at least annually and adjusted, if necessary, to provide such coverage and protection as the Association may deem prudent.
- (5) The Association shall notify the Owners by first-class mail as soon as reasonably practical if any of its insurance policies: (i) lapses or is canceled and is not immediately renewed, restored or replaced; (ii) will undergo significant change such as a reduction in coverage or limits, or an increase in the deductible; or (iii) is subject to a notice of nonrenewal and replacement coverage will not be in effect at the time the existing coverage will lapse.

6.5 CATASTROPHIC DAMAGE. As used in this Section, "Catastrophic Damage" means sudden and unexpected physical damage to portions of the Property which the Association is obligated to maintain for which the repair cost will exceed fifty percent (50%) of the full replacement cost of all portions of the Property which the Association is obligated to maintain.

- A. Determining Extent Of Damage.** Immediately after the occurrence of Catastrophic Damage, the Association shall obtain two (2) or more written bids from separate licensed contractors to restore the damaged elements to substantially the same condition as existed before the damage occurred. Repair bids shall include at a minimum a detailed scope of work, fixed or not-to-exceed contract price, completion date and provision for adequate insurance coverage by the contractor.
- B. Determining Availability Of Repair Funds.** After obtaining repair bids, the Association shall promptly determine the amount of funds available for the repair from insurance, reserves, loans, and any other source. In making this determination, the Association shall consider as available any insurance proceeds payable to any Owner for repair or replacement of any of the damaged elements.
- C. Decision To Rebuild.** Provided that repairing the damaged areas of the Property would not necessitate a Special Assessment of more than one hundred thousand dollars (\$100,000) on any Unit, the Association shall repair, and any difference between the total funds available and the actual repair cost shall be imposed as a Special Assessment. Any Owner who receives insurance proceeds for repair or replacement of any of the damaged elements that the Association is required to

repair shall provide such proceeds to the Association in addition to his/her portion of the Special Assessment. If repair would necessitate a Special Assessment of more than one hundred thousand dollars (\$100,000) on any Unit, the Association shall not repair unless seventy five percent (75%) of all Units vote to do so. If the Association does not repair, it shall sell the entire Property in its then existing condition on the best available terms. Each Owner hereby grants the Association an irrevocable power of attorney to represent the Owner in any negotiations or agreements related to sale or other liquidation following Catastrophic Damage. The sale proceeds together with any insurance proceeds, net of any expenses associated with necessary stabilization of the Property and fees associated with disposition of the Property, shall then be distributed as provided in this Declaration. The Association shall then be dissolved and the entire common interest development terminated as provided by law. If the Association fails to sell the Property within a reasonable period of time, it may bring an action for judicial partition.

- D. Repair Work.** All individuals or entities performing repairs for the Association shall (i) hold all licenses legally required for such repairs and (ii) enter into a written contract with the Association which satisfies all of the requirements for repair bids specified in Subsection A. Payment and performance bonds shall be required in repair contracts exceeding one hundred thousand dollars (\$100,000). The Association shall ensure that repairs are diligently pursued to completion in accordance with best construction practices prevailing in the locale at the time the work is done.
- E. Emergency Repair.** The Association may make repairs or take any other necessary action in an Emergency without first complying with the provisions of this Article.
- F. Certification Of Intention.** If the Association decides, by affirmative act or failure to act, to sell the Property rather than repair Catastrophic Damage, it shall promptly notify all Owners of the decision and record a certificate reciting that fact with the County Recorder.
- G. Revision Of Documents.** If the Association decides, by affirmative act or failure to act, not to repair Catastrophic Damage, the Association shall have the power and authority to execute and record, on behalf of itself and the individual Owners, all necessary documents to show the altered status of the Property, including but not limited to a revised Condominium Plan.

CC&R ARTICLE 7. USE AND ALTERATION RESTRICTIONS

7.1 CONDOMINIUM USE.

- A. Use of Residential Condominiums.** A Residential Unit shall be solely for residential use except that an Occupant may engage in a professional or administrative occupation within the Property if (i) there is no external evidence of business activity, (ii) it conforms to all applicable Governmental Regulations, and (iii) it is merely incidental to the use of the Unit as a residence.

B. Use of Commercial Condominiums. A Commercial Unit may be used for any commercial purpose permitted by Governmental Regulations. No combustible fluid or material, or other hazardous material, shall be kept or used in a Commercial Unit except as required or necessary to operate the business for which such Commercial Unit is used and for normal cleaning and landscaping work. A Commercial Unit may be used for live/work purposes upon compliance with applicable Governmental Regulations, but otherwise shall not be used as a residence.

7.2 PARKING AND USE OF MOTOR VEHICLES.

A. Each Owner shall be permitted to park or store motor vehicles within his/her assigned parking area provided that every part of such items is contained entirely within the boundaries of his/her assigned parking area. In addition, any Occupant may park or store electric bicycles in working condition within areas of the Common Area designated by the Association for such purpose. Except as provided in the preceding sentence, motorized vehicles, including motorcycles, mopeds and scooters, are not permitted anywhere on the Property. Strict compliance with these requirements shall be mandatory at all times; "temporary" or "very short term" violations shall be deemed no different from long-term parking or storage. Each Owner shall be responsible for violations of this provision by each Occupant of such Owner's assigned Unit, and each invitee of such Occupant. Each Owner and Occupant shall indemnify, defend and hold harmless the Association and its officer, manager, employees, and other Owners and Occupants against any and all loss, cost or liability including attorney fees, arising out of claims related to his/her ownership, maintenance or use of motor vehicles on the Property.

B. Any motor vehicle not in total compliance with Subsection A shall be deemed "Improperly Parked". The fact that a motor vehicle has been allowed to be Improperly Parked previously shall not diminish or otherwise affect the application of the provisions of this Section, or impose additional duties or responsibilities on the Association or on any Owner with regard to the removal of such item. Any Owner may remove any motor vehicle wrongfully parked on the Property at the vehicle owner's expense provided such removal complies with all aspects of Governmental Regulation including Vehicle Code Section 22568. Each Owner shall be deemed to have the authority of the Association to do so. Neither the Association nor the removing Owner shall be liable for any damages or loss suffered by the vehicle owner as a consequence of removal unless such damage or loss resulted from negligence of the Association or the removing Owner.

C. Each Owner and Occupant shall indemnify, defend and hold harmless the Association and its officer, manager, employees, and other Owners and Occupants against any and all loss, cost or liability including attorney's fees, arising out of claims related to his/her ownership, maintenance or use of motor vehicles on the Property.

D. If the parking space labeled "P-1" on the Condominium Plan (the "Handicap Parking Space" is appurtenant to a particular Condominium, but none of the Occupants of that Condominium are handicapped, the Owner shall, promptly upon request, assign the right to use the Handicap Parking Space to the Occupant of another Condominium provided the following requirements are

satisfied: (i) the requesting Occupant is legitimately handicapped; (ii) the requesting Occupant possesses a handicap license plate or placard issued by the California Department of Motor Vehicles; (iii) the Condominium occupied by the requesting Occupant has appurtenant to it a non-handicap parking space; and (iv) the Owner of the Condominium occupied by the requesting Occupant assigns the right to use a parking space appurtenant to such Condominium to the Owner of the Handicap Parking Space. The assignment exchange shall remain in effect only for so long as both Items (i) and (ii) of the previous sentence remain true. The Association shall have the authority and be responsible for coordinating the exchange of parking areas pursuant to this Subsection. The Association shall maintain appropriate records of such exchanges, including a copy of the evidence of handicap status. The exchange of parking spaces under this Subsection shall not affect the amount or portion of Regular or Special Assessments payable by any Owner including those participating in the exchange.

7.3 STORAGE. Any Occupant may park or store bicycles and electric bicycles in working condition within the area designated "Bicycle Lockers" on the Condominium Plan. Within assigned deck, roof deck, or patio areas, Owners may place or store outdoor furniture, barbecues, plants, and other typical outdoor furnishings provided the amount or condition of such items does not significantly diminish the value or desirability of the Property. Except as provided in the preceding sentences, no one may any item in Exclusive Use Common Area, or in Common Area, without Association approval. Any item stored in such Common Area without such explicit, written, prior approval, may be removed from such space without prior notice or hearing of any kind, and disposed off, and the reasonable cost of such removal and disposal shall be levied by the Association against the Owner who stored such items as a Personal Reimbursement Assessment. Neither the Association, nor any Owner, nor anyone acting on behalf of the Association or any Owner, shall have any liability as a result of exercising the rights provided under this Section. The fact that items have been allowed to be improperly stored in a particular location for an extended period shall not diminish or otherwise affect the application of the provisions of this Section, or impose additional duties or responsibilities on the Association or on any Owner with regard to the removal of such items.

7.4 NUISANCE. No person shall use any part of the Property in a way that unreasonably interferes with the quiet enjoyment of an Occupant, or which is noxious, illegal, seriously annoying or offensive to a person of reasonable and normal sensitivity. There shall be no exterior fires except in barbecue receptacles that are located within assigned deck, roof deck, or patio areas (which may be used only by the Occupants of the Units to which such assigned areas are appurtenant). No activity may be carried on that adversely affects insurance coverage or rates on the Property. No Occupant shall do or permit anything to be done which is in violation of a Governmental Regulation or which will or may decrease the attractiveness, desirability or value of another Unit or the Property as a whole.

7.5 ANIMALS. An Occupant may keep domestic dogs, cats, fish, birds, rodent and reptiles inside cages provided he/she (i) does not keep his/her animal(s) for commercial purposes, (ii) maintains reasonable control over his/her animals at all times, (iii) keeps his/her dog(s) on a hand-held leash or in a cage when outside a Unit, (iv) immediately cleans up after his/her animal(s), (v) thereby becomes liable to the Association and all persons for any damage caused by his/her animal(s), and (vi) thereby agrees to indemnify, defend and hold harmless the Association and its Board, officers, manager, employees, and other Owners and Occupants against any and all loss, cost or liability including attorney's fees, arising out of claims related to his/her pet. The Occupants of a single Unit shall collectively keep no more than two (2)

non-caged animals. The Association can also prohibit the keeping of any animal that it determines to be a nuisance to any person of reasonable and normal sensitivity.

7.6 RENTAL OF RESIDENTIAL UNITS. The provisions of this Section apply only to Residential Units.

- A. Maximum Number of Rentals.** Not more than six (6) Residential Units may be rented at any one time. Leasing and renting are synonymous for the purpose of this restriction.
- B. Owner Occupancy Upon Purchase.** Any person, group or entity that purchases a Condominium shall owner occupy that Condominium as soon as possible after purchase and remain in occupancy for a minimum of one (1) year. If the Condominium is tenant-occupied at the time of purchase, the purchase shall evict the tenant for the purposes of owner occupancy.
- C. Rental Roster and Priority List.** The Association shall maintain (i) a "Rental Roster" identifying all rental Units, and (ii) a "Priority List" identifying each Owner who has applied to rent a Unit and the date of the application. Both shall be available for inspection by all Owners. Any Owner who occupies a Unit that has previously been rented shall so notify the Association in writing within thirty (30) days of occupancy. Upon receipt of such notification, the Association shall promptly notify the Owner who is then senior on the Priority List that he/she may rent his/her Unit and remove such Owner's name from the Priority List. Any Owner receiving such a notification shall promptly notify the Association of whether he/she declines the opportunity to rent. In the event an Owner who becomes eligible notifies the Association that he/she declines, the Association shall promptly notify the Owner next senior on the Priority List that he/she may rent, and remove that Owner's name from the Priority List.
- D. Application Procedure.** An Owner who wishes to rent a Unit shall submit a written application to the Association which contains the following information: application date, Owner's name, Owner's mailing address, Unit address, Owner's record ownership date, prospective tenant's name (if available), proposed rental term, and any other information reasonably requested by the Association. In the event that fewer than six (6) of the Units are rented on the date the Association receives the application, it shall provide the Owner with written permission and add the Owner's name to the Rental Roster; otherwise, it shall notify the Owner that he/she cannot rent, and add the Owner's name to the Priority List.
- E. Other Rental Restrictions.** All rental must have a term of at least one (1) year, and no customary hotel services shall be provided. An Owner may rent out his/her assigned parking area only if, throughout the period of the rental, the tenant is either (i) another Owner, or (ii) an Occupant of the Property. Notwithstanding the preceding Subsections, no rental of any portion of a Condominium (including a parking space) is permitted unless (i) the rental agreement is in writing, (ii) the rental is made subject to the Governing Documents, (iii) the tenant agrees to abide by all provisions of the Governing Documents, and (iv) an executed copy of the rental agreement is delivered to the Association prior to the tenant taking possession of the Condominium. An Owner shall be responsible for ensuring the compliance with the Governing

Documents by everyone using any part of the Owner's Condominium. Each Owner hereby grants the Association an irrevocable power of attorney to commence and pursue injunctive relief or an unlawful detainer action against a tenant who is in violation of the Governing Documents. During any period when a tenant is in possession of an Owner's Unit, the Owner shall not be entitled to use and enjoy the recreational facilities of the Property.

7.7 RENTAL OF COMMERCIAL UNITS. The provisions of this Section apply only to Commercial Units. Each rental of a Commercial Unit shall be (i) pursuant to a rental agreement is in writing, (ii) for a minimum term of one (1) year, and (iii) made subject to the Governing Documents by the rental agreement, including those provisions relating to required insurance coverage and usage and signage restrictions. An executed copy of the rental agreement shall be delivered to the Association prior to the tenant taking possession of the Condominium. The Owner of the Unit shall be responsible for ensuring the compliance with the Governing Documents by all Occupants of the Unit. Nevertheless, each Owner hereby grants the Association an irrevocable power of attorney to commence and pursue injunctive relief or an unlawful detainer action against a tenant who is in violation of the Governing Documents.

7.8 CLOTHES LINE. There shall be no exterior clothes lines or outside laundering or drying of clothes.

7.9 WINDOW COVERINGS. Unless otherwise approved by the Association, all window coverings visible from the street or Common Area shall be of a material and type commonly used for window coverings.

7.10 HOURS OF COMMERCIAL OPERATION. All commercial activities involving the presence of the general public shall cease from 10:00 P.M. until 7:00 A.M. each day. Each Occupant of the Commercial Unit shall keep guests out of all Common Areas.

7.11 SIGNS AND ADVERTISINGA. **Commercial Unit Signage.** The provisions of this Subsection apply only to signage installed by or at the request of the Owner or Occupant of any Commercial Unit. The number, size, location, lighting (or lack thereof) and type of commercial signage originally authorized by Declarant, either in a written policy, or the initial lease or sale contract for the Unit executed by Declarant, may not be altered by or on behalf of any Owner or Occupant of any Commercial Unit except as specifically approved, in advance, by the Association. The only exception to the approval requirement expressed in the preceding sentence is where the Owner or Occupant of any Commercial Unit changes the name, typeface or logo shown in the signage, and then only provided there is no resulting change in the size or dimension of the signage. Notwithstanding anything to the contrary in this Declaration, no Owner or Occupant of a Commercial Unit shall employ any advertising medium on or near the Property other than stationary signage permitted or approved under this Subsection. Without limiting the generality of the preceding sentence, the following are expressly prohibited: searchlights; music or sound of any kind; or distribution of handbills or other materials on or adjacent to the Property.

