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WHEN RECORDED RETURN TO:

Dolores Plaza Condominium Association
c/o Chandler Properties
2799 California Street
San Francisco, CA 94115



San Francisco Assessor-Recorder

Phil Ting, Assessor-Recorder

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TITLE OF DOCUMENT

**Declaration of Covenants, Conditions and Restrictions of
Dolores Plaza Condominium Association
(As Restated in 2008)**

Including:

Court Order Granting Petition to Reduce Required Voting Percentage (CC§1356)
filed February 11, 2010

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
DOLORES PLAZA CONDOMINIUM ASSOCIATION
(As Restated in 2008)©**

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CERTIFICATE OF AMENDMENT

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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
DOLORES PLAZA CONDOMINIUM ASSOCIATION
(As Restated in 2008)©**

This Declaration of Covenants, Conditions and Restrictions of DOLORES PLAZA CONDOMINIUM ASSOCIATION ("**Declaration**" or "CC&Rs") is a revised version of the original Declaration entitled "Declaration of Covenants, Conditions and Restrictions of Dolores Plaza Condominium Association" which was recorded in the office of the San Francisco County Recorder on October 11, 1983 in Book D-588, pages 1673 through 1770, and as may have been subsequently amended (hereinafter "Former Declaration").

RECITALS

1. **Legal Description.** This **Declaration** governs all of the real property and improvements located in the City of San Francisco, described as:

Lots 67, 68, 69, 70 and 71 located in the City and County of San Francisco, State of California, as described in that certain Parcel Map entitled "Parcel Map of a Portion of Assessor's Block No. 3556, San Francisco, California" filed for record on the 14th day of February 1983 in Book 24 of Parcel Maps at Pages 159 to 160 inclusive, Official Records of the City and County of San Francisco, State of California, and those certain Subdivision Maps entitled "Map of Dolores Plaza, Phase One, 360 Guerrero St. Development, a Condominium, being a resubdivision of Lot 67, a portion of Assessor's Block No. 3556" filed for record on the 23 day of September, 1983, in Condominium Map Book 21, at pages 135 to 137 inclusive; Official Records of the City and County of San Francisco, State of California, "Map of Dolores Plaza, Phase Four, 360 Guerrero St. Development, a Condominium, being a resubdivision of Lot 69, a portion of Assessor's Block No. 3556" filed for record on the 23 day of September, 1983, in Condominium Map Book 21, at pages 144 to 150 inclusive; Official Records of the City and County of San Francisco, State of California, "Map of Dolores Plaza, Phase Three, 360 Guerrero St. Development, a Condominium, being a resubdivision of Lot 70, a portion of Assessor's Block No. 3556" filed for record on the 23 day of September, 1983, in Condominium Map Book 21, at pages 138 to 140 inclusive; Official Records of the City and County of San Francisco, State of California and "Map of Dolores Plaza, Phase Two, 360 Guerrero St. Development, being a resubdivision of Lot 71, a portion of Assessor's Block No. 3556" filed for record on the 23 day of September, 1983, in Condominium Map Book 21, at pages 141 to 143 inclusive; Official records of the City and County of San Francisco, State of California.

2. **The Property.** There are 149 **Condominiums** in Dolores Plaza which is a Condominium project within the meaning of the provisions of the California **Davis-Stirling Act**.

3. **This Amended Declaration.** The **Association** determined that its Former Declaration is outdated. Therefore the **Members** have approved and recorded this **Declaration** which supersedes the Former Declaration. The provisions of this **Declaration** are intended to enhance and protect the value, enjoyment, safety, desirability and attractiveness of Dolores Plaza Condominiums.

4. **Applicability of Restrictions.** As revised, these covenants, conditions and restrictions shall run with the **Property** and shall be binding on all parties having or acquiring any right, title or interest in any portion of the **Property** in the same manner as the Former Declaration, and shall be for the benefit of all **Owners**.

ARTICLE I DEFINITIONS

Section 1.1. "Articles" means the **Articles** of Incorporation of Dolores Plaza Condominium Association, as amended from time to time.

Section 1.2. "Assessment" means a Regular, Special, Extraordinary Expense or Reimbursement **Assessment** made or assessed against an **Owner** and his or her **Unit** in accordance with the provisions of Article IV of this **Declaration**.

Section 1.3. "Association" means DOLORES PLAZA CONDOMINIUM ASSOCIATION, a California nonprofit mutual benefit corporation, its successors and assigns.

Section 1.4. "Board" or "Board of Directors" means the governing body of the **Association**.

Section 1.5. "Bylaws" means the **Bylaws** of the **Association**, as may be amended from time to time.

Section 1.6. "Commercial Unit" means that **Unit** designated for commercial use. Unit 126, Lot 126 as described on the **Map** is designated as a **Commercial Unit**.

Section 1.7. "Common Area" means all of the **Property** described on the **Plan**, including all of Lot 68, except **Unit** area. **Common Area** includes, but shall not be limited to:

land, roofs, foundations, weatherproofing, lobbies, common hallways, elevators and shafts, pipes, ducts, flues, chutes, floors, bearing walls, columns and girders to their unfinished surfaces, all regardless of location, conduits, pipes, plumbing (except within or immediately adjacent to and servicing only one **Unit**), wires, hard wired fire alarm system (excluding the detectors in **Units**), mailboxes, boilers, **Parking Spaces**, service and equipment areas, driveways, open spaces, planted and landscaped areas, recreation facilities, laundries and ancillary service equipment, and all other improvements which may be placed upon or located in the **Common Area**.

Section 1.8. "Condominium" means the **Unit**, together with the undivided interest in the **Common Area** conveyed in fee to an **Owner**, and all related easements. See generally California Civil Code section 1351(f).

Section 1.9. "Davis-Stirling Common Interest Development Act" means that set of statutes governing Common Interest Developments which starts with California Civil Code Section 1350 and is also referred to as the **Davis-Stirling Act**.

Section 1.10. "Deck" means those portions of the **Common Area** adjacent to a **Unit** and separately designated on the **Plan** as individual numbered parcels preceded by the letter "D". An exclusive appurtenant easement for the use and possession of each **Deck** shall be granted to the adjacent **Unit** bearing a corresponding number along with and as part of said **Unit**. The boundary lines for each **Deck** shall be as set forth on the **Plan** and the airspace encompassed therein.

Section 1.11. "Declaration" means this restated **Declaration** and any further revisions or amendments. The term **Declaration** is interchangeable with the term "Covenants, Conditions and Restrictions" or "**CC&Rs**".

Section 1.12. "Exclusive Use Common Area" means those portions of the **Common Area** which are for the exclusive use of one or more, but fewer than all, of the **Owners** of the **Units**. **Exclusive Use Common Area** is a subpart of **Common Area** distinguished by different rights and responsibilities from general **Common Area**. **Exclusive Use Common Area** shall include, but is not limited to, the following components when the component exclusively serves a single **Unit**:

exterior components such as door stoops, **Decks**, **Deck** framing and surface material, water pipes and valves, irrigation systems, light fixtures, electrical outlets and switches;

Front doors, door bells, entry light fixtures, door frames, and hardware incident thereto, window frames (which are affixed to the building and surrounding the opening), and gates;

Deeded **Parking Spaces**; and

To the extent not part of the **Unit** itself, fireplace flues, fireboxes (excluding liners or stone panels), utility pipes and lines (including but not limited to telephone, water, waste, electrical, gas, and cable television), wherever located, and any related duct, vent, receptacle or other component within or exclusively serving the **Unit**.

In addition to the above components, some **Units** on the first floor also have **Exclusive Use Common Area Patios** and **Patio** slabs. Any fences, gates, exterior water pipes and valves, as well as irrigation systems in the **Patio** areas are also part of the **Exclusive Use Common Area**.

Section 1.13. "Governing Documents" means collectively this **Declaration**, the **Bylaws**, **Articles**, rules, and any policies or guidelines approved and adopted by the **Board**, and any amendments to such documents.

Section 1.14. "Map" refers to that certain Parcel map entitled "Parcel Map of a Portion of Assessor's Block No. 3556, San Francisco, California" filed for record on the 14th day of February 1983 in Book 24 of Parcel Maps at Pages 159 to 160 inclusive, Official Records of the City and County of San Francisco, State of California, and those certain Subdivision Maps entitled "Map of

Dolores Plaza, Phase One, 360 Guerrero St. Development, being a resubdivision of Lot 67, A portion of Assessor's Block No. 3556" filed for record on the 23 day of September, 1983, in Condominium Map Book 21 at pages 135 to 137 inclusive; Official records of the City and County of San Francisco, State of California, "Map of Dolores Plaza, Phase Four, 360 Guerrero St. Development, being a resubdivision of Lot 69, A portion of Assessor's Block No. 3556" filed for record on the 23 day of September, 1983, in Condominium Map Book 21, at pages 144 to 150 inclusive; Official records of the City and County of San Francisco State of California, "Map of Dolores Plaza, Phase Three, 360 Guerrero St. Development, being a resubdivision of Lot 70, A portion of Assessor's Block No. 3556" filed for record on the 23 day of September, 1983, in Condominium Map Book 21, at pages 138 to 140 inclusive; Official records of the City and County of San Francisco, State of California, and "Map of Dolores Plaza, Phase Two, 360 Guerrero St. Development, being a resubdivision of Lot 71, A portion of Assessor's Block No. 3556" filed for record on the 23 day of September, 1983, in Condominium Map Book 21, at pages 141 to 143 inclusive; Official records of the City and County of San Francisco, State of California.

Section 1.15. "Member" means a **Person** who holds membership in the **Association** and is synonymous with the term "**Owner**".

Section 1.16. "Mortgage" means a Deed of Trust, as well as a **Mortgage**.

Section 1.17. "Mortgagee" means a beneficiary (such as a bank) under a **Mortgage** and/or Deed of Trust.

Section 1.18. "Owner" means the **Owner** with a recorded interest, whether one or more **Persons** or entities, having a fee simple title to or undivided fee interest in any **Condominium**. This includes contract purchasers, but excludes **Persons** having any interest merely as security for the performance of an obligation.

Section 1.19. "Parking Space" means those portions of the **Common Area** separately designated on the **Plan** as individual numbered parcels preceded by the letters "P". An exclusive appurtenant easement for the use and possession of each **Parking Space** shall be granted to each **Unit** as part of said **Unit**. The boundary lines for each **Parking Space** shall be as set forth on the **Plan** and to the airspace encompassed within such boundaries.

Section 1.20. "Patio" means those portions of the **Common Area** adjacent to a **Unit** and separately designated on the **Plan** as individual numbered parcels preceded by the letter "PA". An exclusive appurtenant easement for the use and possession of each **Patio** shall be granted to the adjacent **Unit** bearing a corresponding number along with and as part of said **Unit**. The boundary lines for each **Patio** shall be as set forth on the **Plan** and the airspace encompassed therein.

Section 1.21. "Person" means a natural person, corporation, partnership, trustee or other legal entity. This term includes any **Owner**, **Member**, a family member, tenant, resident, guest or invitee.

Section 1.22. "Plan" refers to that certain **Condominium Plan** entitled "Map of Dolores Plaza, A Condominium" which includes each of the five **Maps** described in Section 1.14.

Section 1.23. "Property" means all of the real property and improvements of the Dolores Plaza condominium complex and includes all **Units**, structures and **Common Area**.

Section 1.24. "Unit" means the separate interest as generally defined in Civil Code section 1351(f). The boundaries of each **Unit** shall be the interior unfinished surfaces of the perimeter walls, floors (surfaces and subbase) and ceilings bounding the **Unit**, and includes doors and windows (including glass). Each **Unit** includes the airspace encompassed by its boundaries. The **Unit** expressly includes, regardless of location, the following components:

the interior finish materials of walls and ceilings (including textured ceiling material), carpeting, the liners or stone panels of a fireplace box (excluding the flue), floor coverings and related components (including lightweight concrete topping, but excluding the plywood or other substrate), fixtures, cabinets, interior doors, exterior sliding glass doors, windows, weatherstripping, screens and appurtenant hardware and locks, light fixtures, toilets, wax rings, showers, shower pans, bathtubs, sinks, drains and drain seals, forced air units, filters, furnaces, thermostats, heating conduits, ducts, blowers, as well as bathroom and kitchen plumbing fixtures (including the joints where the fixtures attach to pipes), faucets, fans, valves, washers, gaskets, tile, grout, caulking and waterproof elements of any bathroom and kitchen surfaces, including any waterproof elements behind tiles or other finish material. Electrical switches, receptacles, boxes and panels, fuses, circuit breakers, battery operated smoke detectors (not connected to an alarm system), utility components, fixtures and extensions thereof and appliances which are located wholly within or around the boundaries of a **Unit** or are recessed in the wall of the **Unit** and accessible from the **Unit**, and which service only that **Unit**, are also part of the **Unit**.

ARTICLE II

PROPERTY RIGHTS

Section 2.1. No Partition. Except as provided by California Civil Code section 1359, there shall be no judicial partition of the **Property** or any part, nor shall any **Person** acquiring an interest in the **Property** or any part seek any judicial partition, provided, however, that if any **Condominium** is owned by two or more co-tenants as tenants-in-common or as joint tenants, nothing in this **Declaration** shall be deemed to prevent a judicial partition as between co-tenants.

Section 2.2. Common Area Ownership. There shall be conveyed with each respective **Unit** an undivided tenancy-in-common interest in the **Common Area** as specified in Exhibit "A" to the Former Declaration. The undivided interest in the **Common Area** cannot be changed, and the fee title to the respective **Units** conveyed therewith shall not be separated or separately conveyed, and each such undivided interest shall be deemed to be conveyed or encumbered with its respective **Unit** even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to the **Unit**. Each **Unit** and each **Owner** shall share the expenses of the **Common Area** proportionately as more particularly set forth in Article IV below.

Section 2.3. Restricted Common Area. The ownership of the **Common Area** is subject to the exclusive easements set forth in Article II, Section 2.4, below, for the benefit of each **Owner** for use and possession of the **Deck or Patio** adjacent to his or her **Unit** and for the **Parking Space** set forth in the Grant Deed to said **Unit**. All of the **Owners** of each separate building have exclusive easements for use of building lobbies, hallways, elevators and laundries within that particular building. An exclusive easement for the use and possession of not less than one **Parking Space** has been granted for the individual use of each **Owner** subject to the rules regulating the use and allocation thereof as established by the **Association**. All **Parking Spaces** not granted to an individual **Unit** shall remain as unrestricted **Common Area** for the use in common of the guests of all **Owners** and their tenants subject to the rules regulating their use.

Section 2.4. Easements. There are reserved for the benefit of the **Units** and **Owners**, in common and for each **Unit** and **Owner** severally, and for the **Association**, as their respective interests shall pertain, the easements, reciprocal negative easements, secondary easements and rights of way as particularly identified in this Section.

2.4(a) Utilities. There is reserved for the benefit of each **Unit**, as dominant tenement, an easement for utility services over, under and through the Property, including the **Common Area** and each other **Unit**, jointly, as the servient tenement.

2.4(b) Encroachment. There is reserved for the benefit of each **Unit**, as dominant tenement, an easement for encroachment, support, occupancy and use of such portion of the Property and each other **Unit** and the **Common Area**, jointly, as the servient tenement, as shall be encroached upon, used and occupied by the dominant tenement as a result of any accretion, erosion, addition, deterioration, decay, construction errors, movement or subsidence of any residence building or structure or any portion thereof, or any other cause. The easement of encroachment may be cured by repair and restoration of the structure.

2.4(c) Maintenance and Repair. There is reserved to the **Association** an easement appurtenant to the **Common Area** and all other **Units**, as dominant tenements, through each **Unit**, as servient tenement, for the maintenance and repair of the **Common Area**.

2.4(d) Ingress and Egress. There is reserved to each **Unit**, as dominant tenement, a non-exclusive easement appurtenant to each **Unit** over and across the **Common Area**, as servient tenement, for ingress, egress, use and enjoyment of said **Common Area** subject to the limitations provided in this Declaration.

2.4(e) Decks and Patios. Each **Unit** and **Owner** has an exclusive easement for the use, possession and enjoyment of any **Deck** and/or **Patio** directly adjacent to said **Unit**, bearing the same number as the **Unit**, as designated and delineated on the **Plan**. Said exclusive easement is subject, however, to the right of the **Association** to enter in and upon said **Deck** and/or **Patio** for the purposes of maintaining and repairing the same, pursuant to this **Declaration**, and enforcing the terms hereof. The grant of any such **Patio** easement includes such area beneath the surface of the earth as is reasonable and necessary for the cultivation, landscaping and drainage of the subject **Patio**.

2.4(f) Parking Space. Each **Unit** and **Owner** has an exclusive easement for the use, possession and enjoyment of the **Parking Space** in the same building as the **Unit** bearing the number or numbers designated on the individual Grant Deed conveying a **Unit** to said **Owners**. Said exclusive easement is subject, however, to the right of the **Association** to enter in and upon said **Parking Spaces** for the purposes of maintaining and repairing the same, or any other portion of the **Common Areas** pursuant to this **Declaration**, and enforcing the terms hereof.

2.4(g) Emergency Exits. There is reserved for the benefit of each **Unit**, as dominant tenement, an easement for ingress and egress from and to the fire escapes and other emergency exits over, across and through the other **Units** and the **Common Area**, jointly, as the servient tenement, to be used only on an emergency basis.

2.4(h) Common Area Halls, Parking, Entries & Laundries. The common hallways, elevators, **Parking Spaces**, entries and lobbies located in each of the separate buildings are reserved for the exclusive use of the **Owners**, tenants, invitees and guests that reside in or have an interest in **Units** within that building.

ARTICLE III

AUTHORITY OF THE ASSOCIATION

The **Board** shall have the power and authority to conduct the business of the **Association**, except as may be limited by the **Governing Documents** or the law, and, where appropriate or necessary, the **Board**, in its sound discretion and for the benefit of all **Owners**, shall generally enforce the provisions of the **Governing Documents**. In addition to those powers and duties set forth in the **Bylaws** or elsewhere in these **CC&Rs**, the **Board** shall also have the following duties and powers:

Section 3.1. Utilities. The **Association** shall procure and pay for water, sewage, garbage, electrical, gas, telephone and other necessary utility service for the **Common Area** and (to the extent not separately metered or charged) for the **Units**. The **Association** may procure and/or maintain cable, internet, or common satellite service and allocate charges equitably. The **Association** may grant licenses or easements across **Common Area** to permit installation and maintenance of cable, telephone, internet or other similar lines by private companies.

Section 3.2. Common Area Landscape. The **Association** shall procure and pay for gardening and landscaping services (excluding **Exclusive Use Common Area**), as well as maintaining and cleaning any portion of the **Common Area**, excluding **Exclusive Use Common Area** but including the **Parking Spaces**. If economically feasible, the **Board** may install and/or maintain alternative landscaping water sources, such as gray water or a well.

Section 3.3. Professional Services. As deemed prudent by the **Board**, the **Association** may procure and pay for professional services, including legal, management and accounting services.

Section 3.4. Taxes. The **Association** shall pay all taxes and assessments, if any, levied or assessed separately against the **Common Area**.

Section 3.5. Discharge of Liens. The **Association** shall pay, bond around or otherwise cause the discharge of any lien or encumbrance, including taxes, levied against any **Condominium** which, in the opinion of the **Board**, may constitute a lien against the **Common Area**. Where one or more **Persons** are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it. Any costs incurred by the **Association** by reason of said lien or liens shall be specifically assessed to said **Owners** as a Reimbursement **Assessment**.

Section 3.6. Other Obligations of the Board. The **Association** shall procure and pay for any other goods, materials, supplies, labor, services, painting, maintenance, repairs, structural alterations, improvements, insurance, taxes or assessments which the **Board** is authorized to secure or pay for pursuant this **Declaration** or by law, or which is reasonably necessary in the discretion of the **Board** for the convenient and appropriate operation of the **Common Area**.

Section 3.7. Authority for Reasonable Entry for Maintenance or Construction. The **Association** may enter any **Unit**, and any portion of the **Common Area** to which an **Owner** has been granted an exclusive easement or license, whenever such entry is reasonably necessary in connection with the performance of any maintenance or construction for which the **Association** is responsible. Such entry shall be made with as little inconvenience to the resident as is practical and only upon reasonable advance written notice of at least forty-eight (48) hours, except in emergency situations.

Section 3.8. Manager. The **Association** may delegate the daily management duties to a manager or management company, subject to the direction and control of the **Board**. This includes the authority to hire, as an employee or independent contractor, an "on-site" manager.

Section 3.9. Dedication. The **Association** may dedicate any of the **Common Area** to an appropriate public authority, provided that any such dedication shall have the assent of a majority of **Owners**. The **Board** may grant **Common Area** easements or licenses to utility companies, communications companies or public entities, so long as the grant in whole or in part benefits the **Owners** and/or does not significantly interfere with the **Owners'** use of the **Common Area**.

Section 3.10. Water Management. To address water rationing or other prudent water use management, the **Association** may require installation of "low flow" devices and may offer reasonable incentives to **Owners** who install "low flow" toilets or other water saving devices. The **Association** may also install flow meters to more fairly pro rate water costs. The **Association** may utilize the services of a flow meter company and cause the separate billing of water actually used by individual **Units**. Flow meter charges which are vendor administered may be levied in addition to the regular **Assessment**. In the event that less than all **Units** have flow meters, an equitable allocation shall be made so **Units** with flow meters are not charged for domestic water use of those **Units** without flow meters.

Section 3.11. Rules.

3.11(a) Rule Making and Policy Making Power. Subject to the provisions set forth in the Davis-Stirling Act, including **Member** review, the **Board** may propose, enact, adopt and/or

amend rules and/or policies of general application to the **Owners** relating to the use of any part of the **Property** by the **Owners** and other **Persons**, including tenants and guests. Such subjects may include parking, recreational vehicle and trailer parking, car washing, storage, trash and garbage disposal, use of recreational facilities, laundry, pets, rental or lease of **Condominiums**, signs, holiday decorations, displays, and/or activities which might adversely affect the **Property** or its appearance or might offend, inconvenience, annoy or endanger the **Owners** or residents. The **Board** may adopt policies to address any omission, ambiguity or conflict in the provisions of the **CC&Rs**. The discretionary rules shall not, however, be in conflict or materially inconsistent with any provision of the **Articles**, **Bylaws** or **Declaration**. In the event of any such conflict in a discretionary rule, the provision contained in the **Articles**, **Bylaws** or **Declaration** shall be deemed to prevail.

3.11(b) Breach of Rules and/or Policies. Any breach of the rules and/or policies shall give rise to the rights and remedies set forth in Article XII.

Section 3.12. Grant of Exclusive Use of Common Area. The **Board** and/or **Owners** may approve the grant of exclusive use of a portion of the **Common Area** to an **Owner** under the limited circumstances provided for in Civil Code §1363.07 and this section. The **Owner** must make application to the **Board**, which must include a drawing showing the proposed modification(s) and a full description of the proposed encroachment, including dimensions, materials and surrounding areas, etc. (as specified on the application).

3.12(a) If the **Board** determines that the subject **Common Area** is generally inaccessible and is not of general use to the membership at large, then the **Board**, in its sole discretion, may approve such exclusive use. The **Board** may also have similar discretion where the request conforms to other provisions of the above cited statute. Typically, if a grant is made, a license is granted to a **Person** and may have conditions and/or be of limited duration.

3.12(b) If the **Board** finds that the proposed transfer does not comply with the exceptions stated in the above referenced statute and/or this section, then for the **Board** to grant an exclusive use license or easement, there must also be an affirmative approval by at least twenty percent (20%) of the **Owners** within that building, but not less than a majority of the votes cast.

3.12(c) The **Board** shall impose terms and conditions as are appropriate and beneficial to the **Association**. The terms may include recordation of documentation in the chain of title. Additionally, the **Owner** must accept the burden of management and maintenance of such **Common Area** and the **Board** may include the obligation to add the **Association** as an additional insured on **Owner's** liability insurance.