B. **Residential Unit Signage.** The provisions of this Subsection apply only to signage installed by or at the request of the Owner or Occupant of any Residential Unit. Display of non-commercial signs, posters, flags or banners

which the Association is required by law to permit, and "For Sale" or "For Rent" signs that do not exceed nine (9) square feet in size, is permitted on portions of the Common Area designated by the Association. All other signs, posters, flags or banners require Association approval. **7.12 ALTERATION OF THE PROPERTY.**

A. Alterations Of Units. Except as otherwise provided in Section 7.11, an Owner may make alterations within the interior boundaries of his/her Unit that do not alter the exterior appearance of the Property, or impair the structural integrity, mechanical systems, value or desirability of the Property, without approval of the Association or of any other Owner. All other alterations of Unit interiors require Association approval.

B. Alterations Of Common Area. In general, Common Area, including Exclusive Use Common Area, may be physically altered only with Association approval. Nevertheless, the following alterations of Common Area are permitted without approval:

- (1) The Owner of or Occupant of a Unit with an appurtenant patio, deck or roof deck 2 may alter such area provided the alteration will not impair the structural integrity, value or desirability of the Property, or involve the installation or attachment of anything to the Property (such as a screen, cover, awning, hot tub, spa, fence, etc.);
- (2) Display of signage as permitted by Section 7.11.

C. Procedure For Alteration Approval.

- (1) Owners wishing to make alterations requiring Association approval shall submit "Plans and Specifications" to the Association. "Plans and Specifications," as used in this Article, shall include the following: (i) A description of the proposed alteration, including, as appropriate, its shape, height, width, elevation, materials, color, location and such further information as may be necessary to allow the Association to evaluate it fully; (ii) Upon request of the Association, a certificate by an architect or engineer licensed by the State of California stating that the alteration (i) will not impair the structural integrity of any part of the Property, and (ii) will not interfere with any Utility; (iii) Upon request of the Association, a set of construction drawings prepared by an architect and/or engineer licensed by the State of California; and (iv) Upon request of the Association, a check in the amount of the reasonable fee described below or the estimated cost of any outside consultant's review believed to be needed by the Association. The Association may require as much detail in the Plans and Specifications as it deems appropriate, including, without limitation, floor plans, site plans, drainage plans, elevation drawings and samples of exterior material and colors. The Association may postpone review of any application until receipt of all required information and materials. Upon submittal of all required information and documentation, the Association shall give the Owner a written, dated receipt. The date of the receipt shall be the commencement date for computing the time within which the Association must approve or

disapprove the application. The Association may charge a reasonable fee for reviewing an application.

- (2) The Association shall act upon each alteration approval application within forty-five (45) days after receipt of all materials required or requested by the Association or, failing that, at the first Board Meeting thereafter before any other business is undertaken at such Meeting. As soon as reasonably possible thereafter, the Association shall notify the applicant of its decision. If a proposed change is disapproved, the written decision shall include both an explanation of why the proposed change is disapproved and, where the decision was made by an Architectural Committee, a description of the procedure for reconsideration by the Board.
- (3) The Association decision must be made in good faith and may not be unreasonable, arbitrary, or capricious. The Association shall approve an alteration only if it makes an affirmative finding that the alteration (i) will not impair the structural integrity of any part of the Property, (ii) will not interfere with any Utility, (iii) is consistent with the Governing Documents and all Governmental Regulations, (iv) will not detract from the appearance, harmony, attractiveness and enjoyability of the Property, and (v) will not impose an unreasonable maintenance burden on the Association. The approval or disapproval of an alteration shall not be deemed a waiver of the Association's subsequent right to approve or disapprove a similar alteration or any other matter.
- (4) The Board may establish a committee (the "Architectural Committee") to recommend Architectural Rules and govern alteration approvals. Whenever an Architectural Committee exists, it shall act on behalf of the Association with regard to alteration approvals. Any decision of an Architectural Committee may be appealed to the Board within ten (10) days of the decision, and the Board shall reconsider the decision at a properly noticed open Board meeting. During any period when there is no Architectural Committee, the Board shall act on behalf of the Association with regard to alteration approvals. The Association may also enact rules (the "Architectural Rules") to govern alteration approvals. The Architectural Rules shall be consistent with the Governing Documents. The Association shall follow the procedure for adopting and changing Architectural Rules described in Civil Code Sections 1357.100 et. seq.

D. Timing and Pace of Work.

- (1) Upon approval of an alteration, the Owner shall diligently proceed with the commencement of all work so approved. Work must be commenced within one (1) year from the date of the approval. If the Owner fails to comply with the provisions of this Subsection, the approval given shall be deemed revoked unless the Association extends the time for commencement. Any request for an extension shall be made in a notice. The Association shall not grant the extension if it finds that there has been a change in the circumstances under which the original approval was granted.

(2) All alteration work, including work for which approval was not required, must be diligently and consistently pursued through completion, and must be completed within a reasonable time.

E. Responsibility, Compliance and Inspection.

(1) Regardless of whether Association approval is required or obtained, in cases where a building permit is required by Governmental Regulations, unless otherwise specifically authorized by the Association, an Owner undertaking an alteration shall (i) obtain all required permits and approvals, (ii) provide notice with a copy of such permits and approvals to the Association at least ten (10) calendar days before commencing work, and (iii) obtain final governmental inspection and sign-off.

(2) Each Owner shall be responsible for violations of this Section by each Occupant of such Owner's Condominium, and each invitee of any such Occupant.

(3) The Association, following reasonable notice, may inspect any work performed on the Property to ensure it is done in accordance with this Article, regardless of whether approval was required or granted. If a violation is found, the Association may provide notice to the violating Owner of the violation. The notice shall specify the particulars of non-compliance and shall require the Owner to remedy it. If the Owner fails to remedy the non-compliance in accordance with the provisions of the notice, then, after the expiration of thirty (30) days from the date of the notice, the Board shall provide notice of a hearing to consider the Owner's continuing non-compliance. At the hearing, if the Board finds that there is no valid reason for the continuing non-compliance, the Board shall require the Owner to remedy it within a period of not more than forty-five (45) days from the date of the Board's ruling. At any time within such period, or within any extension of such period as the Board, in its discretion, may grant, the Board may choose not to wait for the Owner to act, and instead the Board may act to remedy the non-compliance, and assess any associated costs against the Owner as a Personal Reimbursement Assessment. The Association may also cause a notice of nonresponsibility for mechanics' liens to be recorded and posted as specified in Civil Code Section 3094. Any officer, director, or Architectural Committee member shall promptly notify the Association upon learning of any violation of this Article.

CC&R ARTICLE 8. MORTGAGE PROTECTION

8.1 SUBORDINATION. Any lien created or claimed under this Declaration is subject and subordinate to the rights of any previously recorded Mortgage secured by the same Property made in good faith and for value; and no such lien shall in any way defeat, invalidate, or impair the obligation or priority of such Mortgage unless the Mortgagee expressly subordinates its interest, in writing, to such lien. On foreclosure of a previously recorded Mortgage, the foreclosure-purchaser shall take title free of any Assessment liens and shall be obligated to pay only assessments or other charges levied or assessed by the Association that became due or payable on or after the foreclosure-purchaser acquired title. The subsequently

levied assessments or other charges may include previously unpaid assessments, provided all Owners including the foreclosure-purchaser and his successors and assigns are required to pay their proportionate share.

8.2 FIRST REFUSAL INAPPLICABLE TO MORTGAGEE. Any right of first refusal or option shall bind a Mortgagee and shall not impair the rights of a Mortgagee (i) to foreclose or take title to pursuant to the remedies provided in the Mortgage, (ii) to accept a deed (or assignment) in lieu of foreclosure in the event of default under the Mortgage, or (iii) to sell or lease a separate interest acquired by the Mortgagee following a Mortgage default.

8.3 MORTGAGEE RIGHT TO FURNISH INFORMATION. Any Mortgagee can furnish information to the Board concerning the status of any Mortgage.

8.4 FORMER OWNER IN POSSESSION FOLLOWING FORECLOSURE. A former Owner who loses title by foreclosure but remains in possession shall be bound by the Governing Documents as long as he/she remains in possession, but shall have no obligation to pay Assessments accruing after the date title is transferred.

8.5 MORTGAGEE PRIORITY IN DISTRIBUTION OF PROCEEDS. Each Mortgagee shall have priority over the rights of the Owner of the mortgaged property in case of a distribution to the respective Owner of insurance proceeds or condemnation awards for losses to or a taking of such Owner's interest in the Property. Any provision to the contrary in the Governing Documents is to such extent void. All applicable fire and all physical loss or extended coverage insurance policies shall contain loss payable clauses acceptable to the affected Mortgagees, naming such Mortgagees as their interests may appear.

8.6 MORTGAGEE APPROVAL REQUIREMENTS. The prior written consent (or deemed consent as provided below) of Mortgagees holding first (1st) mortgages on at least fifty-one percent (51%) of all separate interests encumbered by Mortgages shall be required to take any of the following actions:

- A.** Except as otherwise provide in this Declaration for cases of Catastrophic Damage, use hazard insurance proceeds for a purpose other than the repair, replacement, or reconstruction, abandon the Property, or terminate the Association;
- B.** Change the method of determining the obligations, assessments, dues, or other charges that may be levied against an Owner, or to change the pro rata interest or obligations of any Owner for purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or for determining the pro rata share of ownership of each Owner in the Common Area;
- C.** Abandon, partition, subdivide, encumber, sell or transfer the Common Area (but the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area by the Association or the Owners shall not be deemed to be a transfer within the meaning of this clause);
- D.** Fail to maintain fire and extended coverage insurance on insurable property owned by the Association, including any Common Area improvements, in an

amount not less than one hundred percent (100%) of the insurable value based on current replacement cost; and

E. Materially amend any provision of the Governing Documents that are for the express benefit of Mortgagees.

Any Mortgagee who receives a written request to consent to additions or amendments requiring consent under this provision who does not deliver or post to the requesting party a negative response within thirty (30) days after such receipt shall be deemed to have consented to such request.

8.7 MORTGAGEE NOTICE RIGHTS. Each Mortgagee shall be entitled to written notice of the following:

A. The occurrence of loss, casualty, condemnation or eminent domain which decreases the value of the property encumbered by its Mortgage by more than fifty percent (50%) of its fair market value immediately prior to the occurrence;

B. Any 60-day delinquency in the payment of Assessments by, or Association commencement of judicial or nonjudicial foreclosure proceedings to enforce payment of delinquent obligations owed under the Governing Documents against, the Owner of its encumbered property; and

C. Any lapse or cancellation of any Association insurance policy.

Failure of a Mortgagee to receive the notice required by this Section shall not be construed to benefit an Owner or to impede the Association in enforcing the Governing Documents.

8.8 MORTGAGEE INFORMATION RIGHTS. A Mortgagee is entitled to obtain the same information as an Owner from the Association upon written request and payment of required fees.

8.9 MORTGAGEE RIGHT TO APPEAR AT MEETINGS. Because of its financial interest in the Property, any Mortgagee may appear (but cannot vote, except as otherwise provided hereunder), at meetings of Owners and the Board to draw attention to violations of this Declaration that have not been corrected or that have been made the subject of remedial proceedings or assessments.

CC&R ARTICLE 9. GENERAL PROVISIONS OF DECLARATION

9.1 AMENDMENT OF DECLARATION. This Declaration may be amended with Majority Owner Approval provided that the amendment would not effectively circumvent more specific voting requirements within the document. So long as the Declarant remains an Owner, amendment shall require the vote of a bare majority of the total voting power of the Association plus the vote of a majority of the total voting power residing in Owners other than Declarant.

9.2 CERTIFICATION OF APPROVAL AND RECORDATION. An amendment of this Declaration shall become effective when an authorized officer of the Association has executed and recorded with the County Recorder both (i) the amendment and (ii) a notarized certificate

stating that the required number of Units have approved the amendment. The Association shall distribute a copy of the amendment to each Owner as soon as it becomes effective.

9.3 MANNER OF PROVIDING NOTICES, DOCUMENTS AND REPORTS. A notice, document or report permitted or required by the Governing Documents shall be in writing and deemed received by the person to whom it is given upon either (i) personal delivery, (ii) expiration of forty-eight (48) hours after deposit in the United States mail (first-class, registered or certified), postage prepaid and addressed to the current or, if unavailable, to the last known address of the person to be notified, or (iii) when permitted by law, by electronic transmittal. Notice to the Association shall be given to its President. When Co-Owners own a Unit, a transmittal to any of them shall be deemed a transmittal to all of them. When several Occupants share a Unit, a transmittal to any of them shall be deemed a transmittal to all of them.

9.4 DISPUTE RESOLUTION. The provisions of this Section shall not apply to those disputes subject to Section 9.5.

A. Internal Procedure. In any dispute between the Association and an Owner that is not governed by the Owner discipline procedures described in Section 3.2, the alteration approval procedures described in Section 7.12, or the alteration non-compliance procedures also described in Section 7.12, either party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be in writing. An Owner may refuse such a request, but the Association may not. When a meet and confer request is accepted, the Board shall designate a director to meet and confer, and the Owner and designated director shall meet promptly at a mutually convenient time and place. The designated director must make him/herself available for the meeting within thirty (30) days of the meet and confer request by an Owner. At the meeting, the parties shall explain their positions to each other, and confer in good faith in an effort to resolve the dispute. If the dispute is resolved, it shall be memorialized in writing as an agreement, and signed by the Owner and the director. Such an agreement shall bind the Owner and the Association, and shall be judicially enforceable (subject to the binding arbitration requirements of this Declaration), provided (i) it is not in conflict with law or the Governing Documents, and (ii) it is either consistent with the authority granted by the Board to the designated director or is later ratified by the Board. An Owner shall not be charged a fee to participate in this process. Neither an Owner nor the Association shall be required to participate in this process if the dispute is related to Owner discipline subject to the procedural requirements of Section 3.2, alteration approval subject to the procedural requirements of Section 7.12, or alteration non-compliance procedural requirements of Section 7.12.

B. Mediation. Mediation is a voluntary informal attempt to resolve a dispute with the help of a neutral individual who has no decision-making authority. The Association encourages mediation and shall participate in mediation in an effort to resolve disputes related to the Governing Documents, unless the Association determines that immediate action is necessary or that mediation under the circumstances would not be in its best interest. Mediation may occur before, during, or after arbitration or litigation. Unless otherwise agreed, mediation costs shall be shared equally by the participants.

C. Arbitration. Arbitration is a voluntary or mandatory method of resolving a dispute by delegating decision-making authority to a neutral individual or panel. Any dispute relating to the Governing Documents shall be resolved through mandatory arbitration by the American Arbitration Association or another private arbitration service or individual acceptable to all parties. Any party affected by a dispute may initiate arbitration by written demand. All parties shall pursue arbitration to a conclusion as quickly as possible and conclude every case within six (6) months from the date of the initial written demand for arbitration. Arbitrators shall have discretion to allow the parties reasonable and necessary discovery in accordance with Code of Civil Procedure §1283.05, but shall exercise that discretion mindful of the need to promptly and inexpensively resolve the dispute. If a party subject to the Governing Documents refuses to proceed with or unduly delays the arbitration process, any other party may petition a court for an order compelling arbitration or other related act, and shall recover all related expenses, including attorney's fees, unless the court finds that the party against whom the petition is filed acted with substantial justification or that other circumstances make the recovery of such expenses unjust. An arbitration award may be entered as a court judgment and enforced accordingly. The arbitration award shall be binding (i) unless the award declares a provision of this Declaration unenforceable or (ii) unless the award is in excess of ten thousand dollars (\$10,000), in which cases any party may obtain a trial *de novo* in court of appropriate jurisdiction provided he/she files a civil complaint within sixty (60) days of the entry of a final judgment on the arbitration award. The pendency of arbitration shall toll all applicable statutes of limitation.