3.12(d) A written record must be kept by the **Owner** and any successor **Owner** of all such requests and approvals. The burden is on the **Owner** to produce written evidence of such approval. If the **Owner** is unable to produce such evidence, there shall be a presumption that no approval was given.

Section 3.13. Storage Closets. To the extent that any storage closets are not otherwise assigned (for example, interior hallway storage closets in Building A), the **Board** may use such storage closets for **Association** purposes and/or may assign use to other residents on such terms and conditions as the **Board** deems appropriate.

ARTICLE IV ASSESSMENTS

Section 4.1. Assessments Generally. Each **Owner**, by acceptance of a deed or other ownership interest, has and continues to covenant and agrees to pay **Assessments** to the **Association**, together with interest, late charges, costs, and legal fees, which shall be a charge on the **Condominium** and may become a continuing lien upon the **Condominium** against which each such **Assessment** is made. Each such **Assessment** and related charges shall also be a joint and several personal obligation of each **Person** who holds an ownership interest in such property at the time the **Assessment** becomes due and payable. All delinquent **Assessments** shall be subject to the provisions of Article IV, Section 4.3, below.

4.1(a) Regular Assessments. The **Board** shall establish for each fiscal year an Annual **Assessment** to be allocated among all **Units** as follows:

Those items in the budget designated as insurance premiums, water, gas and painting and roof reserves shall be allocated to and assessed proportionately among the **Units** as set forth in **Exhibit A** attached hereto. The operating cost of the elevators and ventilation equipment in Building A shall be allocated to and assessed among all of the Building A **Units** only on an equal basis. All other items in the budget shall be allocated to and assessed among all **Units** equally. Any claim of error in the method of calculation or amount of **Assessment** must be brought within one year of the date of the alleged error.

Unless otherwise provided, regular **Assessments** shall be payable in twelve (12) equal monthly increments. Such monthly payments shall be due and payable on the first day of each month and be delinquent if not received by the **Association** by the 15th day of the month.

4.1(b) Special Assessments. Special **Assessments** shall be allocated in the same manner as Regular **Assessments**, unless otherwise determined by the **Board** for good cause. Special **Assessments** may be levied for the purpose of defraying, in whole or in part, actual or estimated revenue shortfalls or such other purposes as the **Board** deems appropriate, subject, of course, to the **Assessment** level increase provisions of Section 4.2 below. Special **Assessments** shall be due as set forth in the notice (see Section 4.2(c) below).

4.1(c) Extraordinary Expense Assessments. Where the **Board** determines an emergency or other appropriate situation exists as defined by statute, the **Board** may levy an Extraordinary Expense **Assessment**, but only in accordance with Civil Code section 1366 or any superseding provision of the California Civil Code which addresses **Assessments** necessary for extraordinary expenses.

4.1(d) Reimbursement Assessments.

4.1(d)(1) Definition. A Reimbursement **Assessment** is a charge against any **Owner** (and/or tenant) and the **Owner's Condominium**. It may be levied by the **Board** where there is a violation of the **Governing Documents** or misconduct by any **Owner**, or the tenants, guests, agents, employees, licensees, or invitees of an **Owner**. A Reimbursement **Assessment** may also be levied when a condition created or caused by an **Owner** or an **Owner's** predecessor in interest has or will require the **Association** to spend money (including incurring attorneys fees or other costs). It may also be levied if a fine or penalty has been imposed against the **Association** (for example, a government fine), or caused any increase in the **Association** insurance premiums. It may also be levied by mutual agreement between an **Owner** and the **Association**.

4.1(d)(2) Implementation. Prior to levying a Reimbursement **Assessment**, the **Association** must provide the individual with due process pursuant to Article XII, Section 12.4 unless the **Owner** agrees otherwise.

4.1(d)(3) Collection. A Reimbursement **Assessment** shall be due and payable to the **Association** when levied or such later time as may be set. It may be the basis for a lien. If the Reimbursement **Assessment** is levied to repair damage to **Common Area**, it may be collected in the same manner as a regular **Assessment**.

Section 4.2. Assessment Level Increases.

4.2(a) Approval of Board of Directors. The **Board** may impose a regular **Assessment** up to and including a twenty percent (20%) increase over the aggregate regular **Assessment** levied in the **Association's** preceding fiscal year. In order to exercise this discretionary power to increase regular **Assessments**, the **Association** must have complied with Civil Code section 1365(a). The **Board** may impose special **Assessments** which in the aggregate do not exceed five percent (5%) of the budgeted gross expenses of the **Association** for that fiscal year. The **Board** also has the power to levy an Extraordinary Expense **Assessment** pursuant to Article IV, Section 4.1(c).

4.2(b) Approval of the Owners. **Assessments** may be increased above the amounts set forth in Section 4.2(a) above, only with the approval of a majority of a quorum of **Owners**. For purposes of this section, quorum means more than fifty percent (50+%) of the voting power of the **Association**. (Based on 149 **Units**, this would require participation by the voting power of at least 75 **Units** and the approval by a majority of those participating in the vote.)

4.2(c) Notice. The **Association** shall provide notice by first-class mail to **Owners** of any special **Assessments** or increase in the regular **Assessment**, not less than thirty (30) days nor more than sixty (60) days prior to the **Assessment** becoming due.

Section 4.3. Enforcement of Assessments.

4.3(a) Delinquency. The **Association** shall adopt and distribute a collection policy which shall provide for the enforcement of **Assessments**, including the provisions set forth below. If an **Assessment** is delinquent, the **Association** may require payment of all of the following:

4.3(a)(1) reasonable costs incurred in collecting the delinquent **Assessment**, including reasonable attorney's fees;

4.3(a)(2) a late charge not exceeding ten percent (10%) of the delinquent **Assessment**;

4.3(a)(3) interest on all sums imposed (including the delinquent **Assessment**, reasonable fees and costs of collection, and reasonable attorney's fees) at an annual interest rate not to exceed twelve percent (12%) commencing thirty (30) days after the **Assessment** becomes due.

4.3(b) Returned Checks and Other Charges. An **Owner** who issues a check to the **Association** which is returned for any reason shall pay a reasonable charge set by the **Association** for processing such check. If the check cannot be negotiated, payment shall be demanded in accordance with California Civil Code section 1719, which is entitled "Treble Damages for Failure to Pay Amount of Dishonored Check." Additionally, **Members** shall reimburse the **Association** for any insufficient funds or other costs incurred in Automated Clearing House (ACH) transactions.

4.3(c) Acceleration of Assessment. If any **Assessment** is delinquent for a period of more than sixty (60) days or an **Owner** is delinquent three (3) or more times for any duration within a twelve (12) month period, the **Association** may declare the entire balance of the annual or other **Assessment** (plus any other outstanding **Assessment**) immediately due and payable in full, together with any other delinquent amounts. Upon acceleration, interest, and a late charge on the full accelerated balance, will accrue.

4.3(d) Lien. The amount of a delinquent **Assessment**, plus any costs of collection, late charges, and interest, shall be a lien on the **Owner's Condominium** from and after the time the **Association** causes to be recorded with the County Recorder of San Francisco County a Notice of Delinquent Assessment. This lien includes all additional charges and sums which become due and payable after the date of recordation of the Notice of Delinquent Assessment. An **Association** lien shall survive the sale or transfer of a **Condominium**, except in the event of a foreclosure by a senior interest.

4.3(e) Non-judicial Foreclosure. The **Association** shall have the power to conduct non-judicial foreclosure in order to collect delinquent **Assessments**. Each **Owner** hereby appoints as trustee the **Person** designated by the **Association** as "trustee" in the Notice of Delinquent Assessment, or such substitute trustee as is designated pursuant to Civil Code section 2934a. Additionally, such **Owner** empowers such trustee to enforce the lien and to foreclose the lien by the private power of sale provided in Civil Code section 1367.1(d), or by judicial foreclosure.

Each **Owner** further grants to the trustee the power and authority to sell the **Condominium** of any defaulting **Owner** to the highest bidder to satisfy such lien. Note that a fine may be the subject of a lien and/or judicial foreclosure, but cannot be the basis for a non-judicial foreclosure.

4.3(f) Lender Notification. In the event an **Owner** becomes delinquent in payment of **Assessments**, the **Association** may notify that **Owner's Mortgagee(s)** of such delinquency.

4.3(g) Other Recourse.

4.3(g)(1) The **Association** may bring an action at law against the **Owner** personally obligated to pay the delinquent **Assessments**, and/or foreclose its lien against the **Owner's Condominium** (whether by judicial or non-judicial foreclosure).

4.3(g)(2) Further, the **Association** may exercise any and all legal rights it may also have to cause the collection of delinquent **Assessments**. The **Association**, acting on behalf of the **Owners**, shall have the power to bid for the **Condominium** at the foreclosure sale and to acquire and hold, lease, **Mortgage** and convey the **Condominium**.

4.3(g)(3) In the event an **Owner** is sixty (60) or more days delinquent, upon notice from the **Board** to the tenant (with a copy to the **Owner**), any tenant during that period who continues to rent the **Unit** shall become jointly and severally liable for all new Regular, Special, Reimbursement and Extraordinary Expense **Assessments** as they come due. If the tenant makes such payment to the **Association**, the **Owner** hereby acknowledges that such payment shall be deemed a credit or offset against rents otherwise due from tenant to **Owner**.

Section 4.4. Grantee Liability.

4.4(a) Voluntary Conveyance. Where an **Owner** voluntarily conveys part or all of that **Owner's** interest in a **Condominium**, the **Person** acquiring the interest takes subject to all **Assessments** and charges (delinquent or not) outstanding against the **Condominium** at the time of the conveyance. Upon request of an **Owner**, the **Association** shall provide a true statement in writing from an authorized representative of the **Association** as to any **Assessments** and/or other charges levied upon the **Owner's Condominium** which are unpaid on the date of the statement. The statement shall also include true information on late charges, interest, and costs of collection which, as of the date of the statement, are or may be made a lien upon the **Owner's Condominium**.

4.4(b) Conveyance by Foreclosure. In the event of a foreclosure of a first **Mortgage** and trustee sale, the **Person** acquiring title, and his or her successors and assignees, shall not be liable for **Assessments** chargeable to such **Condominium** which became due and payable prior to the acquisition of title by such acquirer. Nothing in this section shall be construed to relieve any **Person(s)** acquiring a **Condominium** by foreclosure from their obligation to pay any **Assessments** that accrued and became due and payable subsequent to their acquisition.

Section 4.5. No Waiver or Offset. No **Owner** may exempt himself or herself from personal liability or release his or her **Condominium** from liens and charges by waiver of any **Owner** rights or by abandonment or non-use of any **Condominium**. Each **Owner**, to the extent permitted by law, waives the benefit of any homestead or exemption law of California in effect at the time that any **Assessment** or installment becomes delinquent or any lien is imposed (see generally *Lien Exception to Homestead Right* - Code of Civil Procedure Section 703.010(b)). No offsets or deductions against any **Assessment** shall be permitted for any reason, including, without limitation, any claim that the **Association** is not properly discharging its duties.

ARTICLE V

RESPONSIBILITIES FOR MAINTENANCE, REPAIR AND REPLACEMENT

The following sets forth **Association** and **Owner** responsibilities for certain components and systems. It also addresses responsibility for damages caused by wood destroying organisms and pests. Any component not addressed herein may be the subject of a policy adopted by the **Board**.

Section 5.1. Association and Owner Responsibilities for Maintenance, Repair and Replacement.

5.1(a) Common Area. The **Association** shall be responsible for the maintenance, repair, replacement, management, operation, and upkeep of the **Common Area** (**Exclusive Use Common Area** is addressed below).

5.1(b) Exclusive Use Common Area. The responsibility for the maintenance, repair and replacement of **Exclusive Use Common Area** shall be as follows:

5.1(b)(1) Decks and Patios.

5.1(b)(1)(i) The **Association** shall be responsible for the repair and replacement of the **Deck** and **Patio** components caused by normal wear and tear. **Owners** shall cooperate with the **Association** in providing access to **Decks** and **Patios** for such repair and replacement, as well as periodic inspection. This may include removal by the **Owner** of all personal property. Failure to cooperate in providing access is a violation of the **Governing Documents** and subject to imposition of fines and/or other enforcement action as set forth in Article XII. The costs of temporary loss of use (if any) shall be borne by the **Owner** or other resident of the **Unit** affected.

5.1(b)(1)(ii) The **Owner** shall keep each **Deck** and **Patio** in good condition and generally clear of accumulations of water and leaf debris. The **Owner** shall be responsible for all repairs resulting from negligence, neglect or misuse. The **Board** may adopt guidelines which reasonably require **Owners** to perform certain other aspects of maintenance of **Decks** and **Patios**.

5.1(b)(1)(iii) Owners wanting to install exterior electrical outlets to the **Deck** or **Patio** must obtain prior **Association** approval pursuant to the provisions of Article XI - Architectural Control.

5.1(b)(2) Storage Closets. There are several different configurations of storage closets, including some accessed from a **Deck** or **Patio** and some accessed from the garage area. Regardless of the configuration, the Owner shall maintain, repair and replace the storage closet access doors, including all hardware and weatherstripping (where applicable). This **Owner** responsibility applies to all doors in **Exclusive Use Common Area**, including those located in **Patios** and garages. Storage closets may be used for personal household storage only. Except for reasonable amounts kept for normal household use, no gasoline, kerosene, cleaning solvents or other flammable liquids shall be stored anywhere in any storage closet.

5.1(b)(3) Front Doors. The Owner shall be responsible for the maintenance, repair and replacement of front doors, and related hardware, including hinges and locks. Replacement doors must be approved in advance by the **Association** and/or must conform to **Association** written standards.

5.1(b)(4) Intercom and Door Bell. The **Association** shall maintain, repair and replace the intercom entry system (this includes changing technology used). The **Owner** shall maintain, repair and replace the doorbell system at the **Unit's** front door.

5.1(b)(5) Fireplace and Chimney Flue. Some **Condominiums** have fireplaces. The **Association** may periodically coordinate or otherwise implement chimney flue inspection and cleaning and charge the cost of such cleaning to the **Owners** of such **Condominiums** as a Reimbursement **Assessment**. Firebox liners or stone panels are an **Owner** responsibility. The **Association** shall repair and replace the box, flues and caps where necessary due to normal wear and tear. The **Association** may periodically require **Owners** to provide it with either (i) a signed statement of non-use, (ii) evidence of inspection and good condition, or (iii) evidence of timely cleaning.

5.1(b)(6) Electrical System. The **Common Area** electrical service is the **Association's** responsibility up to, but not including, the circuit breaker box that services each particular **Unit**. The **Owner** shall maintain, repair and replace (as necessary) the circuit breaker box and all circuit breakers, switches, receptacles, fixtures or outlets and other related components that serve the **Unit**. The **Association** shall control any maintenance, repair and/or replacement of wires between the meter and the **Unit**, and may charge the cost for such work to the **Unit** affected as a Reimbursement **Assessment**.

5.1(b)(7) Irrigation Systems. The **Association** shall maintain, repair and/or replace the **Common Area** irrigation systems.

5.1(b)(8) Protection from Freeze Damage. Owners shall take reasonable precautions to protect water pipes (including hose bibs) in **Exclusive Use Common Area** (such as **Patios** and balconies) from freeze damage.

5.1(b)(9) Plumbing Systems. Except as noted below, the **Association** is responsible for the maintenance, repair and replacement of plumbing lines located in the **Common Area**. The **Owner** is responsible for the maintenance, repair, and replacement of plumbing components located within or which are a part of the **Unit**. This includes, for example shutoff valves under sinks and at toilets. It includes the drain connections at or near toilets, sinks, showers and tubs. Each **Owner** is responsible for valves that exclusively serve that **Owner's Condominium** wherever located (such as shower valves and p-traps). If the **Association** must perform maintenance, repair, or replacement to pipes inside the wall of a **Unit**, the **Association** shall only be responsible for restoring the surface to a condition ready for application of finish material such as paint, carpet or tile.

5.1(b)(10) Heating and Ventilation Systems. The **Owner** shall be responsible for the maintenance, repair and replacement of the heating and ventilation system, including the cold air supply ducts, duct work and flues. **Owner** maintenance includes changing filters and vacuuming ducts. **Owner** responsibility includes kitchen and bathroom fans.

5.1(b)(11) Mailboxes. The **Association** is responsible for the maintenance, repair and replacement of the mailbox frame and structure, excluding locks and keys. The **Owner** is responsible for the repair and replacement of locks and keys, as well as labeling of the mailbox.

5.1(b)(12) Owner Improvements. Owners shall be responsible for the maintenance, repair, replacement and/or removal of improvements and/or architectural alterations made by or on behalf of **Owner** or an **Owner's** predecessor.

5.1(b)(13) Other Components. Unless otherwise determined by the **Board**, all other **Exclusive Use Common Areas** shall be maintained by the **Owner** benefitted, and repaired and replaced by the **Association** to the extent that such work is appropriate due to normal usage. These components shall include main entry stoops, door frames, window frames (which are affixed to the building and surrounding the opening), address numbers, and exterior light fixtures immediately adjacent to and serving the particular **Unit**.

5.1(c) Unit Area. Each **Owner** shall keep the interior of the **Owner's Unit**, including fixtures and appliances, in good repair and condition. Each **Owner** shall have the sole responsibility and the exclusive right, at the **Owner's** expense, to do the following:

5.1(c)(1) Decorations and Alterations. The **Owner** may paint, tile, wax, paper, or otherwise refinish and decorate the inner surfaces of walls, ceilings, floors, windows and doors bounding the **Owner's Unit**. Notwithstanding the right to alter interior finishes, unless there is prior **Association** approval, no alteration may be made which may increase sound transmission from one **Unit** to another. **Owners of Units** above the first floor shall not

replace any surface with hardwood floors, tile, linoleum or other hard surfaces unless prior written approval of the **Association** is received. Additional provisions related to floor coverings are set forth in Section 6.10, below.

5.1(c)(2) Windows and Sliding Glass Doors. The **Owner** shall maintain and keep in good repair the windows and sliding glass doors. This may include periodic cleaning of window weep holes, as well as sealing the bottom tracks, including corners, to keep moisture in the tracks from damaging the **Unit** and the **Common Area** walls adjacent to the window and/or sliding glass door. This may also include periodic checking and replacing of inadequate gaskets, putty, caulk or other material which holds the glass to the sash and lubrication of the tracks, wheels and operating hardware of windows and sliding glass doors. The **Owner** is responsible for replacement of the glass, including multiple pane glass inserts (if any). The **Association** is responsible for replacing the frame assembly (including pan), as well as any exterior trim around sliding glass doors and windows if or when determined by the **Board** to be necessary and appropriate. Responsibility for front entry doors is addressed in Article V, Section 5.1(b)(3), above. No exterior bars may be installed over any **Unit** window or door (other than the **Commercial Unit**) unless approved in advance by the **Association**.

5.1(c)(3) Screens. The **Owner** shall maintain, repair and replace window screens and screen doors. Replacement window screens and screen doors must be approved in advance by the **Association** and/or must conform to standards adopted in writing by the **Association**;

5.1(c)(4) Appliances. The **Owner** shall maintain, repair and replace appliances (which are personal property), including dishwashers, refrigerators, ovens, ranges, microwave ovens. The **Owner** is also responsible for the cost to repair damage wherever suffered, caused by the refrigerator water lines and/or any other appliance in **Owner's Condominium**;

5.1(c)(5) Waterproofing Integrity of Surfaces. The **Owner** shall maintain, repair and replace the waterproofing elements of **Unit** surfaces and systems in kitchens and bathrooms, including tiled areas, showers, shower pans, and tubs;

5.1(c)(6) Personal Property. The **Owner** shall maintain, repair and replace fixtures and personal property which utilize water (such as toilets, dishwashers, and refrigerators) in such a manner that they will not cause water or other damage to adjacent areas. **Owners** shall also keep sinks, bathtubs, showers, ice makers/water dispensers, and toilets from leaking or overflowing;

5.1(c)(7) Smoke Alarms. **Owners** shall maintain, repair and replace battery operated smoke detectors (not connected to an alarm system) and alarm components at or inside the **Unit**. This includes installation of fresh batteries. The **Association** is responsible for the maintenance, repair and replacement of the hard wiring and other system components beyond the smoke detector. The **Association** may repair or replace detectors as necessary and levy a Reimbursement **Assessment** on the **Owner**. **Owners** shall cooperate in providing reasonable access to the **Association** for such repair or replacement. Failure to

cooperate in providing access is a violation of the **Governing Documents** and subject to imposition of fines and/or other enforcement action as set forth in Article XII; and

5.1(c)(8) Other. The **Owner** shall maintain, repair and/or replace the components identified in the definition of **Unit** herein.

5.1(d) Landscaping. All landscaping on the **Property** shall be kept neat and orderly.

5.1(d)(1) Common Area. The **Association** shall be responsible for all landscaping located on the **Common Area**, excluding **Exclusive Use Common Area**. This shall include discretion in the trimming, removal and/or replacement of trees and other landscaping. Upon request of an **Owner**, the **Association** may delegate responsibility to that **Owner** for trees (and roots) and/or other landscaping in the **Common Area** adjacent to the **Owner's Unit** (such area being inaccessible and not of general use to the membership at large). Where there is any delegating to an **Owner**, the **Association** may require a written agreement to be recorded with title and binding **Owner's** successors.

5.1(d)(2) Exclusive Use Common Area. Each **Owner** shall be responsible for all vegetation within his or her **Deck** and/or **Patio** area. Each **Owner** shall contain such vegetation within the confines of the **Deck** or **Patio** area and shall be responsible for any damage, including that caused by roots and inadequate drainage of planters, to areas which the **Association** maintains, repairs and/or replaces. The **Association** may regulate landscaping that exceeds railing height or that has roots or branches that protrude beyond the **Owner's Exclusive Use Common Area**. Pots and planters on **Decks** must have spacers beneath them to permit deck components to dry. No planters or any other items may be attached to or placed atop **Deck** railings. The **Association** is not responsible for damage to landscaping during painting or other exterior maintenance. The **Association** may prohibit or impose conditions upon plantings of particularly invasive vegetation, such as bamboo and ivy.

5.1(e) Insect Infestation and Pests.

5.1(e)(1) The **Owner** is responsible to take reasonable measures to keep **Exclusive Use Common Area** free of pests and the damage they cause. This includes such problems as termites and decay (also known as dryrot). Reasonable measures shall include use of proper racks for storage of firewood, spacers under all pots, planters and other objects which would tend to trap moisture on **Decks**, and prompt removal of leaves, dirt and other debris. Use of outdoor carpet, artificial turf, or similar covering over **Decks** and **Patios** is prohibited. Reasonable measures shall also include prompt notification of the **Association** of any conditions which promote and/or cause the presence of wood destroying organisms or pests, or damage which the **Association** should investigate and/or act on. This includes identifying misdirected or broken irrigation sprinklers which may spray on walls or other structures.

5.1(e)(2) At the discretion of the **Board**, the **Association** may assume responsibility to coordinate and cause repair and maintenance where such work must be performed at

more than one **Unit**. If the **Association** exercises the right to such control, it may include reasonable notice of the need to temporarily vacate the residence and/or as otherwise provided in Civil Code section 1364.

5.1(e)(3) The **Association** may cause the temporary, summary removal of any occupant of a residence for such periods and at such times as may be necessary for prompt, effective treatment of wood-destroying pests or organisms.

5.1(e)(4) The costs of temporary relocation during the repair and maintenance shall be borne by the **Owner** or other resident of the **Unit** affected.

5.1(e)(5) In the event the **Association** advances costs for which an **Owner** is responsible or costs of enforcement of this section, it may seek reimbursement in the same manner as collection of delinquent **Assessments**.