D. Special Disputes. The following matters are not subject to the mandatory binding arbitration provisions of this Declaration; however, litigation relating to these matters shall be subject to the alternative dispute resolution requirements of Civil Code Section 1369.510 et. seq., as applicable:

- (1) An attempt to recover possession of real property through an unlawful detainer;
- (2) Except as specifically provided in Civil Code Section 1366.3, enforcement of an obligation to pay an Assessment;
- (3) A Partition pursuant to Civil Code §1359;
- (4) A claim for bodily injury or wrongful death; and
- (5) Recordation of a notice of pending action, or an order of attachment, receivership, injunction or other provisional remedy which may provide interim protection pending an arbitration proceeding.

9.5 DISPUTES WITH DECLARANT.

A. Declarant elects to use the alternative non-adversarial procedures established in this Section instead of the right to repair procedures as authorized by Civil Code §914. For the purposes of this Section, a "Declarant Party" is Declarant or any member, employee, representative, contractor, subcontractor, design

professional or agent of Declarant. A "Declarant Dispute" is a dispute between (a) the Association and/or one (1) or more Owners and (b) a Declarant Party, arising under this Declaration or relating to the Property, including disputes regarding latent or patent construction defects, but excluding actions taken by the Association against Declarant (i) to collect delinquent Assessments, (ii) involving any Common Area completion bond or (iii) where the amount in controversy is equal to or less than Five Thousand Dollars (\$5,000). This Section governs only the resolution of Declarant Disputes and shall not affect the subject matter of such Declarant Disputes. Unless the subject matter of a Declarant Dispute expressly involves enforcement of the Governing Documents, such Declarant Dispute shall not be governed by the provisions of Civil Code §1354 or of any successor statute.

- B.** Declarant Parties and directors elected or appointed by Declarant or elected by a majority of votes cast by Declarant shall not have the right to vote on any decision of the Association to initiate a construction defect claim pursuant to Civil Code §895.
- C.** Any party with a Declarant Dispute shall give written notice of the Declarant Dispute by personal or mail service as authorized by Code of Civil Procedure §§415.10 et seq. to the Declarant Parties with whom the Declarant Dispute exists (each a "Respondent"), describing the nature of the Declarant Dispute and any proposed remedy (the "Dispute Notice"). Commencing on the date the Dispute Notice is delivered to the Respondent and continuing until the Declarant Dispute is resolved, the Respondent and its representatives have the right to (a) meet with the party alleging the Declarant Dispute at a reasonable time and place to discuss the Declarant Dispute, (b) enter the Property to inspect any area that is subject to the Declarant Dispute and (c) conduct inspections and testing (including destructive or invasive testing) in a manner deemed appropriate by the Respondent. If the Respondent elects to take any corrective action, the Respondent and its representatives shall be provided full access to the Property to take and complete such corrective action. The Respondent is not obligated to take any corrective action. The Respondent, with the consent of Declarant, has the right to select the corrective action that the Respondent believes is appropriate. The right to inspect and correct granted in this Section is in addition to the rights granted in Civil Code §1375 (the "Calderon Act"). The procedures established in the Calderon Act may be implemented before, during or after the procedure in this Section is implemented.
- D.** If the Declarant Dispute is not resolved within ninety (90) days after the Respondent receives the Dispute Notice, any party may submit the Declarant Dispute to mediation by delivering a request for mediation (the "Mediation Notice") in the same manner as allowed for delivery of the Dispute Notice. The Declarant Dispute shall be mediated pursuant to the mediation procedures of Judicial Arbitration & Mediation Services, Inc. ("JAMS") in existence when the Dispute Notice is delivered, as modified by this Subsection. Persons other than the parties, their liability insurers, Declarant, attorneys for the parties, their liability insurers, the Declarant Parties and the mediator may attend mediation sessions only with the permission of the parties and the consent of the mediator. Declarant has the right to attend the mediation session even if Declarant is not one of the parties. There shall be no stenographic, video or audio record of the mediation process. Each party shall bear such party's own attorneys' fees and

costs incurred in connection with the mediation. All other expenses of the mediation, including the fees charged by the mediator and the cost of any proof or expert advice requested by the mediator, shall be borne equally by each of Declarant and the Declarant Parties to whom the Declarant Dispute is directed, unless the parties agree otherwise. This provision does not modify any provision of a contract between Declarant and any Declarant Party requiring indemnification or establishing a different allocation of costs between Declarant and such Declarant Party.

E. If a Declarant Dispute remains unresolved after the mediation required by the preceding Subsection is completed, any of the parties may file a lawsuit, provided that the Association must obtain the vote or written consent of Owners other than Declarant who represent not less than sixty-seven percent (67%) of the Association's voting power (excluding the voting power of Declarant) before filing a lawsuit. All lawsuits regarding Declarant Disputes must be resolved by general judicial reference pursuant to Code of Civil Procedure §§638 and 641 through 645.1, as modified by the following provisions.

(1) The parties shall cooperate in good faith to ensure that all necessary and appropriate parties are included in the judicial reference proceeding. No party shall be required to participate in the judicial reference proceeding if any individual or entity against whom such party would have necessary or permissive cross-claims or counterclaims will not or cannot be joined in the judicial reference proceeding.

(2) The general referee shall have the authority to try all issues of fact and law and to report a statement of decision to the court. The referee shall be the only trier of fact and law in the reference proceeding and shall have no authority to further refer any issue of fact or law to any other person unless (i) all parties to the judicial reference proceeding consent, or (ii) the referee determines that a conflict of interest or similar situation has arisen that would make it inappropriate for the referee to act as the trier of fact or law concerning an issue or matter. In the second alternative, an alternative judicial referee shall be selected in accordance with Subsection (4) below solely for resolving or rendering a decision concerning the issue or matter involved in the conflict.

(3) The proceedings shall be heard in the county where the Property is located (the "County").

(4) The referee shall be a retired judge who served on the Superior Court of the State of California in the County with substantial experience in the type of matter in dispute and without any relationship to the parties to the judicial reference proceeding or any interest in the Property. The parties to the judicial reference proceeding shall meet to select the referee no later than thirty (30) days after service of the initial complaint on all defendants named in the complaint. Any dispute regarding selecting the referee shall be resolved by the court in which the complaint is filed.

(5) The referee shall commence the proceeding at the earliest convenient date and shall conduct the proceeding without undue delay. The referee

may require pre-hearing conferences. The parties to the judicial reference proceeding shall be entitled only to limited discovery, consisting of the exchange of the following: (i) witness lists, (ii) expert witness designations, (iii) expert witness reports, (iv) exhibits, (v) reports of testing or inspections and (vi) briefs. Any other discovery authorized in the Code of Civil Procedure shall be permitted by the referee upon a showing of good cause or based on the consent of all parties to the judicial reference proceeding. The referee shall have the power to hear and dispose of motions, including motions relating to discovery, provisional remedies, demurrers, motions to dismiss, motions for judgment on the pleadings and summary judgment and/or adjudication motions, in the same manner as a trial court judge. The referee also shall have the power to adjudicate summarily issues of fact or law, including the availability of remedies, whether or not the issue adjudicated could dispose of an entire cause of action or defense. A stenographic record of the hearing shall be made, which shall remain confidential except as may be necessary for post-hearing motions and appeals.

(6) The referee's statement of decision shall contain an explanation of the factual and legal basis for the decision pursuant to of the Code of Civil Procedure §532. The decision of the referee shall stand as the decision of the court, and, upon filing of the statement of decision with the clerk of the court, judgment may be entered thereon in the same manner as if the Declarant Dispute had been tried by the court. The referee may grant all legal and equitable remedies and award damages in the judicial reference proceeding. The referee may rule on all post-hearing motions in the same manner as a trial judge. The decision of the referee shall be subject to appeal in the same manner as if the Declarant Dispute had been tried by the court.

(7) Each party to the judicial reference proceeding shall bear such party's own attorneys' fees and costs incurred in connection with the judicial reference proceeding. All other fees and costs incurred in connection with the judicial reference proceeding, including the cost of the stenographic record, shall be advanced equally by each of Declarant and the Declarant Parties to whom the Declarant Dispute is directed. However, the referee shall have the power to reallocate such fees and costs among the parties to the judicial reference proceeding in the referee's final ruling. This provision does not modify any provision of a contract between Declarant and any Declarant Party requiring indemnification or establishing a different allocation of costs between Declarant and such Declarant Party.

F. Nothing in this Section shall be considered to toll, stay, reduce or extend any applicable statute of limitations; provided, however, that Declarant, the Declarant parties, the Association and any Owner may commence a legal action that, in the good faith determination of such party, is necessary to preserve such party's rights under any applicable statute of limitations so long as no further steps in processing such legal action are taken except those authorized in this Section.

G. DECLARANT, THE ASSOCIATION AND EACH OWNER AGREE TO USE THE PROCEDURES ESTABLISHED IN THIS SECTION TO RESOLVE ALL DISPUTES

AND WAIVE THEIR RIGHTS TO RESOLVE SUCH DISPUTES IN ANY OTHER MANNER. DECLARANT, THE ASSOCIATION AND EACH OWNER ACKNOWLEDGE THAT, BY AGREEING TO RESOLVE ALL DISPUTES AS PROVIDED IN THIS SECTION, THEY ARE GIVING UP THEIR RIGHT TO HAVE DISPUTES TRIED BEFORE A JURY, PURSUANT TO THE FEDERAL ARBITRATION ACT. THIS SECTION MAY NOT BE AMENDED WITHOUT DECLARANT'S PRIOR WRITTEN CONSENT.

H. Enforcement of this Section shall not entitle the prevailing party in any Declarant Dispute to recover attorneys' fees or costs.

9.6 COSTS AND ATTORNEY'S FEES. Except as otherwise provided in Section 9.5, the party who prevails in an arbitration, civil action or other proceeding to enforce or interpret the Governing Documents shall be entitled to recover all costs and expenses, including reasonable attorney's fees, but the arbitrator, judge or other decision maker shall have final discretion to allocate such costs and expenses between the parties in a manner that will accomplish substantial justice.

9.7 OWNER'S ACCOUNTABILITY. Each Owner is responsible to the Association for the conduct and behavior of Occupants of the Owner's Unit, including but not limited to violations of the Governing Documents.

9.8 INDEMNIFICATION. Absent gross negligence, intentional misconduct or fraud, the Association shall indemnify its directors, officers and committee members to the fullest extent permitted by law against all liability and expenses, including reasonable attorney's fees, arising out of a claim based upon a wrongful act or omission in the scope of their duties on behalf of the Association. The Association shall approve or disapprove the indemnity, and may advance expenses, in accordance with Corporations Code §7237.

9.9 TERM OF DECLARATION. This Declaration shall continue for a term of twenty (20) years from the date it is recorded unless superseded or terminated sooner. The term shall be automatically extended for successive periods of ten (10) years, unless the Association is terminated, and it records with the County Recorder a notice of termination prior to the commencement of the next period.

9.10 NOTICE OF TRANSFER. An Owner who transfers any ownership interest in a Condominium, whether by sale, lease, gift, exchange or otherwise, shall promptly notify the Association in writing of the name and address of the transferee, the type of transfer, the date of transfer and any other information about the transfer that the Association may reasonably request.

9.11 CONDEMNATION. Each Owner hereby grants the Association an irrevocable power of attorney to represent the Owner in any condemnation or eminent domain negotiation or proceeding, whether or not a civil action has been started. The proceeds from a taking of two or more Condominiums or of the Common Area by eminent domain shall be distributed as provided in Section 9.11 of this Declaration.

9.12 DISTRIBUTIONS. All net proceeds from insurance, liquidation, or condemnation relating to two or more Condominiums or the Common Area shall be paid to the Association for the benefit of the Owners and their mortgagees. To the extent proceeds from insurance or condemnation have been allocated among affected Units and Common Area by

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the paying entity, the Association shall distribute such funds in accordance with that allocation. Otherwise, the Association shall distribute these funds to the affected Owners based upon the relative value of the affected Owners' Condominiums. Relative value shall be determined through an appraisal process as follows:

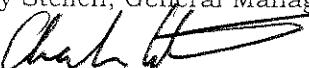
- A.** The Association shall retain three (3) appraisers meeting the following requirements: (i) having at least two (2) years experience appraising real estate similar to the Property in the area where the Property is located, (ii) holding a valid real estate sales, brokerage or appraisal license, (iii) having no prior business or personal relationship with any Owner, and (iv) agreeing in writing to complete his/her appraisal within fourteen (14) calendar days of retention.
- B.** The Association shall instruct each appraiser to determine the fair market value of each Condominium involved in the relative valuation. The appraisers shall base their valuations on the physical conditions which existed on the date immediately preceding the destruction or other event triggering the need for valuation.
- C.** Upon receiving the valuations of all appraisers, the Association shall disregard the lowest and highest appraisal for each Condominium. The Association shall then use the remaining appraisal for each Condominium to determine the relative values.

If any Owner owes money to the Association at the date of the disbursement, the amount owed shall be subtracted from the amount to be disbursed to that Owner.

9.13 ADDITIONAL GENERAL PROVISIONS. Any uncertainty or ambiguity in the Governing Documents shall be resolved by reference to the following rules of interpretation: (i) the provisions of the Governing Documents shall be liberally interpreted to facilitate the operation of a common interest development and liberally interpreted to preserve and protect the general plan established for mutual and common benefit of all Owners, and (ii) a more specific provision shall prevail over a more general one. In the event of an inconsistency between this Declaration and the Condominium Plan, the Condominium Plan shall control. In the event of an inconsistency between this Declaration and the Bylaws, this Declaration shall control. Both this Declaration and the Bylaws shall control over an inconsistent provision in the Rules. Each provision of the Governing Documents is independent and severable, and may be enforced even though another provision may be unenforceable. Each Owner grants an irrevocable power of attorney to the Association to carry out the provisions of this Declaration. References to particular statutes of the State of California shall include any amendment of the statute. If a particular statute is repealed, reference to the statute shall include another statute that thereafter governs the same subject.

2829 CALIFORNIA STREET, LLC, a California Limited Liability Company, by


Ray Steffen, General Manager


Charles Castro, General Manager

STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO
ON 10/12/12 before me,

M. JONES, Notary Public

RAY STEFFEN AND CHARLES CASTRO — personally appeared (satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity acting on behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature *M. Jones*



EXHIBIT "A"

CONDOMINIUM PLAN for 2829 CALIFORNIA STREET & 1933 DIVISADERO STREET
ASSESSOR'S BLOCK 1028, LOTS 46 to 61 INCLUSIVE,
CITY AND COUNTY OF SAN FRANCISCO

SHEET 1 OF 22

SURVEYOR'S STATEMENT:

I hereby state that I am a Licensed Professional Land Surveyor of the State of California and that this condominium plan, consisting of twenty-two sheets, truly represents the boundaries and elevations of the units and common area. No structural analysis or design features were considered nor were any design features reviewed for conformance with local building codes or ordinances.

PREPARED BY:
WESTOVER SURVEYING, INC.
336 CLAREMONT BLVD. STE 2
SAN FRANCISCO, CALIFORNIA 94127
(415) 242-5400



SIGNED:


DANIEL J. WESTOVER, P.L.S. NO. 7779
REGISTRATION EXPIRES 12/31/13

DATE: 10/3/12

GENERAL NOTES:

1. This condominium plan as defined by section 1351(e) of the California Civil Code is referenced to "Final Map No. 6395, A 13 Residential Unit and 3 Commercial Unit Mixed-Use Condominium Project" recorded October 5, 2011, in Book 117 of Condominium Maps at pages 9 and 10, in the San Francisco County Records, State of California. This condominium project consists of 16 units and a common area.
2. This condominium plan and the dimensions shown hereon are subject to the provisions of the Davis-Stirling Common Interest Development Act of the California Civil Code.
3. Refer to the "Declaration of Covenants, Conditions & Restrictions" for definitions of unit and common area.
4. The boundaries and dimensions of each unit shall be established as follows and graphically depicted hereon:
 - a) The upper boundary shall be the unfinished surface of the bottom of the ceiling and the lower boundary shall be the unfinished surface of the top of the floor.
 - b) The side boundaries shall be the unfinished interior surfaces of the perimeter walls of the units.
5. The diagrammatic floor plans shown hereon may omit detailed information of internal partitioning within individual units. Likewise, details such as protrusion of vents, beams, columns, window casings and other such features are not intended to be reflected on this condominium plan.
6. Bay windows, fire escapes and other encroachments (if any shown hereon, that exist, or that may be constructed) onto or over California Street and/or Divisadero Street are subject to the restrictions set forth in the Building Code and Planning Code of the City and County of San Francisco. This Condominium Plan does not convey any ownership interest in such encroachment areas to the condominium unit owner(s).
7. All distances are shown in feet and decimals of a foot and all deflection angles are at 45 or 90 degrees unless otherwise noted.
8. Elevations are based on the City and County of San Francisco datum.
9. Exclusive Use Common Areas are defined in the "Declaration of Covenants, Conditions & Restrictions" and are shown graphically on the following sheets of this Condominium Plan.

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EXHIBIT "A"

CONDOMINIUM PLAN for 2829 CALIFORNIA STREET & 1933 DIVISADERO STREET
ASSESSOR'S BLOCK 1028, LOTS 46 to 61 INCLUSIVE,
CITY AND COUNTY OF SAN FRANCISCO

SHEET 2 OF 22

OWNER'S STATEMENT:

We hereby state that we are the only owners and holders of record title interest or have some right, title, or interest in and to the real property included within the Subdivision shown upon the attached Condominium Plan; that we are the only persons whose consent is necessary to pass clear title to said real property; that we hereby consent to the making and recording of said Condominium Plan and Subdivision as shown; that said Condominium Plan constitutes and consists of Certified Diagrammatic Floor Plans within the meaning of paragraph 1351(e) of the civil code of the State of California; and we hereby consent to the making and recording of said Condominium Plan pursuant to Chapter 1, Title 6, Part 4, division second of the civil code of the State of California. in witness whereof we have caused these presents to be executed this 10 day of October, 20 12.

OWNER: 2829 CALIFORNIA STREET, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

BY: Th M

RAYMOND J. STEFFEN III
MANAGING MEMBER

BY: charles

CHARLES CASTRO
MANAGING MEMBER

OWNER'S ACKNOWLEDGMENT:

STATE OF CALIFORNIA }
COUNTY OF San Francisco }
} SS.

On 10/10/12, before me, A. FOLEY a Notary Public, personally
appeared RAYMOND J. STEFFEN III AND
CHARLES CASTRO

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she /they executed the same in his/her/their authorized capacity(ies) and by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand:

Signature A. Foley

Notary Public in and for said County and State

Principal County of Business: San Francisco

Commission Expires: 3/29/14

Commission # of Notary: 1884616

Order: 8W9PPL9K3

Address: 2829 California St Apt 1

Order Date: 10-12-2023

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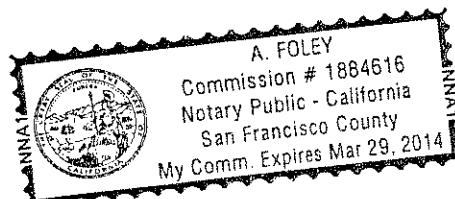


EXHIBIT "A"

CONDOMINIUM PLAN for 2829 CALIFORNIA STREET & 1933 DIVISADERO STREET
ASSESSOR'S BLOCK 1028, LOTS 46 to 61 INCLUSIVE,
CITY AND COUNTY OF SAN FRANCISCO

SHEET 3 OF 22

TRUSTEE / BENEFICIARY:

FIRST REPUBLIC BANK

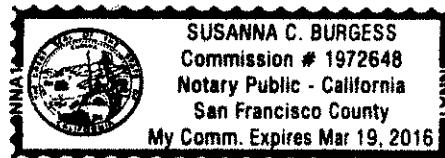
BY: David Mae

PRINT NAME: David Moe

PRINT CAPACITY: Vice President

TRUSTEE / BENEFICIARY'S ACKNOWLEDGMENT:

STATE OF CALIFORNIA
COUNTY OF *San Francisco*)
ISS.)
)



On 10/1/12 before me, Susanna Burgess a Notary Public, personally
appeared David R. Moe

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that he/she /they executed the same in his/her/their authorized capacity(ies) and by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand:

Signature Suzanna Burgea

Notary Public in and for said County and State
Principal County of Business: San Francisco
Commission Expires: 3/19/16
Commission # of Notary: 1992648

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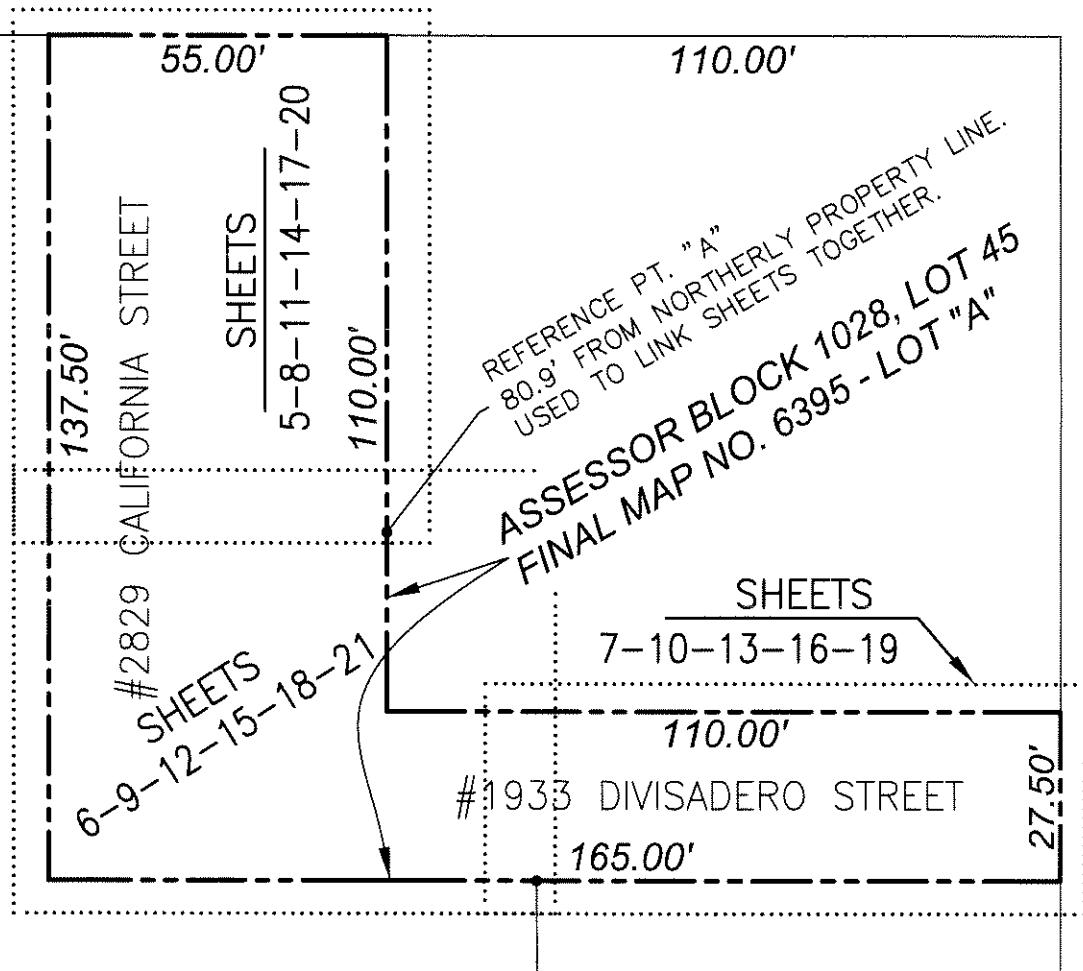
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EXHIBIT "A"
CONDOMINIUM PLAN
2829 CALIFORNIA STREET - 1933 DIVISADERO STREET
INDEX PLAN
SHEET 4 OF 22

CALIFORNIA STREET

2829 CALIFORNIA STREET

DIVISADERO STREET



LEGEND

U.E. UPPER ELEVATION

L.E. LOWER ELEVATION

PROPERTY LINE

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GRAPHIC SCALE

30 0 15 30
1 INCH = 30 FEET

EXHIBIT "A"
CONDOMINIUM PLAN
2829 CALIFORNIA STREET - BASEMENT LEVEL
SHEET 5 OF 22

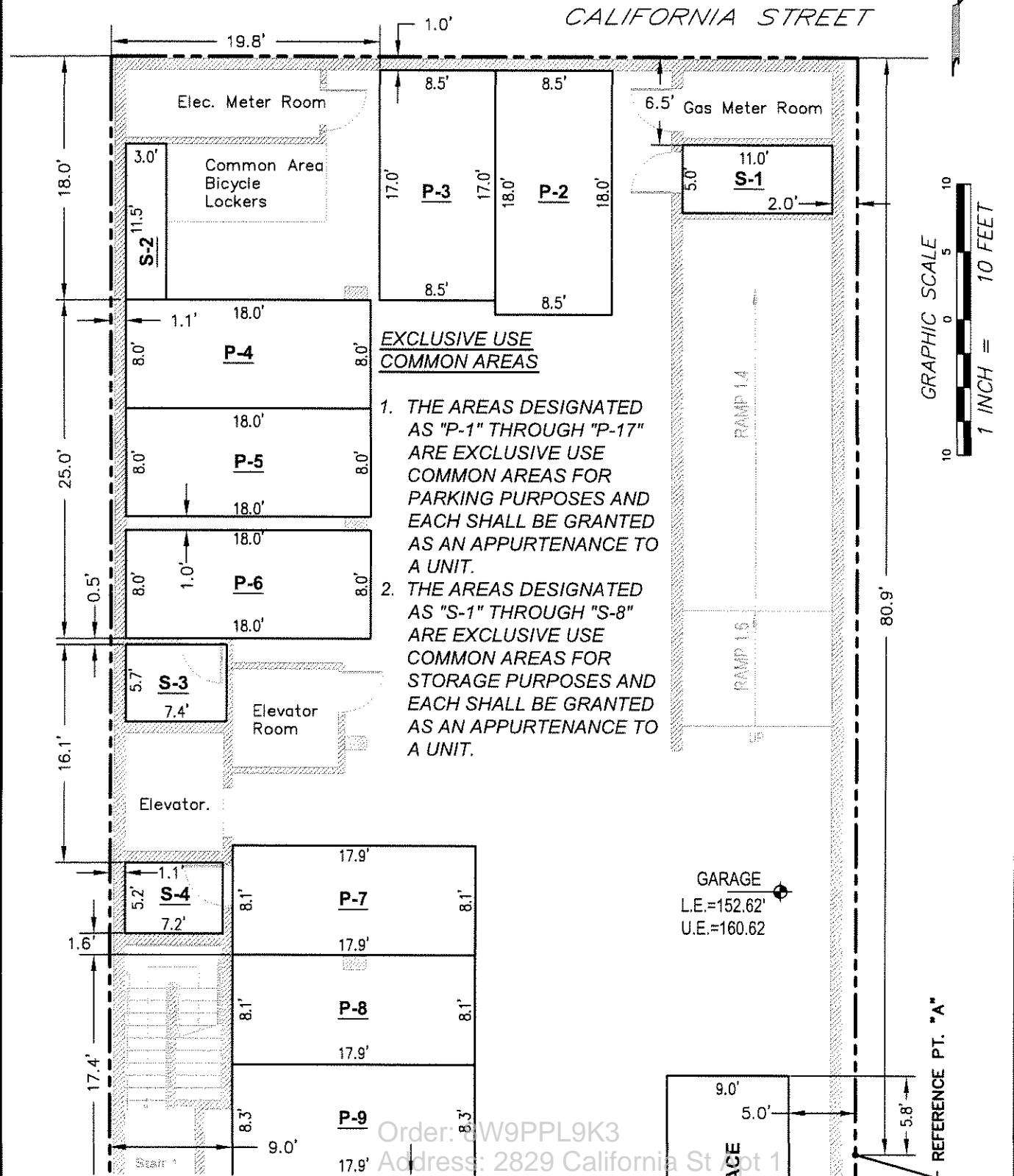
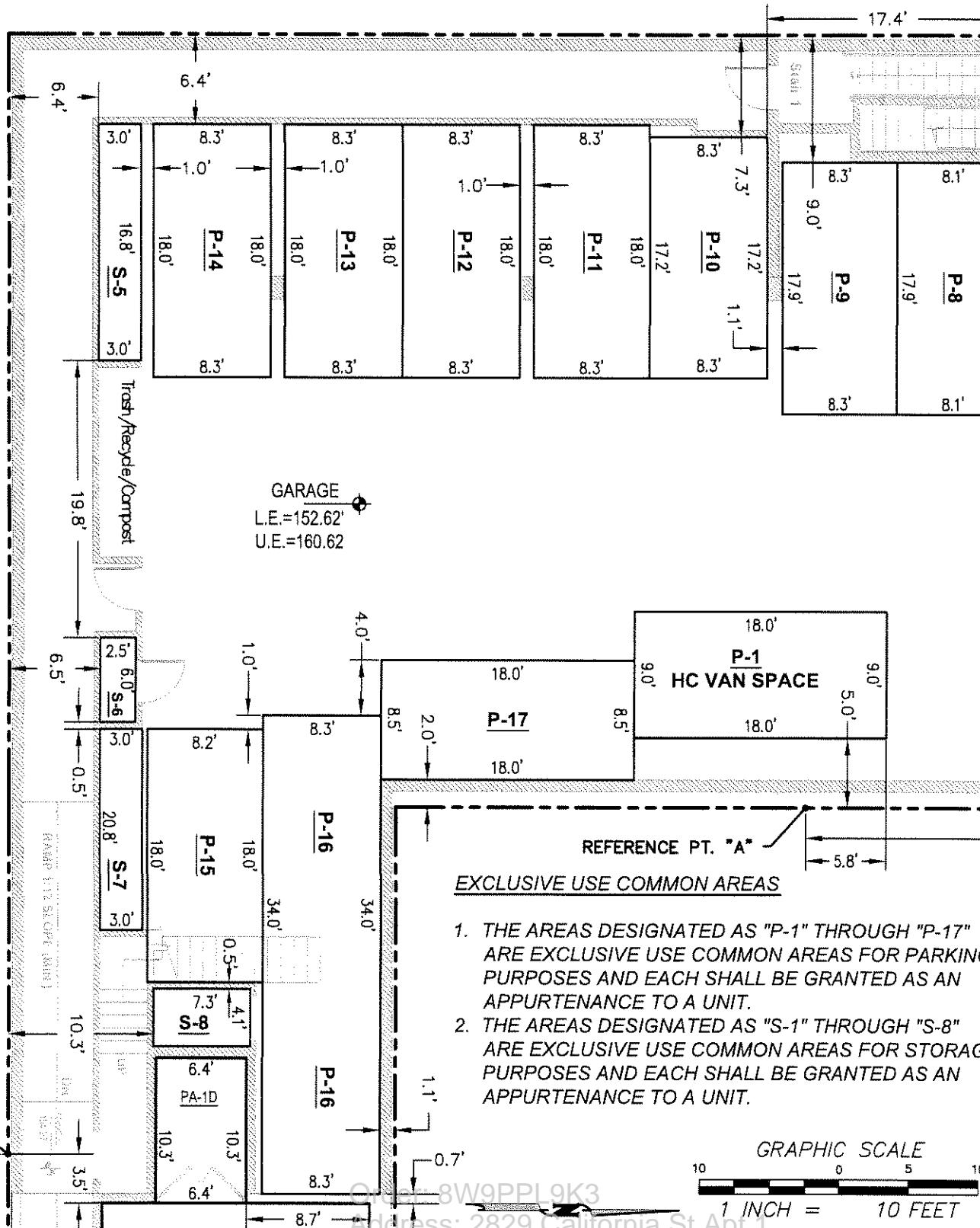
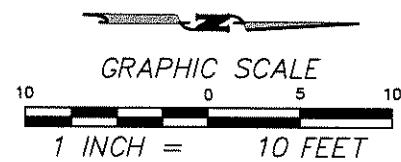