5.1(f) Hazardous Materials. If the **Association** learns of the presence of any material, organism, or substance in the **Common Area**, **Unit**, or **Exclusive Use Common Area** which is deemed by any governmental agency to be actually or potentially hazardous, the **Board** may, at its discretion, make written findings as to the circumstances and the need to take certain action and establish and implement appropriate policy and actions as are in the best interests of the **Association**. This shall include the power to take corrective measures similar to those set forth in subsection 5.1(e) above.

Section 5.2. Water Damage. Waterproofing components in **Unit** areas such as kitchens and bathrooms (particularly tubs and showers) may require routine **Owner** maintenance or periodic repair or replacement in order to preserve the waterproofing integrity of the **Unit** areas. In some instances, water damage in these areas may involve **Common Area** and/or adjacent **Units**. Where the cause of the damage cannot be determined by observation and unless the parties otherwise agree, in order to (a) diagnose the condition(s), (b) determine reasonable methods and costs of repair, and (c) allocate responsibility, the following shall apply:

- (1) The **Association** shall retain a third party architect, engineer or contractor to observe, test, and/or report on (a) the condition of the subject area, (b) the cause(s) of the damage and (c) a fair allocation of liability and/or repair costs consistent with the lines of responsibility set forth in this **Declaration**.
- (2) If the **Association** advances funds for the testing, demolition, repairs and/or other related costs, it may impose a Reimbursement **Assessment** on the responsible **Owner(s)** pursuant to Article IV, Section 4.1(d).
- (3) All parties shall be permitted to observe any destructive testing and/or demolition exposing the damaged area.

- (4) Upon determination of responsibility, the **Association** may cause the repairs to be performed and impose a Reimbursement **Assessment** on the responsible **Owner(s)** pursuant to Article IV, Section 4.1(d).

Section 5.3. Inspection, Repair and Replacement of Risk Components.

5.3(a) Notwithstanding the provisions of this **Article V**, the **Board** may determine that certain portions of the **Units** required to be maintained by the **Owners**, or certain objects or appliances within the **Units**, pose a particular risk of damage to other **Units** and/or to the **Common Area**, or of life safety, if they are not properly inspected, maintained, repaired or replaced. They may pose a risk to adjacent neighbors. Failure and damage may cause insurance claims which in number, type or severity may cause an insurer to non-renew the policy or increase premiums, thereby affecting all **Owners**, not just those with direct damage. Examples of these types of components include ice maker supply lines, smoke detectors, and chimney flues.

5.3(b) If the **Board** determines it warrants **Association** action, has provided notice to the **Owners** of the proposed policy to be adopted and has adopted such policy, then the **Board** may require one or more of the following with regard to an identified Risk Component:

5.3(b)(1) That it be inspected at specified intervals by the **Association** or an inspector designated by the **Association**.

5.3(b)(2) That it be replaced or repaired at specified intervals, or with reference to manufacturers warranties, whether or not the individual component is deteriorated or defective.

5.3(b)(3) That it be replaced or repaired with items or components meeting particular standards or specifications established by the **Board**.

5.3(b)(4) That when it is repaired or replaced, the installation include additional components or installations specified by the **Board**.

5.3(b)(5) That it be replaced or repaired by contractors having particular licenses, training or professional certification or by contractors approved by the **Association**.

5.3(b)(6) If the replacement or repair is completed by an **Owner**, that it be inspected by a **Person** designated by the **Association**.

5.3(c) The imposition of requirements by the **Board** shall not relieve an **Owner** of his or her obligations to perform and pay for repairs, maintenance, and replacement.

5.3(d) The **Association** shall not incur any liability due to the failure to adopt or enforce any such policy.

5.3(e) If any **Owner** fails to repair, maintain or replace a Risk Component in accordance with the requirements established by the **Board**, the **Association** may, after proper notice and hearing, take appropriate action under **Article XII**.

Section 5.4. Enforcement.

5.4(a) Common Area. If the need for maintenance, repair or replacement of any **Common Area** is caused by an **Owner**, predecessor **Owner**, or the **Owner's** family, guests, tenants, invitees, or pets, or emanates from within the **Owner's Unit**, then the **Association** may cause the work to be performed and upon determination of responsibility by the **Association** may levy a Reimbursement **Assessment** against the **Owner** and/or the **Owner's Condominium**. If damage to the **Common Area** emanates from adjacent **Unit** area, the current **Owner** of the **Unit** from which the damage emanated is responsible for the cost to repair and restore the **Common Area**, regardless of when the damage occurred. Any such cost may be levied as a Reimbursement **Assessment**.

5.4(b) Unit and Exclusive Use Common Area. If the **Board** reasonably finds that a **Unit** or **Exclusive Use Common Area** requires maintenance, repair or replacement of any component or condition for which the **Owner** is responsible, the **Board** may direct the **Owner** to perform the work and if the **Owner** fails or refuses to do so within a reasonable period of time, the **Association** may utilize the provisions of Article XII entitled *Enforcement of Governing Documents*, and cause the work to be performed and levy a Reimbursement **Assessment**. The **Association** may also utilize the provisions of Article XI, Section 11.11(c) entitled *Association Options for Abating Continuing Nuisances*.

5.4(c) Entry for Repairs. The **Board** or its contractors or agents may enter any **Unit** or **Exclusive Use Common Area** when necessary in connection with any maintenance, repair, landscaping, or construction for which the **Association** is responsible. Such entry shall be made with as little inconvenience to the residents as is practical. Whenever possible, at least forty-eight (48) hours notice will be given to the resident. If the **Owner** or resident is responsible for creating emergency circumstances, and access is not provided by a resident, the **Owner** shall reimburse the **Association** for locksmith fees or other costs to access and/or secure the premises. **Owner(s)** shall be responsible for all **Association** costs incurred due to failure to cooperate and/or provide reasonable access to **Owner's Unit**. The costs of temporary relocation during the repair and maintenance shall be borne by the **Owner** of the **Unit** affected.

5.4(d) Continuing Nuisance. Failure of an **Owner** to perform any maintenance, repair or replacement determined by the **Board** to be the **Owner's** responsibility and necessary shall be deemed a continuing nuisance.

5.4(e) Other Options. These enforcement options shall be in addition to those provided for in Article XII.

Section 5.5. Miscellaneous.

5.5(a) Where repair or replacement of components crosses lines of responsibility, the **Association** may undertake the work and charge the **Owner** an appropriate amount and/or impose a Reimbursement **Assessment**. For example, where the cause of damage originates in or at one **Unit** and necessitates **Association** repair of **Common Area**, the **Association** may, but shall not be required to, repair damage to neighboring **Unit** area as part of the overall repair process.

5.5(b) The **Association** shall not be liable for any interior water related or other damage to the **Units** (including personal property) unless it can be shown that the **Association** acted with gross negligence in any maintenance, repair or replacement project undertaken by the **Association**. Further, the **Association** shall not be liable for any loss of use caused for any reason.

5.5(c) The **Association** is not responsible for any costs or expenses relating to temporary relocation or loss of use of **Units** during any maintenance, repair and/or replacement of any facet of the **Condominiums**, regardless of the reason for such work.

5.5(d) In the event the **Association** must disturb interior finished surfaces when performing maintenance, repair or replacement of any component, the **Association** shall be responsible only for restoring the surface to a condition ready for application of finish material such as paint, carpet or tile.

5.5(e) Earthquake Damage. The **Association** shall have no liability for uninsured or underinsured damage to **Unit** areas or personal property caused by an earthquake or other catastrophic event.

5.5(f) In Buildings B, C and D, the **Association** may delegate decoration (such as plants, painting, art or carpet) of certain hall and landing areas to the residents who live in the area. Any such delegation must be contained in a written agreement.

ARTICLE VI
USE RESTRICTIONS

The **Property** shall be occupied and used as follows:

Section 6.1. Use of Units.

6.1(a) With the exception of the **Commercial Unit**, no **Owner** shall occupy, use or permit his or her **Unit** to be used for any purpose other than as a private residence. No more than two (2) persons per bedroom, plus one (1), may reside in any one **Unit** at one time.

6.1(b) No **Owner** shall permit anything to be done or kept in his or her **Unit** which will result in the increase of premiums, decrease in coverage or cancellation of insurance on any

Unit or any **Common Area**, or which would be in violation of any law. The **Board** may make such a determination based on facts reviewed in a duly noticed hearing. To the fullest extent permitted by law, if the nature of use of any **Unit** causes an increase in the rate of insurance procured by the **Association**, the **Board** may levy a Reimbursement **Assessment** for the additional amount.

6.1(c) Nothing shall be done in any **Unit** which will impair the structural integrity of any building in the **Property** or which would structurally alter any such building or decrease fire separation. Requests for architectural changes are addressed in Article XI.

6.1(d) No **Person** shall cause or permit any objects or articles of any kind, except for outdoor patio or lounge furniture, planters and barbecue equipment, to be placed on or hung on the **Deck**, **Patio** or fence without obtaining the prior consent of the **Association**. The consent may take the form of pre-approved written guidelines. Such guidelines may include specifics as to size, placement and number of plants and other personal property. No outdoor carpeting, artificial grass or similar covering shall be placed on any **Deck** or **Patio**.

6.1(e) Each **Person** shall comply with all of the requirements of all governmental authorities, federal, state and local, and all laws, ordinances, rules and regulations applicable to his or her **Condominium**. Violation of any such law is also a violation of these **CC&Rs**.

Section 6.2. Use of Common Area. Use of the **Common Area** is subject to **Association** rules and restrictions adopted by the **Board**. Use of the **Common Area** is further subject to the following:

6.2(a) No **Owner** shall permit anything to be done or kept in the **Common Area** which will result in the decrease in coverage or cancellation of insurance on any **Unit** or **Common Area**, or which would be in violation of any law.

6.2(b) There shall be no obstruction of the **Common Area**. Nothing shall be stored in the **Common Area** without the prior consent of the **Board**, and/or in accordance with written guidelines adopted by the **Board**, or in designated storage areas. Except for reasonable amounts kept for normal household use, no gasoline, kerosene, cleaning solvents or other flammable liquids shall be stored anywhere on the **Property**.

6.2(c) Nothing shall be done to or in the **Common Area** which has an adverse effect on its enjoyment, use, value, insurability, condition or appearance. **Owners** shall be liable for their own acts, as well as jointly and severally liable for the acts of family members, tenants, pets, guests and invitees. Any damage or destruction to the **Common Area** or areas the **Association** maintains may result in a Reimbursement **Assessment** being levied against the **Owner**, tenant, and/or the **Owner's Condominium**.

6.2(d) Nothing shall be altered or constructed or removed from the **Common Area**, except with the written consent of the **Board**. No storage closet, locker or facility of any kind shall be

built, placed or kept in any part of the **Common Area** without the prior approval of the **Association**.

6.2(e) There shall be no violation of the rules and regulations relating to the use of the **Common Area**.

6.2(f) In order to properly maintain and repair the **Common Area** and other components which are the **Association's** responsibility, it is important that the **Board** have notice of any problems. **Owners** are encouraged to report to the **Association** any problem observed in the condition of the **Common Area** or other area of **Association** responsibility, particularly adjacent to their respective **Units**.

Section 6.3. Noncommercial Signs, Posters, Flags and Banners. No signs, posters, flags or banners are permitted except as provided for by law or approved by the **Board**. All permitted displays shall comply with any applicable city ordinances and shall not be permitted to become a visual blight or nuisance, such as through weather related or other deterioration. Permitted displays may not be installed in a manner that damages **Common Area** exteriors or increases the exterior maintenance costs for the **Association** and/or other **Owners**. For example, displays may not be held in place with nails or other attachments which may cause leaks or promote decay. **Owners** are responsible for any increased maintenance costs and/or damage which occurs as a result of the display. With the exception of the **Commercial Unit**, commercial signs are not permitted, with the exception of one (1) for sale or for rent sign per **Unit**. The **Commercial Unit Owner** may display a sign on the front of the **Commercial Unit** appropriate to the business operated therein, provided however that the sign is approved by the Architectural Committee prior to installation or modification. The **Board** may adopt reasonable rules or policies on the overall subject, including the type, appearance and size of permitted real estate signs. Enforcement shall be limited to instances in which such action does not violate any law or regulation governing the display of signs, posters, flags or banners.

Section 6.4. Structural Integrity. Nothing shall be done in any **Unit** or in, on or to the **Common Area** which will impair the structural integrity of the Property or which would structurally alter the Property except as is otherwise provided herein. No development shall be made of the airspace or crawlspace above any **Unit** or the **Common Area** without the approval of the **Association**.

Section 6.5. Animals.

6.5(a) Generally. No animals, livestock, or poultry of any kind shall be raised, bred, or kept in any **Unit** or the **Common Area**, except that dogs, cats, or other customary household pets (such as birds in cages or aquatic animals in aquariums) in reasonable number and size may be kept in **Units**, provided, however, that they are not kept, bred, or maintained for any commercial purposes. No farm or exotic animals are allowed. The keeping of pets shall be subject to rules and regulations adopted by the **Board**. Such rules may include limitations on type, size and/or numbers of animals which may be kept. The rules may also include breed and other restrictions or prohibitions.

6.5(b) Nuisance. No pet owner may permit an animal to create a nuisance to other residents such as by barking, howling, baying, or making any other noise or exhibiting threatening behavior.

6.5(c) Other Restrictions.

6.5(c)(1) Dogs shall be allowed on the **Common Area** only when they are in compliance with the rules, including but not limited to being on a leash that is held by a person capable of controlling it.

6.5(c)(2) No household pet shall be left chained or otherwise tethered in the **Common Area**.

6.5(c)(3) Pet owners are responsible for immediately cleaning up after their pets (such as in **Common Area** and on **Decks** and **Patios**) and must dispose of pet waste in proper receptacles. Pet owners are also responsible for cleaning up any soiled carpets or other items in the **Common Area**.

6.5(c)(4) Each person bringing or keeping a pet upon the **Property** is solely responsible for the conduct of such pet and shall be absolutely liable to each and all other **Owners**, their family members, guests and invitees for any damage to persons or property caused by any pet brought upon or kept upon the **Property** by such person or by members of his or her family, his or her guests or invitees.

6.5(d) Enforcement. Prior to taking disciplinary action against an **Owner** and/or resident related to the keeping of a pet, the **Association** will follow the due process procedures set forth in Civil Code section 1363(h). In the event of a pet-related violation, after notice and hearing, the **Board** may enforce compliance through the use of such remedies as are deemed appropriate by the **Board** and available in law or in equity, including, but not limited to, requiring removal of any pet which, in the **Board's** sole discretion, causes excessive noise or otherwise creates a nuisance, imposition of fines, and/or legal proceedings which may include injunctive relief, declaratory relief, damages, fees and costs. The **Owner** of the **Unit** related to a pet violation shall be responsible for all enforcement costs and fees.

Section 6.6. Nuisance. No noxious or offensive activity shall be carried on in any **Unit** or in the **Common Area**, nor shall anything be done therein which may be or become an annoyance or nuisance to the other residents. Nuisance may include, for example, a visual blight, loud, noxious, odorous, destructive or offensive activity or anything which causes significant embarrassment, disturbance or annoyance to others. Some activity at inappropriate times may constitute a nuisance. The **Association** has the authority to pass rules addressing such activity.

Section 6.7. Vehicles.

6.7(a) Rules. In order to promote vehicle safety and enhance the appearance and atmosphere of Dolores Plaza, **Owners** shall park, store or keep vehicles in accordance with

rules and regulations adopted by the **Association**, which may be amended from time to time in accordance with the provisions of the **Davis-Stirling Act**. These rules may include provisions such as parking, vehicle types, auto alarms, etc. Vehicle restrictions shall apply to all streets within the **Property**.

6.7(b) Vehicle Type Restrictions. No boat, mobile home, recreational vehicle, jet ski, and similar recreational equipment, commercial equipment, motor home, trailer of any kind, truck camper other than a bed-mounted camper mounted on a one-half (1/2) or three-quarter (3/4) ton pickup truck, truck larger than a three-quarter (3/4) ton pickup truck, large commercial type vehicle of any kind or dilapidated vehicle shall be parked or left in any part of the **Property**.

6.7(c) Other Limitations.

6.7(c)(1) Parking is permitted in designated areas only. There shall be no parking on the private streets or driveways of the **Property** by **Owners**, their guests or tenants except in spaces particularly designated for such parking, if any, and only in compliance with the rules.

6.7(c)(2) There shall be no use or occupancy of a **Parking Space** except by the **Owner** or tenant of the **Unit** to which such **Parking Space** has been conveyed. **Parking Spaces** shall be used only for the parking of passenger motor vehicles and storage of bicycles.

6.7(c)(3) All **Parking Spaces** shall be used by the guests of **Owners** in accordance with the rules. No **Owner**, tenants, guests or invitees shall obstruct, block or interfere with the access of any other resident to any **Parking Space**.

6.7(c)(4) There shall be no washing, repairs or restorations of any vehicle upon any portion of the **Property**. Emergency repairs may be performed, but only to the extent necessary to enable prompt movement to a proper repair facility.

6.7(c)(5) No vehicle which emits extraordinary levels of exhaust pollution or noise, as determined by the **Board**, shall be operated within the **Property**.

6.7(c)(6) Vehicles must display a current registration and be operable. In order to avoid unsightly appearances within the **Property**, vehicles must present a well maintained appearance. For example: all vehicles must be in operating condition and have no flat tires, broken windows, oil leaks, significant body damage and/or primer paint.

6.7(c)(7) Installation of electric vehicle recharging outlets must be approved in advance by the **Association** pursuant to *Article XI - Architectural Control*. If approved by the **Association**, the **Owner** shall be responsible for installing, maintaining and replacing any wiring for the breaker box to the parking stall.

6.7(d) Towing. The **Association** may cause any vehicle parked on **Common Area** in violation of the **Governing Documents** to be towed, subject to the provisions of California Vehicle Code section 22658, as amended from time to time.

Section 6.8. Antennae, Satellite Dishes, External Cables or Fixtures, etc. No radio and television antennae, television or telephone cable or other exterior wiring, satellite dishes or other exterior fixtures may be erected or kept in place on **Common Area** without the prior written consent of the **Association**. Enforcement shall be consistent with any Federal or State law or regulation governing the installation of satellite dishes and antennae. The **Association** may adopt a policy and/or guidelines on the subject consistent with applicable law. It is the goal of the **Association** to allow **Owners** to enjoy the benefit of satellite technology while continuing to enhance and maintain the aesthetic beauty and value of the **Property**, as well as preserve the integrity of exterior waterproofing.

Section 6.9. Restriction on Businesses. With the exception of the **Commercial Unit**, no trade or business shall be conducted in or from any **Unit**, except for professional, administrative type work, provided there is no external evidence thereof and, if the **Board** adopts a related policy, it is conducted in accordance with that policy. In no event shall a business be conducted which will (a) have a measurable negative impact on neighbors, (b) increase vehicle or foot traffic within the **Property** or to the **Unit**, (c) cause any damage to the **Common Area**, (d) adversely affect or increase the cost of **Association** insurance, (e) increase by any significant amount, electrical or water consumption or (f) interfere with the primary use of the **Condominium** as a residence. This section shall not apply to such business as may properly be conducted by the **Commercial Unit** (see Section 6.12 below).

Section 6.10. Floor Coverings. Each room (excluding kitchens and bathrooms) in all **Units** situated above other **Units** shall have carpeting covering at least eighty percent (80%) of its square footage of each room (including hallways and entryways) in order to reduce noise and maximize quiet enjoyment of those residents whose **Units** are situated beneath other **Units**, unless expressly approved by the **Association**. **Owners** with existing hardwood floors must register such conditions with the **Association** prior to recordation of this amended **Declaration** in order for the hard floor surfaces to be grandfathered.

Section 6.11. Trash Disposal. All garbage, trash and refuse shall be placed in the trash chutes or in one of the designated ground floor garbage collection areas. All trash must be securely bagged and tied. Wet garbage, pet refuse, newspapers and boxes shall not be placed in the garbage chutes. Such material must be taken to the ground floor collection area. No portion of any **Unit** shall be used for storage of building materials or other materials other than in connection with approved construction.

Section 6.12. Use of Commercial Unit.

6.12(a) Commercial Use. The **Commercial Unit** shall be occupied and used for commercial purposes by the **Owner** or lessees. For purposes of this **Declaration**, "commercial purposes" shall be limited to retail sales, food service, and offices.

6.12(b) Advertising. No advertising medium shall be employed which can be heard or experienced outside of the **Commercial Unit**, including, without limiting the generality of the foregoing, flashing lights, searchlights, loudspeakers, phonographs, radios or television. Neither the **Owner** or his or her lessee, shall distribute, or cause to be distributed, any handbill or other advertising device in the **Common Area** or on the public sidewalks or streets adjacent to the **Property**.

6.12(c) Leasing of Commercial Unit. Except for restrictions contained in Section 6.12(d), there shall be no restriction on the right of the **Owner** to lease his or her **Commercial Unit**. The **Owner** may lease his or her **Unit** for the uses allowed by Section 6.12(a). Any lease shall provide that it is subject, in all respects, to the provisions of the **Governing Documents**.

6.12(d) Customers, Guests and Lessees; Insurance. An **Owner** shall be responsible for compliance by his or her customers, guests and lessees, and his or her lessees' customers and guests, with the provisions of the **Governing Documents**. Any **Owner** shall maintain a policy or policies of public liability insurance and shall demonstrate proof of such insurance to the **Board** upon request.

6.12(e) Restrictions on Board. The **Board** may not restrict the reasonable use of the **Commercial Unit**, nor may it restrict entry to the **Commercial Unit**.

6.12(f) Change in Commercial Status. No change in the commercial status of the **Commercial Unit** shall be effective unless approved by seventy-five percent (75%) of the **Owners**.

6.12(g) Inclusion of Other Restrictions. All other provisions and restrictions of the **Governing Documents** shall be restrictions on the use of the **Commercial Unit** to the extent that they are not in conflict with the foregoing.

Section 6.13. Laundry Machines. The **Association** maintains common laundry facilities. The **Units** are not plumbed, vented or metered for use of individual laundry machines within **Units**. Washers and/or dryers are not permitted in **Units**. Laundry machines which are present at the time of recordation of this **Declaration** must be registered with the **Association** and can remain, but must be removed upon change in title to the **Unit**. The **Board** may adopt registration requirements and rules to assure that laundry machines were pre-existing at the time of recordation of this **Declaration** (see also Article XIII, Section 13.16 - Transition Provisions).

Section 6.14. Restricted Access. Access to the roof, electrical room or other utility room is by **Association** permission only. If any such access is required by any **Owner**, resident or trades person, such requests shall be directed to the manager.

Section 6.15. Illegal Acts. Any illegal act or condition shall also constitute a breach of the **Governing Documents** and may, at the option of the **Association**, be enforced as such.

ARTICLE VII
SALE OR LEASE OF CONDOMINIUMS

Section 7.1. Rental or Lease of Condominiums. A general objective of the **Governing Documents** is to protect, enhance and maintain the residential atmosphere which exists within the **Property** and to avoid occupancy of residences for short periods of time or by an unreasonable number of individuals. Further, no **Owner** is permitted to lease his or her **Condominium** to a **Person** or company who would then sublet to others for transient or short term use. No less than the entire residence shall be rented or leased unless the **Owner** remains in occupancy. Accordingly, an **Owner** shall be entitled to rent, lease or permit use of his or her **Condominium** if:

7.1(a) There is a written rental or lease agreement specifying that (1) the resident(s) shall be subject to all provisions of the **Governing Documents**, (2) a failure to comply with any provision of the **Governing Documents** shall constitute a breach of the agreement, and (3) all tenants are subject to disciplinary action or other actions by the **Association** to enforce the **Governing Documents**;

7.1(b) The initial period of the rental or lease is not less than sixty (60) days. Thereafter, tenancy under any lease or sublease shall be not less than thirty (30) days;

7.1(c) The **Owner** provides any tenant with current copies of all the **Governing Documents**. The **Owner** shall also provide copies of any subsequent changes or additions. The **Association** may require evidence that the tenant has received copies of all **Governing Documents**. If such evidence is requested and is not timely provided, the **Association** may unilaterally provide such copies and charge the **Owner** a Reimbursement **Assessment**;

7.1(d) The **Owner** and the tenant shall be jointly and severally liable at all times for compliance by the tenant or other residents or guests with the **Governing Documents** during the tenant's occupancy and use of the **Condominium**;

7.1(e) The **Owner** shall forego the use of the recreational facilities during the time that the **Owner's Condominium** is occupied by a tenant;

7.1(f) The **Owner** shall be responsible for any damage caused by the tenant or guest to **Association** property;

7.1(g) The **Owner** shall notify the **Association** of the name, day and evening telephone numbers and email address for each tenant and any other residents within ten (10) days of the change in occupancy. Upon written request, the **Owner** shall provide the **Association** with a copy of the lease agreement.