EXHIBIT "A"
 CONDOMINIUM PLAN
 2829 CALIFORNIA STREET - BASEMENT LEVEL
 1933 DIVISADERO STREET - GROUND LEVEL
 SHEET 6 OF 22

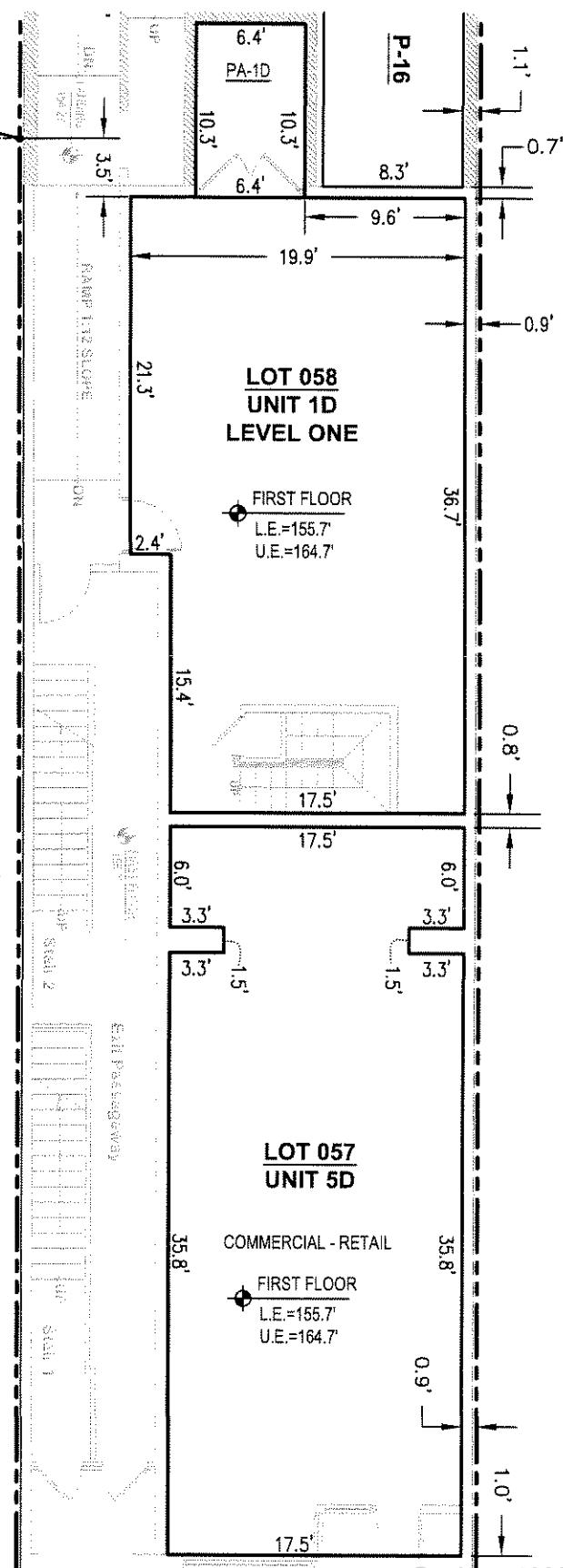


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EXHIBIT "A"
CONDOMINIUM PLAN
1933 DIVISADERO STREET
GROUND LEVEL
SHEET 7 OF 22



REFERENCE PT. "B"



EXCLUSIVE USE COMMON AREAS

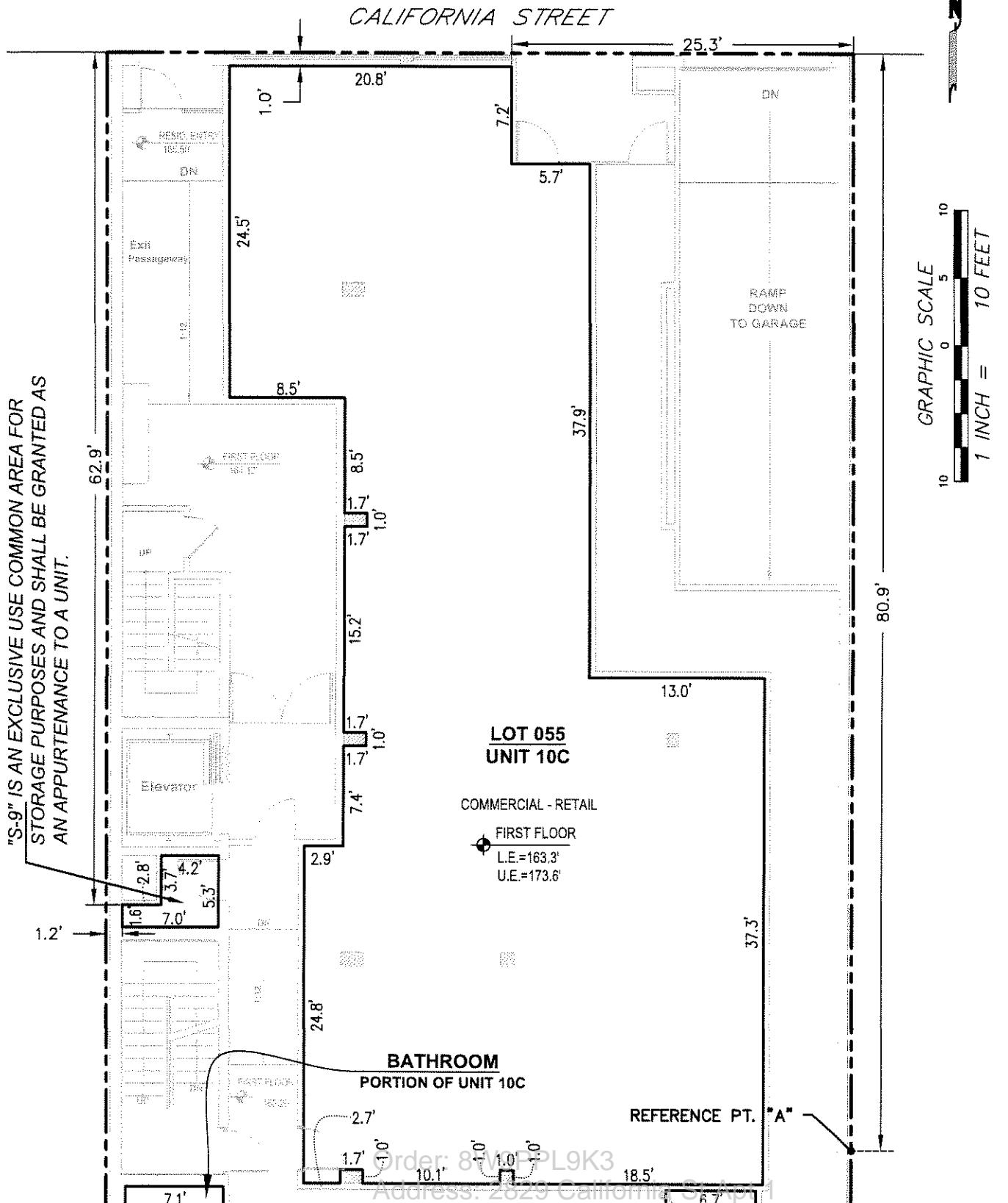
1. THE AREA DESIGNATED AS "PA-1D" IS AN EXCLUSIVE USE COMMON AREA FOR PATIO PURPOSES AND SHALL BE GRANTED AS AN APPURTENANCE TO UNIT 1D.

DIVISADERO STREET

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CONDOMINIUM PLAN
2829 CALIFORNIA STREET - GROUND LEVEL
SHEET 8 OF 22

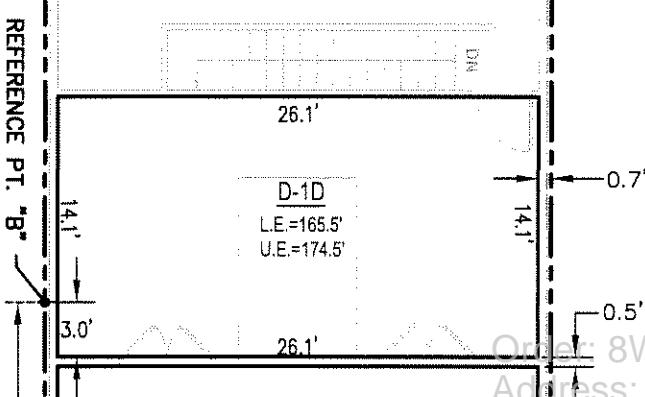
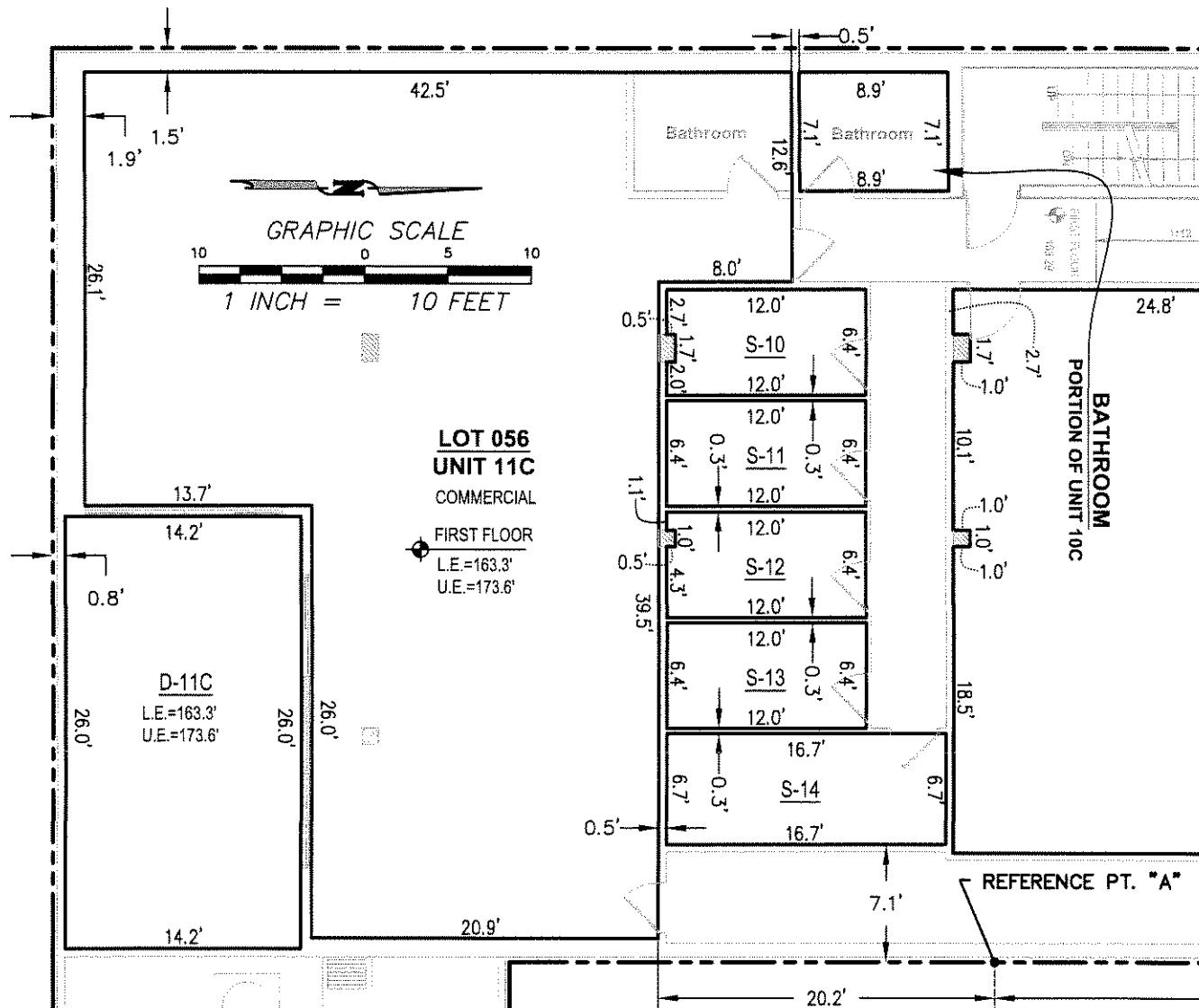
"S-9" IS AN EXCLUSIVE USE COMMON AREA FOR
STORAGE PURPOSES AND SHALL BE GRANTED AS
AN APPURTENANCE TO A UNIT.



Order: 8WCHPL9K3
10' 8' 10' 10' 10' 10' 18.5' 10.1'

Address: 2029 California
Order Date: 10-12-2023
Document not for resale
HomeWiseDocs

EXHIBIT "A"
 CONDOMINIUM PLAN
 2829 CALIFORNIA STREET - GROUND LEVEL
 1933 DIVISADERO STREET - 2ND FLOOR
 SHEET 9 OF 22



THE AREAS DESIGNATED AS "D-1C" AND "D-1D" ARE EXCLUSIVE USE COMMON AREAS FOR DECK PURPOSES AND SHALL BE GRANTED AS AN APPURTEINANCE TO THE CORRESPONDINGLY NUMBERED UNIT.

THE AREAS DESIGNATED AS "S-10" THROUGH "S-14" ARE EXCLUSIVE USE COMMON AREAS FOR STORAGE PURPOSES AND EACH SHALL BE GRANTED AS AN APPURTEINANCE TO A UNIT.

Order: 8W9PPELRG
 Address: 2829 California St Apt 1

Order Date: 10-12-2023

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EXHIBIT "A"

CONDOMINIUM PLAN
2829 CALIFORNIA STREET - 2ND FLOOR
SHEET 11 OF 22

CALIFORNIA STREET

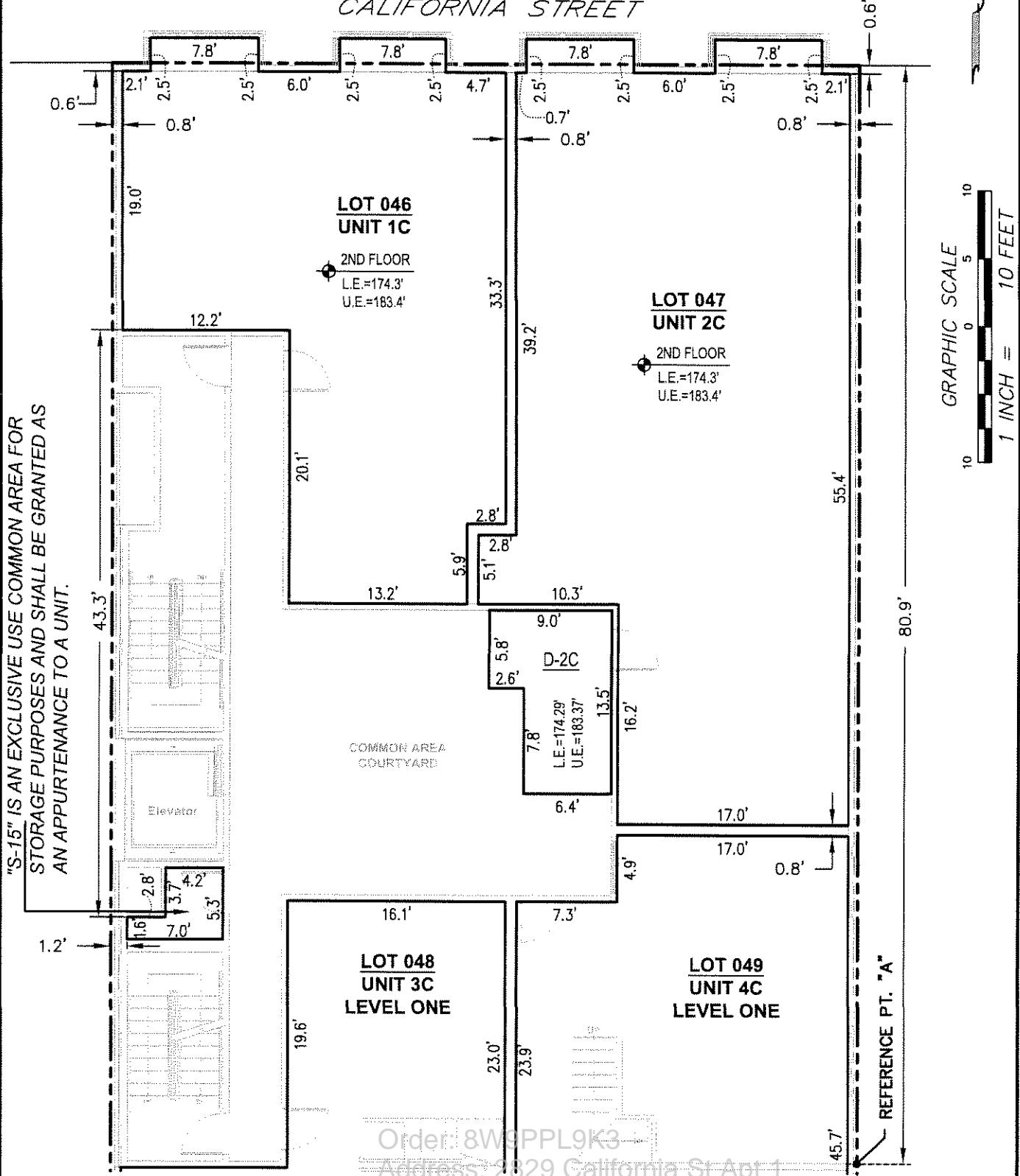


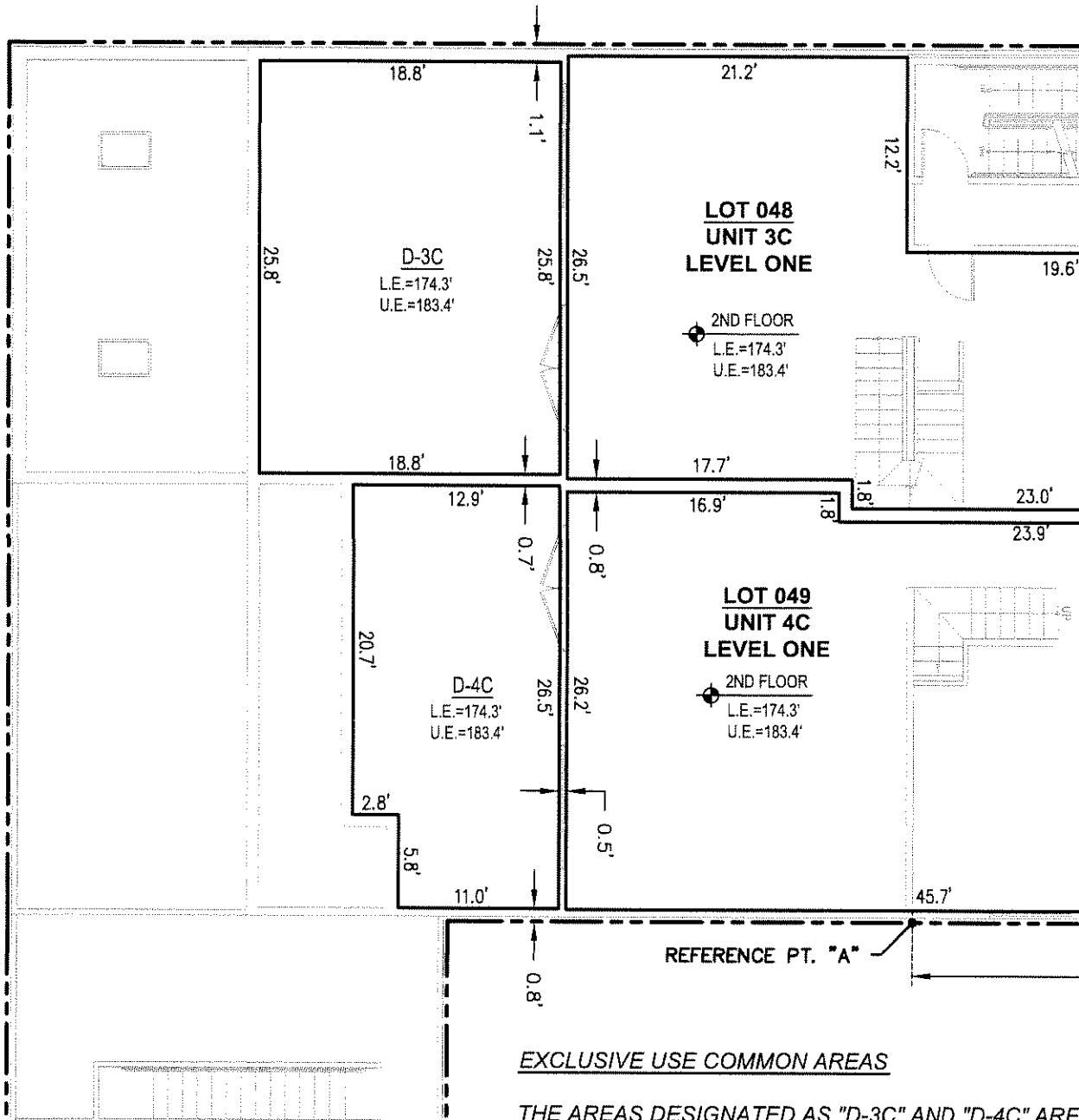
EXHIBIT "A"

CONDOMINIUM PLAN

2829 CALIFORNIA STREET - 2ND FLOOR

1933 DIVISADERO STREET - 3RD FLOOR

SHEET 12 OF 22



EXCLUSIVE USE COMMON AREAS

THE AREAS DESIGNATED AS "D-3C" AND "D-4C" ARE EXCLUSIVE USE COMMON AREAS FOR DECK PURPOSES AND SHALL BE GRANTED AS AN APPURTEINANCE TO THE CORRESPONDINGLY NUMBERED UNIT.

GRAPHIC SCALE

1 INCH = 10 FEET

Order: 8W9PPL9K3

Address: 2829 California St Apt 1

Address: 2029 California
Order Date: 10-12-2023

Order Date: 10-12-2012
Document not for

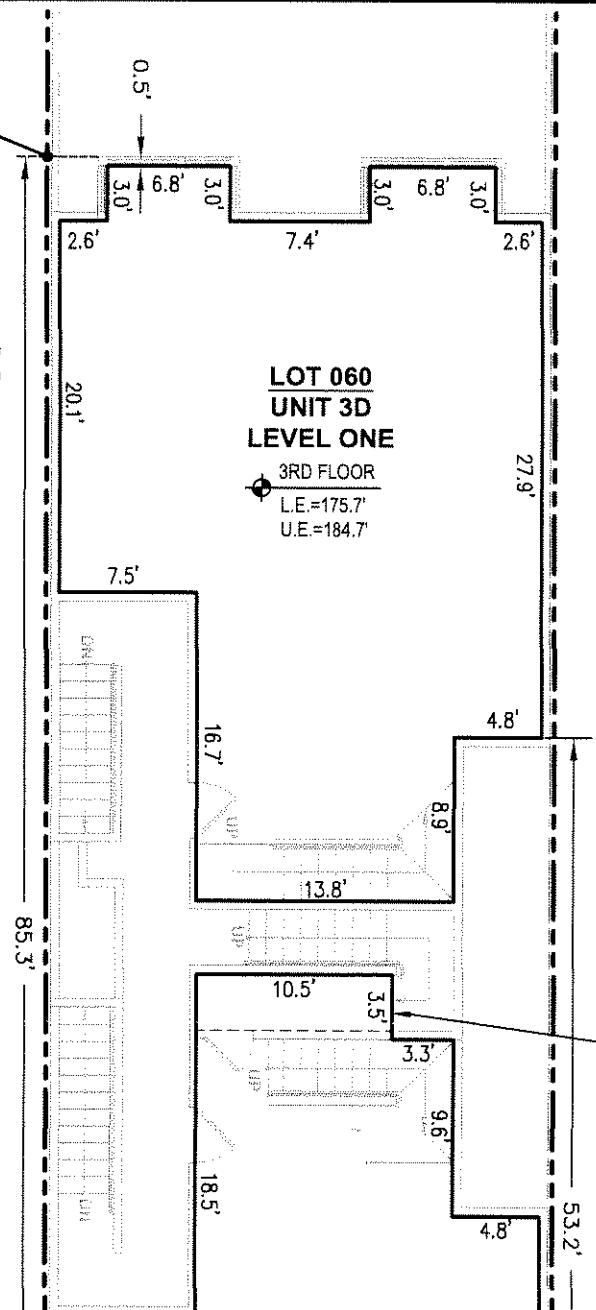
Document not for HomeWiseDocs

EXHIBIT "A"
CONDOMINIUM PLAN
1933 DIVISADERO STREET
3RD FLOOR
SHEET 13 OF 22

GRAPHIC SCALE
10 0 5 10
1 INCH = 10 FEET

**LOT 060
UNIT 3D
LEVEL ONE**

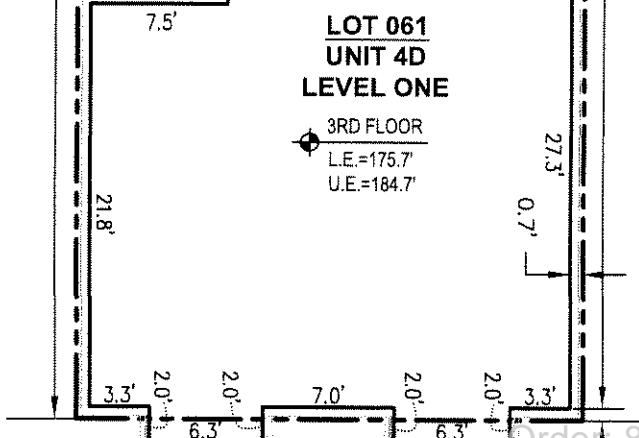
3RD FLOOR
L.E.=175.7'
U.E.=184.7'



CLOSET
U.E. SLOPES UNDER STAIRS
MAX.=184.7, MIN.=179.9

**LOT 061
UNIT 4D
LEVEL ONE**

3RD FLOOR
L.E.=175.7'
U.E.=184.7'