Section 7.2. Sale of Condominiums - Obligations of Owners. Owners shall be subject to the following:

7.2(a) Owner's Duty to Notify Association of Contract Purchasers. Each **Owner** shall notify the **Association** of the names of any contract purchaser of the **Owner's Condominium**.

7.2(b) Contract Purchasers. A contract seller of a **Condominium** must delegate his or her voting rights as a **Member** and his or her right to use or enjoy the **Common Area** to any contract purchaser in possession of the property. However, the contract seller shall remain jointly and severally liable for any default in the payment of **Assessments** by the contract purchaser until title to the property sold has been transferred to the purchaser.

7.2(c) Documents and Information Relating to Sale. Prior to the transfer of title to a **Condominium**, the selling **Owner** shall provide the prospective purchaser with a copy of the **Governing Documents** and such other documents and information as are required by California Civil Code Section 1368.

Section 7.3. Termination and Commencement of Obligations. Even if an annual **Assessment** has been levied or a special **Assessment** is payable in installments, when ownership changes occur:

7.3(a) the transferring-**Owner** shall be personally liable for the pro rata share of all **Assessments** which are due and payable up to the time of transfer, and

7.3(b) the transferee shall be personally liable for the pro rata share of all annual and other **Assessments** which are due and payable after acquisition of the ownership interest.

In the event payment of an annual or other **Assessment** has been accelerated under CC&R Article IV, Section 4.3(c), upon change in title, the personal liability of both parties shall nonetheless be prorated, as if the acceleration did not occur. Therefore, neither shall be personally liable for amounts due and payable during a time when no ownership interest is held. This section addresses personal liability only. A lien, and the **Association's** right to lien, survives a voluntary conveyance of a **Condominium**.

Section 7.4. Notice of Acquisition. A purchaser or other **Person** acquiring an ownership interest to a **Condominium** shall notify the **Association** not more than ten (10) days after the date of acquisition and provide (a) the name(s) of all **Persons** with an ownership interest as listed on the recorded title transfer documents, (b) a mailing address for the **Owner(s)**, (c) day and evening telephone numbers, (d) an email address, and (e) the effective date of acquisition of each ownership interest.

Section 7.5. Acceptance of Condominium Conditions. When acquiring a **Condominium**, the new **Owner(s)** accept responsibility for conditions created by the predecessor, which may include unresolved architectural violations, creation of defective conditions or failure to perform proper maintenance, repair and replacement of components in and around the **Condominium** and adjoining or adjacent **Exclusive Use Common Area**. It is therefore important that **Owner/sellers** properly disclose conditions and prospective purchasers examine the condition of **Exclusive Use Common Area** and **Common Area** in and around the **Unit**.

ARTICLE VIII

INSURANCE

Section 8.1. Types of Insurance. The Association shall procure and maintain the following types of insurance:

8.1(a) Fire and Hazard Insurance. Fire and hazard insurance with coverage for the replacement value of the **Condominiums**. By definition, **Condominiums** includes all **Common Area** (section 1.7) wherever located, **Exclusive Use Common Area** (section 1.12) and **Unit** area (section 1.24). The **Association** may also insure any property, whether real or personal, owned by the **Association**, against loss or damage, with the **Association** as owner and beneficiary for such insurance. Such insurance shall contain a waiver of subrogation claims against the **Owners**.

8.1(b) Additional Endorsements. To the extent not included in the basic policy coverage, the following endorsements should be included, as deemed appropriate by the **Board**: building ordinance, demolition, increased cost of construction and contingent liability from the operation of building laws, inflation guard coverage, "agreed amount" endorsement, replacement cost endorsement; and primary coverage endorsement.

8.1(c) Liability Insurance. A commercial general liability policy insuring the **Association**, its agents, and the **Owners** against liability incident to the ownership or use of the **Common Area** or any other **Association**-owned or maintained real or personal property. The amount of general liability insurance that the **Association** shall carry at all times shall not be less than the minimum amounts required by California Civil Code section 1365.7 and California Civil Code section 1365.9 or successor statutes.

8.1(d) Directors and Officers Liability Insurance. Directors and Officers Liability Insurance shall be maintained in an amount which is no less than the minimum amounts required by California Civil Code section 1365.7.

8.1(e) Fidelity Bonds. Fidelity bonds covering Officers, **Directors**, and employees who have access to **Association** funds. The amount of the bond shall not be less than one-half (½) of the actual or estimated operating budget.

8.1(f) Other Insurance. Worker's Compensation insurance to the extent necessary to comply with applicable laws, and any other insurance deemed necessary or appropriate by the **Board**.

Section 8.2. Provisions and Limitations. It is acknowledged that terms of insurance coverage do not always coincide with defined areas of **Owner** and **Association** ownership, or responsibilities to maintain, repair or replace. Notice is hereby given to any insurer issuing policies in accordance with these **CC&R** requirements, that the **Association's** fire and hazard insurance shall be construed to provide the coverage for all improvements (whether **Unit**, **Common Area** or **Exclusive Use Common Area**) wherever located. Should there be a conflict or inconsistency

between the coverage provided in the policy and those definitions or responsibilities required by the **CC&Rs**, the more comprehensive of the two shall be applied.

Section 8.3. Coverage Not Available. If any insurance policy or endorsement required by this Article is not available, or is economically unfeasible, then the **Association** shall obtain alternate insurance which provides, as nearly as reasonably possible, such coverage.

Section 8.4. Owner Required Insurance.

8.4(a) Every **Owner** is required to carry Comprehensive Personal Liability Insurance. Each **Owner** should consult his or her insurance agent as to the most appropriate insurance. An **Owner** landlord shall require tenants to maintain similar insurance.

8.4(b) Insurance procured by the **Association** does not cover many perils and liabilities individual **Owners** and residents may incur. For example, if an **Owner** caused a fire which also damaged an adjacent **Unit**, the **Association's** master policy may not necessarily restore **Unit** areas which have been upgraded, will not pay for living expenses during repairs and will not pay for or defend the **Owner** against the neighbor's claim for damage to the neighbor's **Unit**, personal property and living expenses during repair. Any improvements made by an **Owner** within his or her **Unit** may be separately insured by the **Owner**, but the insurance is to be limited to the type and nature of coverage commonly known as "improvements insurance." The **Association** shall make available to all **Owners** a copy of the **Association's** policy to enable **Owners** to insure their **Units** without duplicating insurance carried by the **Association** and inadvertently triggering a co-insurance clause in the **Association's** policy. It is very important that each **Owner** consult with his or her insurance professional in procuring or maintaining the insurance required above. The subject of loss assessment coverage generally and loss assessment coverage for earthquake damage should also be addressed. All insurance that is individually carried must contain a waiver of subrogation rights by the carrier as to the **Association**.

8.4(c) The **Association** may require evidence of **Owner** or resident compliance with this section, but shall not be required to do so. The **Association** shall have no liability for failure to confirm that **Owners** or other residents have procured such insurance.

Section 8.5. Adjustment of Losses. The **Board** is appointed attorney-in-fact by each **Owner** to negotiate and agree on the value and extent of any loss under any policy carried pursuant to this Article, Section 8.1. The **Board** is granted full right and authority to compromise and settle any claims or enforce any claim by legal action or otherwise and to execute releases in favor of any insured.

Section 8.6. Earthquake Insurance.

8.6(a) The **Association** may, but shall not be required to, obtain earthquake insurance. The **Association**, **Directors** and/or manager shall not incur any liability for the failure to obtain or maintain earthquake insurance or an earthquake reserve account. The **Board** may

periodically submit to the **Owners** the question of whether or not to obtain earthquake insurance, which may be submitted in the form of a vote to increase **Assessments** to cover such cost.

8.6(b) After consultation with the **Association's** certified public accountant and counsel, at its discretion, the **Board** may establish and maintain an earthquake reserve fund which shall be accounted for in the same manner as other reserve accounts. Such fund may be in conjunction with or in lieu of earthquake insurance. The fund may also be used for upgrading structural components.

8.6(c) The cost of the deductible(s) due to an earthquake loss shall be borne equally by all **Owners** and/or paid from any earthquake reserve fund.

Section 8.7. Association Insurance Deductible. The **Board** has discretion to determine both the size of the deductible, as well as allocation of responsibility to pay the deductible for any insurance claim. In the event a deductible policy has not been adopted by the **Board**, or the **Board** does not, in its discretion, allocate the deductible in a different manner, the deductible shall be paid by the **Owner** of the **Unit** where the point of origin of the physical damage occurs. Responsibility for earthquake deductibles is addressed in Section 8.6(c) above. In the event the **Association** advances the cost of a deductible for which the **Owner** is responsible, such amount may be levied against the **Owner** as a Reimbursement **Assessment**.

ARTICLE IX

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 9.1. Restoration Defined. As used in this Article, the term "restore" shall mean repairing, rebuilding or reconstruction of damage to substantially the same configuration and appearance as prior to fire or other casualty damage.

Section 9.2. Insured Casualty. If any improvement is damaged or destroyed from a risk covered by the insurance maintained by the **Association**, then the **Association** shall, to the extent permitted under existing laws, restore the improvement. The **Association** shall proceed with the filing and adjustment of all claims arising under the existing insurance policies. The insurance proceeds shall be paid to and held by the **Association**. The **Association** may delegate such responsibility to the **Owner** as to **Unit** area repairs which may be covered by the insurance.

Section 9.3. Restoration Proceeds. The costs of restoration of the damaged improvement shall be paid first from any insurance proceeds paid to the **Association** under existing insurance policies. If the insurance proceeds exceed the costs of restoration, the excess proceeds shall be paid into reserves and held for the benefit of the **Association**. If the insurance proceeds are insufficient to restore the damaged improvement, the **Board** shall then add to the insurance proceeds any reserve account funds designated for the repair or replacement of the damaged improvement. If the total funds then available are sufficient to restore the damaged improvement, the improvement shall be restored. If the aggregate amount of insurance proceeds and such reserve account funds are insufficient to pay the total costs of restoration, a special **Assessment**

shall be levied by the **Board** up to the maximum amount permitted without the approval of the **Owners** or in accordance with the limitations set forth in this **Declaration** and by law. If the total funds then available are sufficient to restore the damaged improvement, the improvement shall be restored. The **Board** may also procure funding for reconstruction from any commercial lender or governmental entity.

If the total funds available to the **Association** are still insufficient to restore the damaged improvement, then the **Board** shall first attempt to impose an Additional Special **Assessment** pursuant to Section 9.4 below; and second to use a plan of alternative reconstruction pursuant to Section 9.5 below. If the **Owners** do not approve such actions, then the entire building of which the damaged improvement is a part shall be addressed as set forth below.

Section 9.4. Additional Special Assessment. If the total funds available to restore the damaged improvement as provided in Section 9.3 are insufficient, then the **Association** shall request that the **Owners** approve a special **Assessment** to make up all or a part of the deficiency ("Additional Special **Assessment**"). If the amount of the Additional Special **Assessment** approved by the **Owners**, and the amounts available pursuant to Section 9.3 above, are insufficient to restore the damaged improvement, or if no Additional Special **Assessment** is approved, the **Association** shall consider a plan of alternative reconstruction in accordance with Section 9.5. Raising and spending money on such repairs is without prejudice to the levy of a Reimbursement **Assessment**, Extraordinary Expense **Assessment** (4.1(c)), or assertion of any other legal right with respect to a party that caused or is otherwise responsible for the damage.