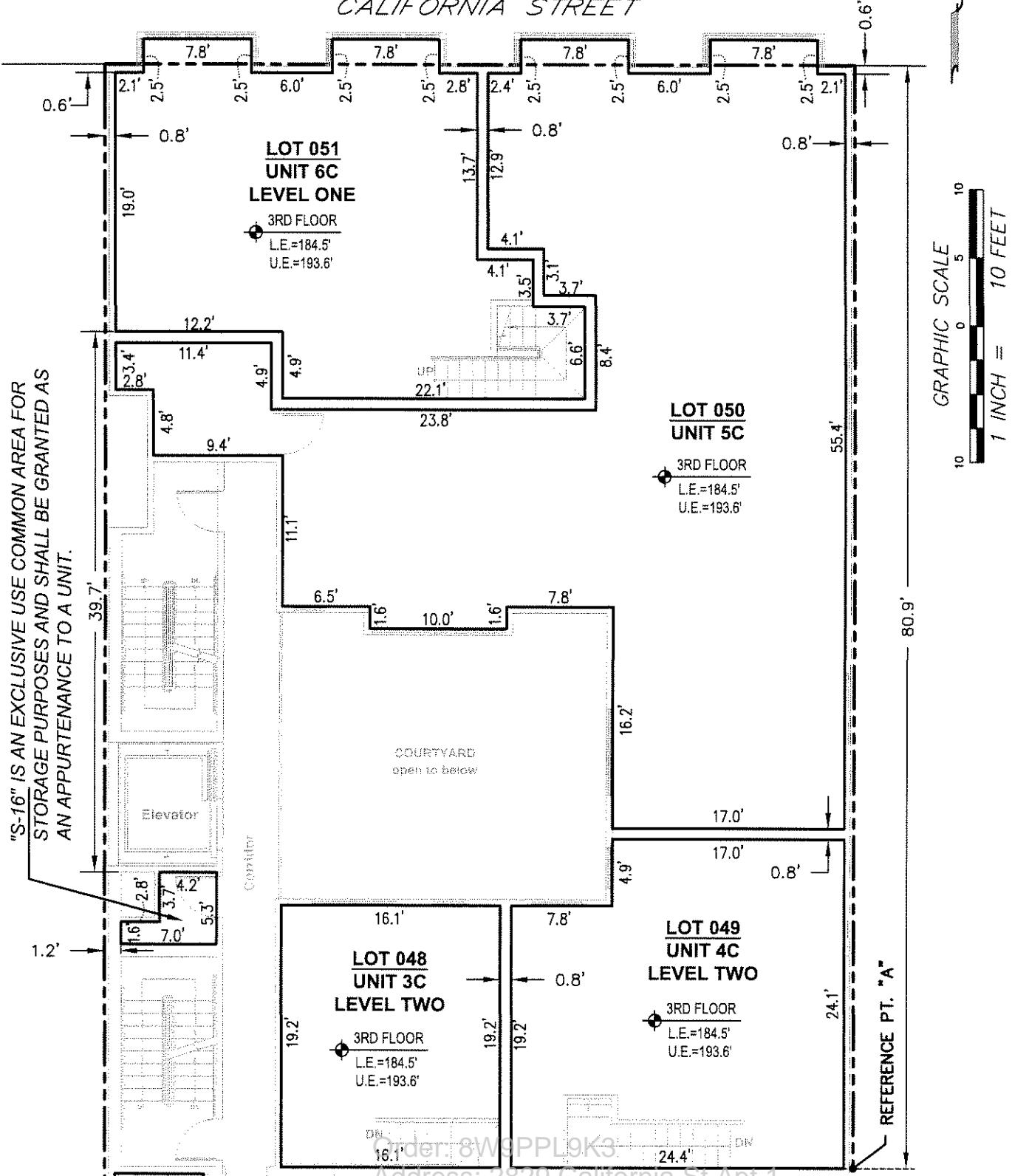
DIVISADERO STREET

Order 8W9PPL9K3
Address: 2829 California St Apt 1
Order Date: 10-12-2023

Document not for resale
HomeWiseDocs

EXHIBIT "A"
CONDOMINIUM PLAN
2829 CALIFORNIA STREET - 3RD FLOOR
SHEET 14 OF 22

CALIFORNIA STREET



Order: 18W9PPL9K3

Address: 2829 California St Apt 1

Order Date: 10-12-2023

Document not for resale

HomeWiseDocs

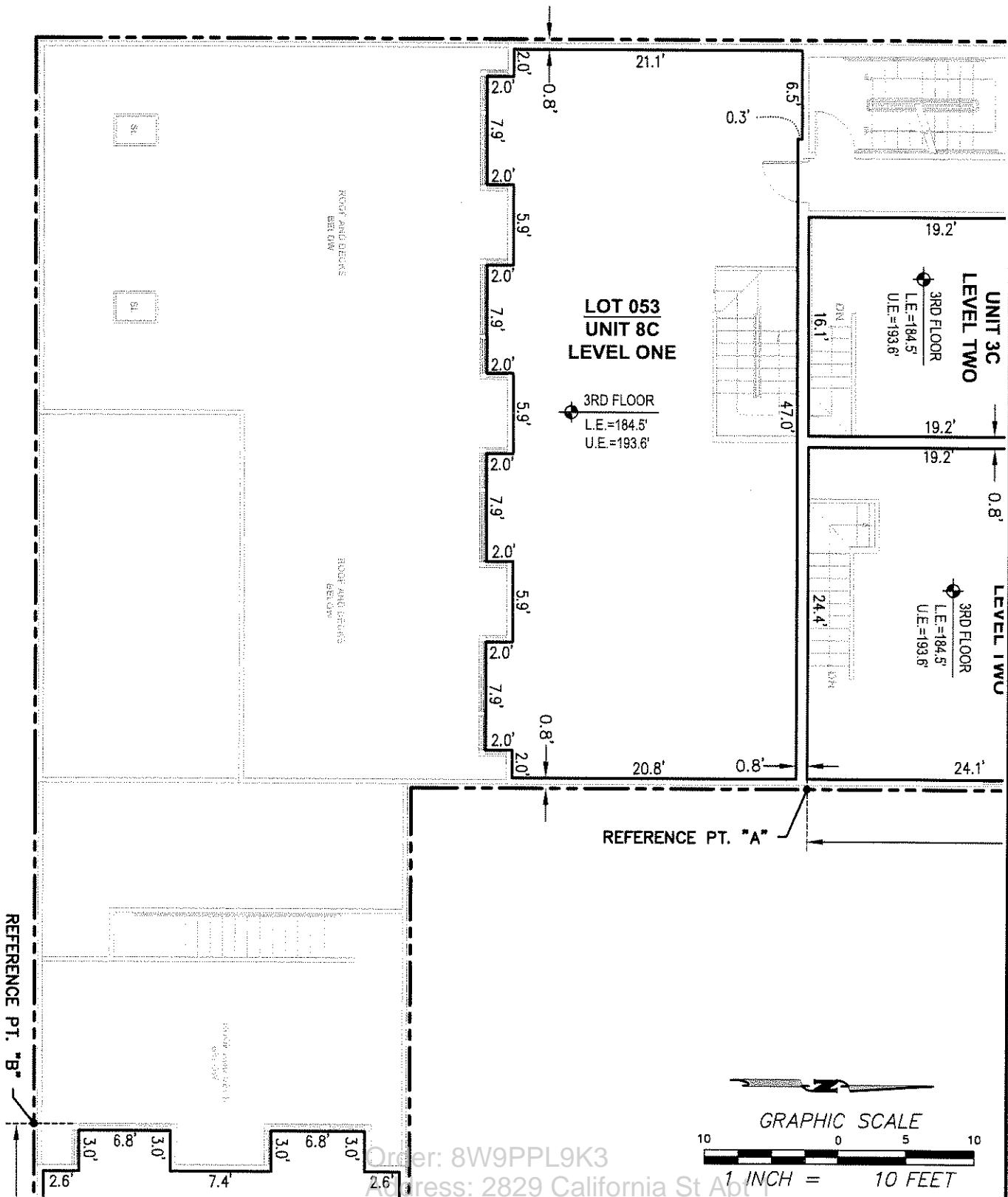
EXHIBIT "A"

CONDOMINIUM PLAN

2829 CALIFORNIA STREET - 3RD FLOOR

1933 DIVISADERO STREET - 4TH FLOOR

SHEET 15 OF 22



Order: 8W9PPL9K3

Address: 2829 California St Apt 1 INC

Order Date: 10-12-2023

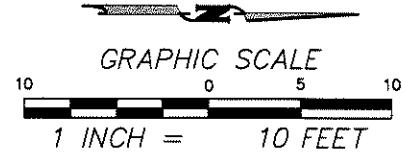
Entered Date: 10/1
Document not fo

Document not in HomeWiseDocs

1 INCH = 10 FEET

1 INCH = 10 FEET

EXHIBIT "A"
CONDOMINIUM PLAN
1933 DIVISADERO STREET
4TH FLOOR
SHEET 16 OF 22



LOT 060
UNIT 3D
LEVEL TWO

4TH FLOOR
L.E.=185.6'
U.E.=194.6'

40.6'
85.3'

7.0'
3.5'

LOT 061
UNIT 4D
LEVEL TWO

4TH FLOOR
L.E.=185.6'
U.E.=194.6'

40.4'

3.3'
2.0'

2.0'
7.0'

2.0'
6.3'

STAIRS UP TO ROOF
U.E.=204.7

STAIRS UP TO ROOF
U.E.=204.7

REFERENCE PT. "B"

Building Elevation

Order: 8W9PPL9K3

Address: 2829 California St Apt 1

Order Date: 10-12-2023

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HomeWiseDocs

EXHIBIT "A"
CONDOMINIUM PLAN
2829 CALIFORNIA STREET - 4TH FLOOR
SHEET 17 OF 22

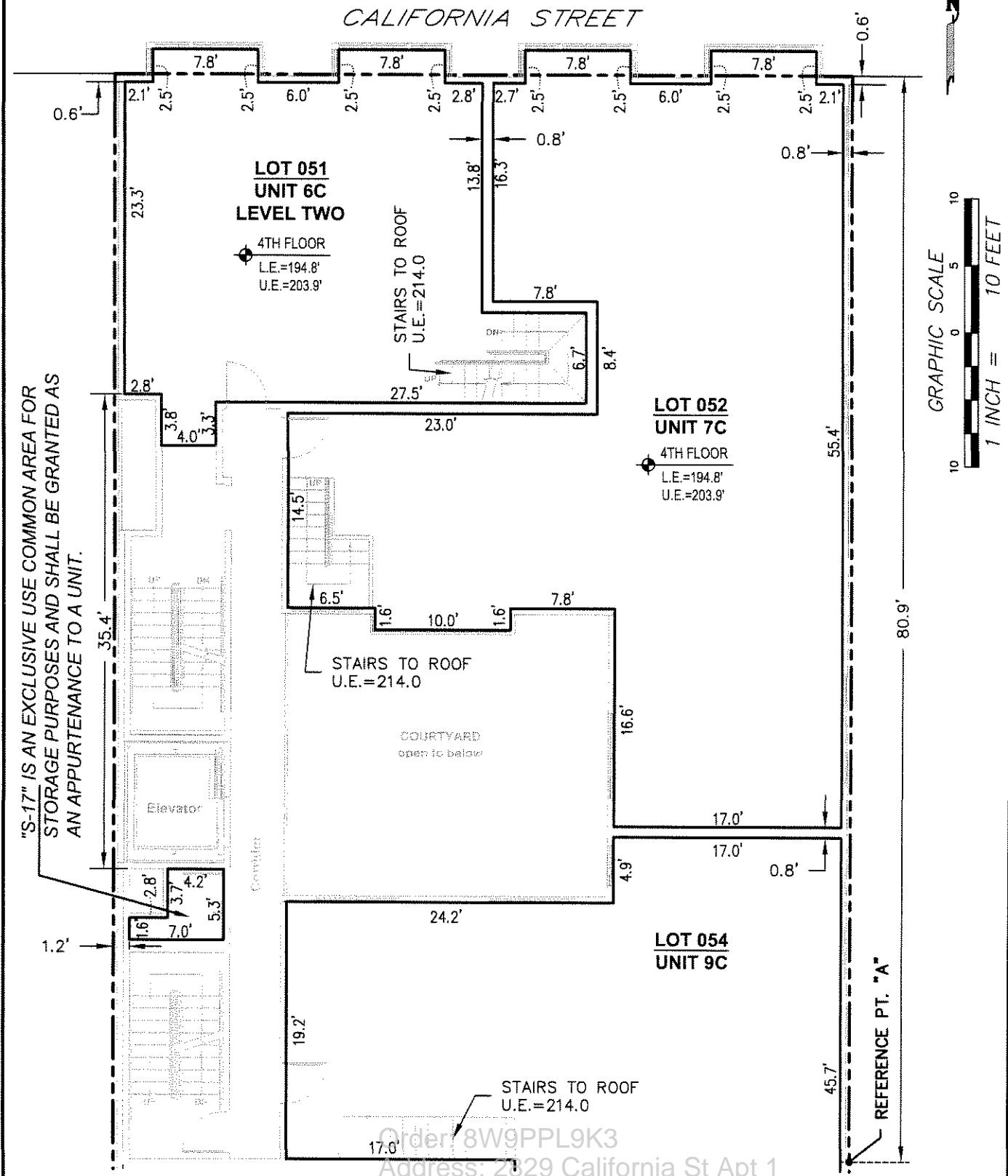


EXHIBIT "A"

CONDOMINIUM PLAN

2829 CALIFORNIA STREET - 4TH FLOOR

1933 DIVISADERO STREET - ROOF LEVEL

SHEET 18 OF 22

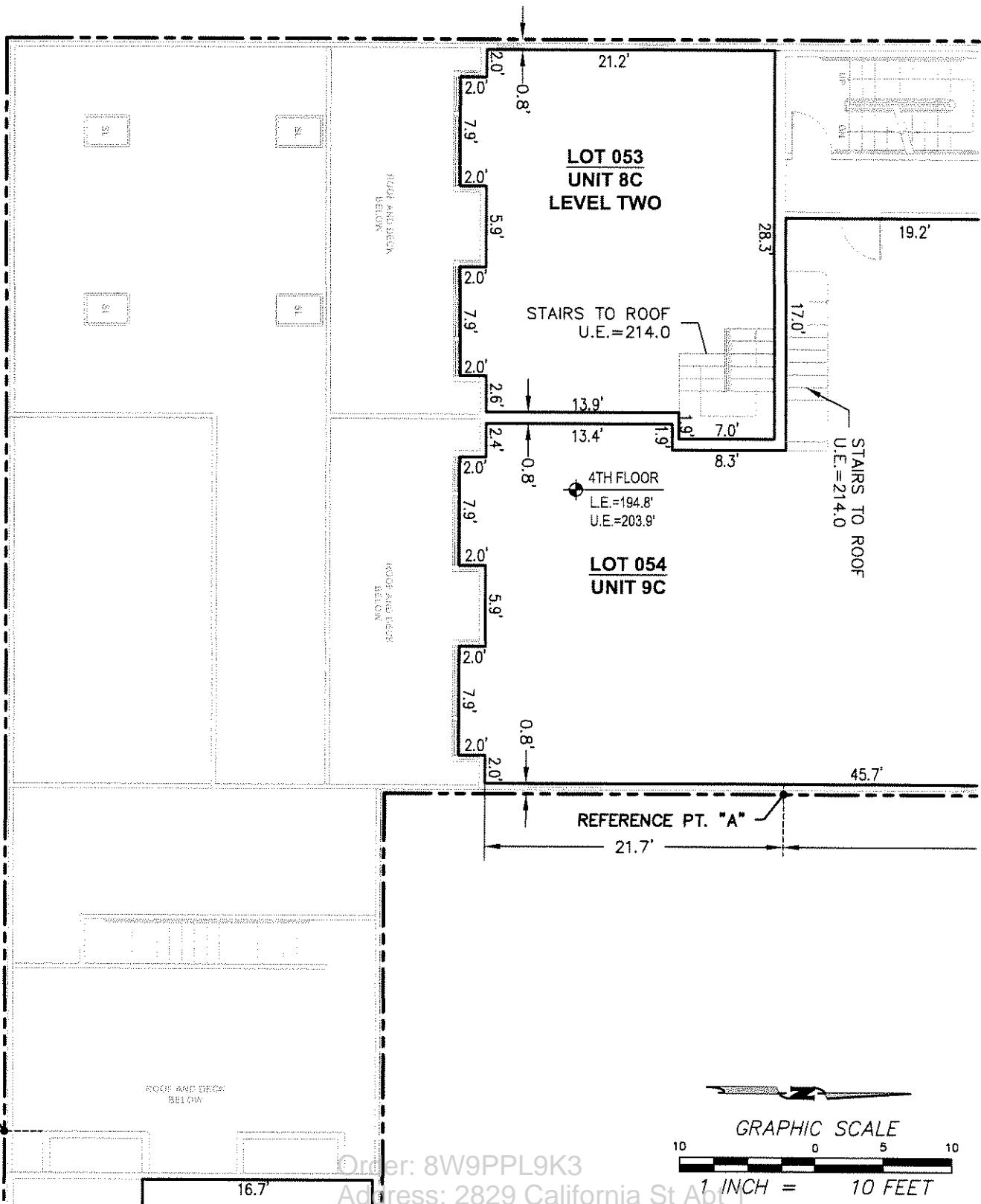


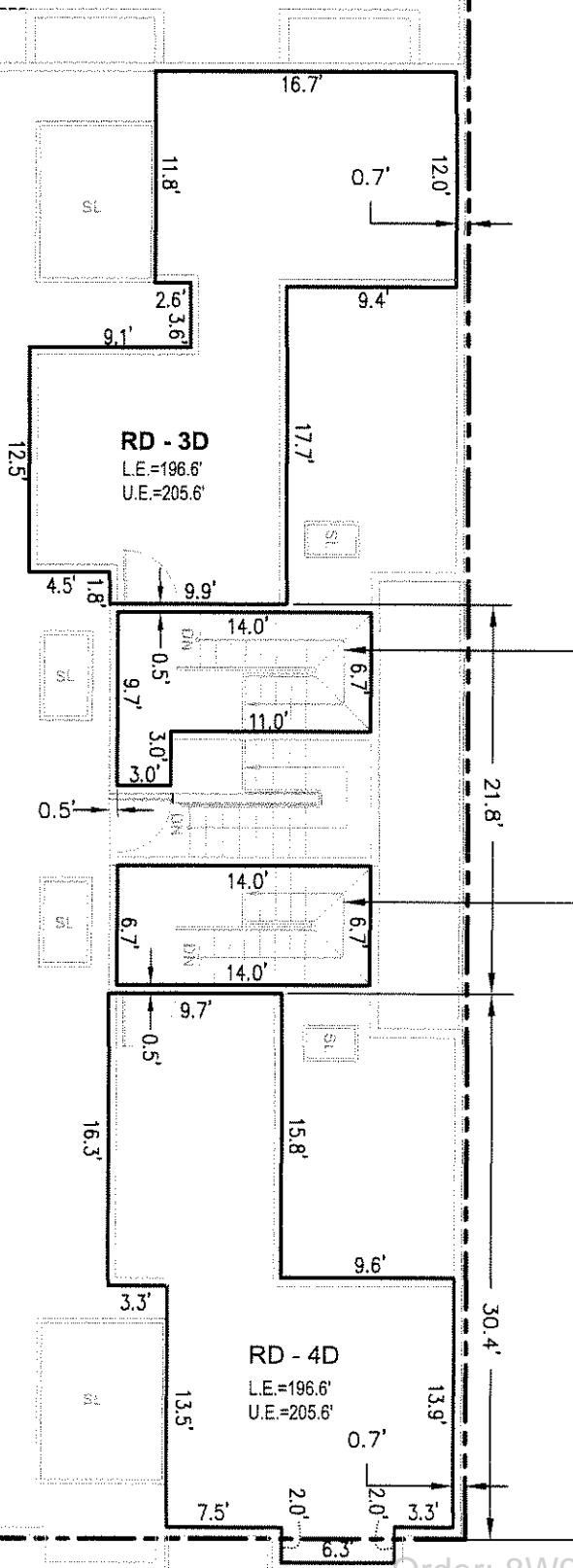
EXHIBIT "A"

CONDOMINIUM PLAN
1933 DIVISADERO STREET
ROOF LEVEL
SHEET 19 OF 22

GRAPHIC SCALE

10 0 5 10
1 INCH = 10 FEET

REFERENCE PT. "B"



STAIRS WITHIN UNIT 3D.

STAIRS WITHIN UNIT 4D.

EXCLUSIVE USE COMMON AREAS

THE AREAS DESIGNATED AS "RD-3D" AND "RD-4D" ARE EXCLUSIVE USE COMMON AREAS FOR ROOF DECK PURPOSES AND SHALL BE GRANTED AS AN APPURTEINANCE TO THE CORRESPONDINGLY NUMBERED UNIT.

Order: 8W9PPL9K3
DIVISADERO STREET Address: 2829 California St Apt 1

Order Date: 10-12-2023

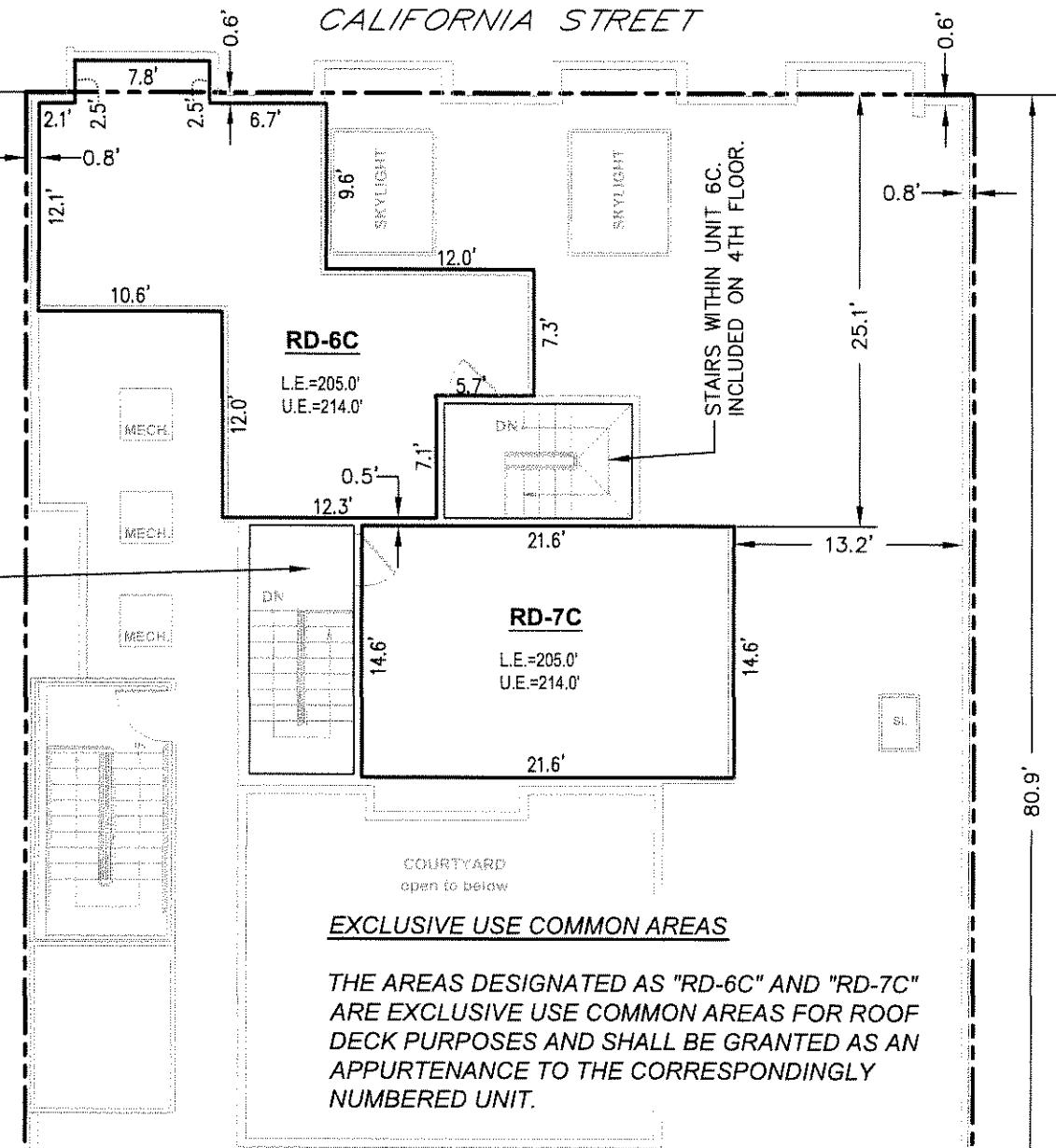
Document not for resale

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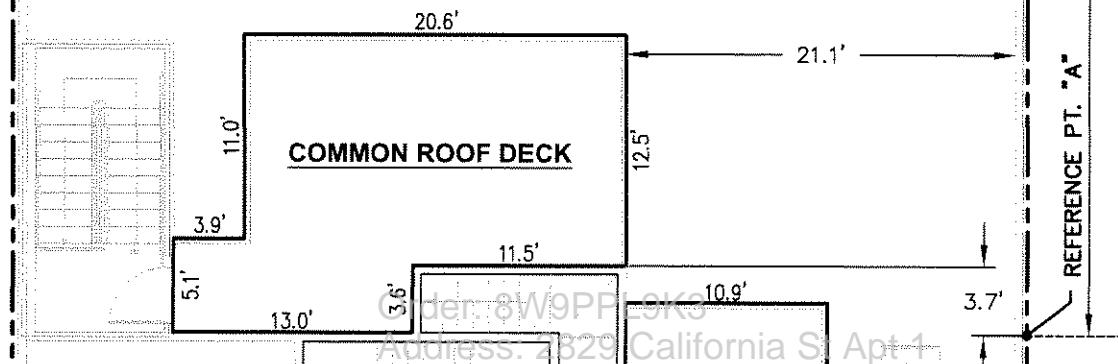
EXHIBIT "A"
CONDOMINIUM PLAN
2829 CALIFORNIA STREET - ROOF LEVEL
SHEET 20 OF 22

CALIFORNIA STREET

STAIRS WITHIN UNIT 7C.
 INCLUDED ON 4TH FLOOR.



GRAPHIC SCALE
 1 INCH = 10 FEET



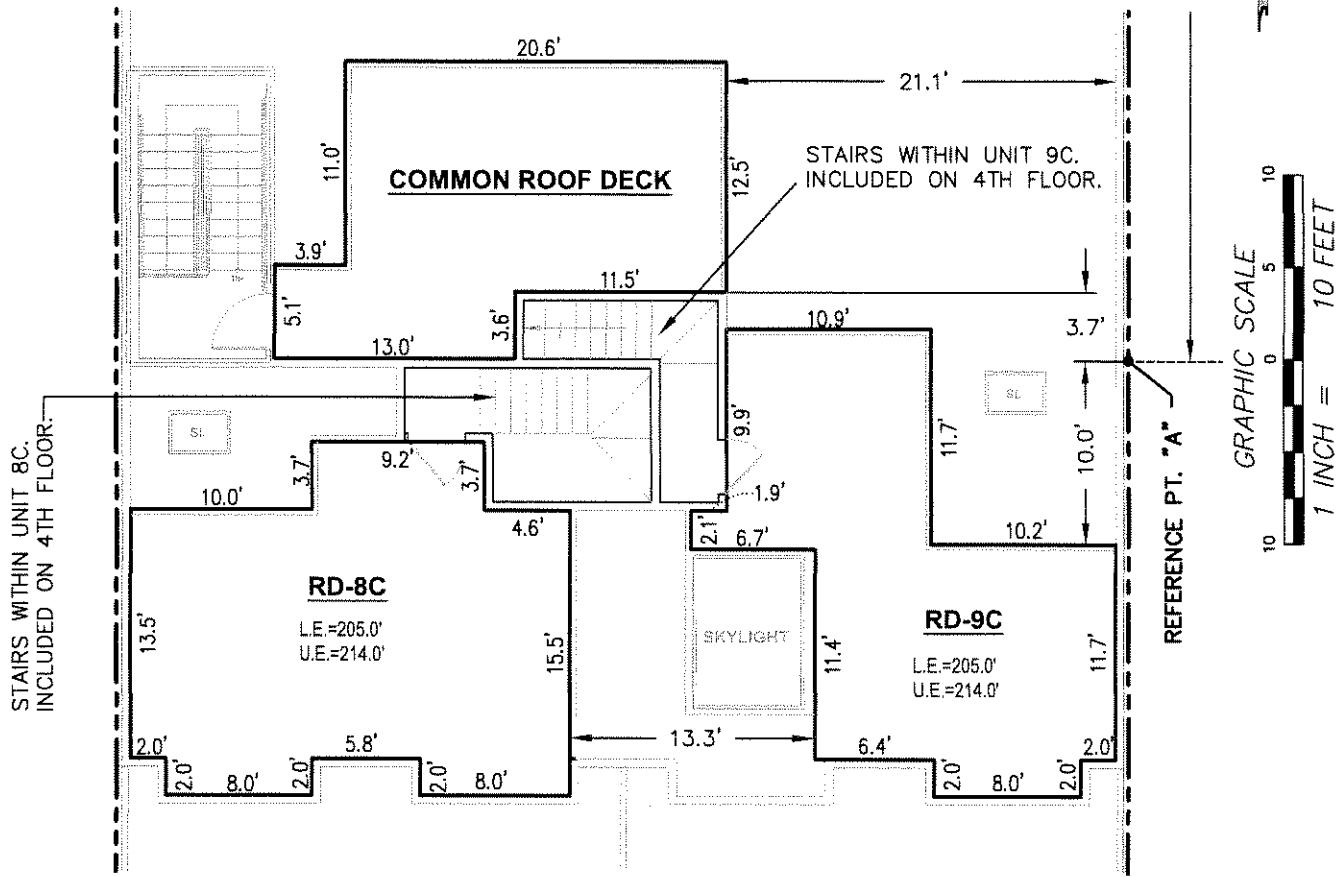
Address: 2829 California St Apt 1

Order Date: 10-12-2023

Document not for resale

HomeWiseDocs

EXHIBIT "A"
CONDOMINIUM PLAN
2829 CALIFORNIA STREET - ROOF LEVEL
SHEET 21 OF 22



EXCLUSIVE USE COMMON AREAS

THE AREAS DESIGNATED AS "RD-8C" AND "RD-9C"
ARE EXCLUSIVE USE COMMON AREAS FOR ROOF
DECK PURPOSES AND SHALL BE GRANTED AS AN
APPURTEINANCE TO THE CORRESPONDINGLY
NUMBERED UNIT.

EXHIBIT "A"

CONDOMINIUM PLAN for 2829 CALIFORNIA STREET & 1933 DIVISADERO STREET
ASSESSOR'S BLOCK 1028, LOTS 46 to 61 INCLUSIVE,
CITY AND COUNTY OF SAN FRANCISCO

SHEET 22 OF 22

ASSESSORS BLOCK 1028
OLD LOT NUMBER 045

PERCENTAGE OF UNDIVIDED INTEREST IN COMMON AREA AS ASSIGNED BY OWNERS		
UNIT	LOT NO.	%
2829 CALIFORNIA STREET		
1C	46	3.78 %
2C	47	5.51 %
3C	48	5.11 %
4C	49	7.09 %
5C	50	6.80 %
6C	51	6.28 %
7C	52	6.64 %
8C	53	7.71 %
9C	54	6.35 %
10C	55	9.11 %
11C	56	6.19 %
1933 DIVISADERO STREET		
5D	57	3.15 %
1D	58	7.10 %
2D	59	3.25 %
3D	60	8.04 %
4D	61	7.89 %

EXHIBIT B

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Lot A, as shown on that certain Condominium Map entitled "Final Map No. 6395, a 13 Residential Unit and 3 Commercial Unit Mixed-Use Condominium Project", filed on October 5, 2011, in Book 117 of Condominium Maps, Pages 9 and 10, Official Records.

APN: Lot 045 (formerly Lots 003 & 028); Block 1028

CONSENT AND SUBORDINATION

The undersigned, First Republic Bank, as Beneficiary, under that certain Deed of Trust recorded on March 18, 2011, under Recorder's Serial Number 2011-J152648, in Official Records of the County Recorder of the County of San Francisco, executed by 2829 California Street, LLC, a California limited liability company, as Trustor, with Fidelity National Title Insurance Company, a California corporation, as Trustee, does hereby consent to the execution and recordation of the attached Declaration of Conditions, Covenants and Restrictions and does hereby subordinate said Deed of Trust to said Declaration of Conditions, Covenants and Restrictions to the same extent and with the same force and effect as if said Declaration of Conditions, Covenants and Restrictions had been executed and recorded prior to the execution and recordation of said Deed of Trust.

IN WITNESS WHEREOF, the undersigned has executed this Consent and Subordination this 26 day of September, 2012.

DATED: 9-26-12

First Republic Bank, Beneficiary

BY: David R. Moe, Vice President

BY: David R. Moe, Vice President

(PLEASE ATTACH NOTARY ACKNOWLEDGEMENT HERETO)

Order: 8W9PPL9K3
Address: 2829 California St Apt 1
Order Date: 10-12-2023
Document not for resale
HomeWiseDocs

ACKNOWLEDGMENT

State of California
County of San Francisco

On 9/26/12 before me, Susanna Burgess
(insert name and title of the officer)

personally appeared David R. Moe,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(es), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Susanna Burgess (Seal)