Section 9.5. Alternative Reconstruction. The **Board** shall consider plans to reconstruct the damaged improvement, making use of whatever funds are available to it pursuant to Section 9.3 and Section 9.4 above. The **Board** shall present any proposed plan for Alternative Reconstruction to the **Owners** for approval. A plan for Alternative Reconstruction must be approved by an affirmative vote of two-thirds of the voting power of the **Owners** whose residences were materially damaged, as determined by the **Board** ("Affected **Owners**"), and a majority of the voting power of all **Owners**. If no plan for Alternative Reconstruction is agreed to within nine (9) months of the onset of the damage, then the provisions of Section 9.7 shall apply.

Section 9.6. Rebuilding Contract. If any improvement is significantly damaged or destroyed, the **Board** shall retain one or more licensed design professionals for the purpose of evaluating the scope of the necessary restoration, preparation of plans and specifications, solicitation of bids, and coordination of any repair and reconstruction of the **Property**. If there is a determination to restore the building to the same general condition or reconstruct using an alternative reconstruction plan, the **Board** shall have the authority to enter into a written contract with a contractor for such repair and reconstruction after obtaining bids from at least two licensed and reputable contractors. The **Board** shall take all steps necessary to assure the commencement and completion of repair and reconstruction at the earliest possible date.

Section 9.7. Sale of Building. If the damaged improvement is part of a **Condominium** building ("Damaged Building"), the damage renders one or more of the **Units** uninhabitable, and the improvements will not be restored in accordance with the provisions of Sections 9.3, 9.4, and

9.5, with the approval of more than fifty percent (50+%) of the **Owners**, the **Board**, as the attorney-in-fact for each **Owner** of a **Unit** in the Damaged Building, shall be empowered to sell the Damaged Building, including all residences therein, in their then present condition, on terms to be determined by the **Board**, provided that the **Board** receives adequate assurances that the purchaser shall, and has the financial capability to: (i) restore the Damaged Building (either by renovation or removal and rebuilding), (ii) remove the Damaged Building and restore any remaining improvements as may be necessary, (iii) remove the Damaged Building (including foundations), grade the area, and appropriately landscape or otherwise improve the area, or (iv) perform any combination of the foregoing. Any work to be performed by the purchaser with respect to any of the foregoing shall be subject to **Association** architectural approval.

In lieu of selling the Damaged Building to a third person, the **Association** may purchase the **Condominium** building on satisfaction of the following conditions:

9.7(a) **Owners** holding 67% of the total voting power (including a majority of the votes allocated to the **Units** within the Damaged Building) approve of the purchase;

9.7(b) the purchase price is the fair market value of the Damaged Building as of the date of sale as determined by an appraisal made by a qualified and independent real estate appraiser;

9.7(c) any special **Assessment** approved by **Owners** and needed to fund the purchase price shall be levied against all **Units**, including the **Units** within the Damaged Building;

9.7(d) the **Association** has an adequate source of funds to repair, renovate or rebuild all or a portion of the Damaged Building and/or to remove and appropriately landscape the remaining area. For this purpose, no **Condominium** that is being purchased shall be subject to any **Assessment** intended to be used as a source of such funds.

The proceeds from any sale, together with the insurance proceeds received and any reserve funds allocated to the Damaged Building, after deducting therefrom the **Association's** sale expenses, including commissions, title and recording fees, and legal costs, shall be distributed among the **Owners** of **Units** in the Damaged Building and/or their respective **Mortgagees**, in proportion to their ownership interest in the **Common Area**.

If a Damaged Building is removed and not restored so that the new building contains the same number of **Units** as the removed building, the **Board** shall take appropriate steps to adjust the property interests of the remaining **Unit Owners** to effect such amendments as may be necessary to the **Declaration**, the **Condominium Plan** and the **Map** to reflect the revised property interests and other related changes.

Section 9.8. Board Discretion. There is no practical way to anticipate the particular circumstances of every catastrophic event and the best course of action to make appropriate repairs. In dealing with such an event, failure to technically comply with the requirements of this Article shall not invalidate the decisions and actions of the **Board** so long as the **Directors** have

made their decisions in a manner consistent with the following. **Board** decisions have been made in good faith and in the best interest of the all **Owners** and the **Property**. The **Board** has worked with and relied on the opinions and recommendations of professionals or others with expertise in the subject matter. The overall objectives of the **Board's** efforts have been to minimize further damage to the **Property**, to restore habitability to the **Units** and/or protect the value of the **Property**, including the secured interests of **Mortgagees**.

Section 9.9. Condemnation of Common Area. If at any time all or any significant portion of any **Common Area**, or any interest therein, is taken for any public or quasi-public use, under any statute, by right of eminent domain or by private purchase in lieu of eminent domain, the entire award in condemnation, to the extent such award is not apportioned among the **Owners** by court judgment or by agreement between the condemning authority and each of the affected **Owners** in the **Property**, shall be paid to the holder or holders of the fee title to such area as their interests may appear according to the respective fair market values of the **Units** at the time of the **Unit** destruction or dispossession, as determined by independent appraisal made by a qualified real estate appraiser with an M.A.I. certificate or the equivalent, which appraiser shall be selected by the **Board**. Any such award to the **Association** (for example if no **Unit** area is involved) shall be deposited into the operating fund of the **Association**. The **Association** shall represent the interests of all **Owners** in any proceedings relating to such condemnation to the extent such **Owners** have any interest in the **Common Area**.

ARTICLE X

MORTGAGE PROTECTION

Section 10.1. Mortgagee Protection. This Article can be amended as authorized by Civil Code Section 1355 or the terms of this Article itself. For those **Mortgagees** holding a secured interest in a **Unit** prior to the recordation of this **Declaration**, the provisions of Article X of the Former Declaration apply.

Section 10.2. Definition of Eligible Mortgagee. For purposes of this Article, an "**Eligible Mortgagee**" is the holder of a **Mortgage** which has requested designation as an **Eligible Mortgagee** in writing by certified mail, return receipt requested, and first class mail within ten (10) days of the creation of the **Mortgage** or deed or trust. In order to maintain eligibility, an **Eligible Mortgagee** must renew its request for such designation in the same manner each year within ten (10) days of the anniversary date of its initial request. The original request and each renewal request shall include the debtor's name, loan number, current holder of the promissory note or other obligation, and address and assessor's parcel number of the encumbered parcel. Strict compliance with this section is required.

Section 10.3. Actions Requiring Consent. Unless the prior written approval of seventy-five percent (75%) of the **Eligible Mortgagees** is first obtained, the **Association** shall not be entitled to:

10.3(a) Abandon or terminate the **Property**, except for abandonment or termination as provided by statute in the case of substantial destruction by fire or other casualty or in the case of taking by condemnation or "eminent domain";

10.3(b) Amend any provision of this **Declaration** of the **Bylaws** governing the following subjects: (i) percentage interest of the **Owners** in the **Common Areas** or the relative interest or obligations of the **Owners** for the purpose of levying **Assessments** or charges; (ii) the fundamental purpose for which the **Property** was created; (iii) voting procedures or rights; (iv) **Assessments**, **Assessment** liens or subordination thereof; (v) reserves for repair and replacement of the **Common Area**; (vi) property maintenance obligations; (vii) casualty and liability insurance; (viii) reconstruction in the event of damage or destruction; (ix) rights to use the **Common Area**; (x) annexation; (xi) the provisions of this Article X and provisions related to subordination of liens.

10.3(c) Effectuate a decision to terminate professional and assume self-management of the **Property**;

10.3(d) Change the pro rata interest or obligations of any individual **Condominium** for the purpose of: (i) levying **Assessments** or charges or allocating distributions of hazard insurance proceeds or condemnation awards; or (ii) determining the pro rata share of ownership of each **Unit** in the **Common Area**;

10.3(e) Partition or subdivide any **Condominium**;

10.3(f) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the **Common Area**. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the **Common Area** by the Condominium Project shall not be deemed a transfer within the meaning of this clause);

10.3(g) Use hazard insurance proceeds for losses to any property (whether to **Units** or to the **Common Area**) for other than the repair, replacement or reconstruction of such property.

Section 10.4. Books. Any **Eligible Mortgagee** will, upon request, be entitled to inspect the **Association's** pro forma budget and annual audit reports during normal business hours.

Section 10.5. Damage or Destruction. In the event of substantial damage to or destruction of any **Unit** or any part of the **Common Area**, the First **Mortgagee** will be entitled to timely written notice of any such damage or destruction and no provision of any document establishing the **Property** will entitle the **Owner** of a **Unit** or other party to priority over such First **Mortgagee** with respect to the distribution to such **Unit** of any insurance proceeds.

Section 10.6. Condemnation. If any **Unit** or portion thereof or any significant portion of the **Common Area** or any portion thereof is made the subject matter of any condemnation of eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the First **Mortgagee** of a **Unit** will be entitled to timely written notice of any such proceeding or proposed

acquisition, and no provision of any document establishing the **Property** will entitle the **Owner** of a **Unit** or other party to priority over such First **Mortgagee** with respect to the distribution to such **Unit** of the proceeds of any award or settlement.

Section 10.7. Foreclosure. Any First **Mortgagee** who comes into possession of the **Unit** by virtue of a foreclosure of the **Mortgage** or any purchaser at a foreclosure sale, will take the **Unit** free of any claims for unpaid **Assessments** and charges against the **Unit** which accrue prior to the time such **Mortgagee** comes into possession of the **Unit**, except for claims for a pro rata share of such **Assessments** or charges resulting from a pro rata reallocation of such **Assessments** or charges to all **Units** including the mortgaged **Unit**.

Section 10.8. Notice of Default. The **Eligible Mortgagees** and/or their successors and assigns, upon written request for such notification, shall be entitled to written notification from the **Association** of any default by the mortgagor of any **Unit** in the performance of such mortgagor's obligations under the **Declaration**, the **Articles** or **Bylaws** which is not cured within sixty (60) days.

Section 10.9. Mortgagee Response. In the event that a holder of a **Mortgage** or Deed of Trust acquires such interest after recordation of this **Declaration** and has a right to participate in or vote on any change in this **Declaration**, any **Board** recommended change shall be deemed approved if or when an eligible party fails to return such vote within thirty (30) days after the **Association** sends notice of the proposal by certified or registered mail and by first-class mail. No related fee or charge shall become an obligation of the **Association**.

ARTICLE XI **ARCHITECTURAL CONTROL**

Section 11.1. Architectural Approval. **Owners** may cosmetically alter or remodel the interiors of their **Units**. However, no alterations shall be made which impair the integrity of fire, structural or acoustical components of the building. **Association** approval is necessary before any gypsum board or framing is removed, altered or replaced. Further, no **Owner** shall install an air conditioning unit (window, exterior pad mounted, central or otherwise) without the prior written approval of the **Association**, which shall have the right to approve or disapprove the site, shape, noise level and proposed location of such air conditioning unit. The **Owner** must comply with all laws and ordinances regarding alterations and remodeling. If a building permit is required by the City for any interior work, the **Owner** is required to provide a copy to the **Association**. The **Association** shall have no liability for failure to confirm that an **Owner** has obtained such permits. If the City requires that any power panel be moved as part of an alteration, the **Owner** shall be solely responsible for such work. No alteration of the **Unit** may be made which may result in an increase in sound transmission into any other **Unit**. Unless prior approval of the **Association** is obtained, no alteration of the **Unit** may be made which will be visible from the outside of the **Unit**. Further, there shall be no alteration of the **Common Area** (including **Exclusive Use Common Area**) or significant and/or structural modifications of individual **Units** without the prior written approval of the **Association**. A copy of professionally drawn plans may be required to be

submitted to the **Association** before approval of changes is given. The **Board** may exercise control directly or utilize an Architectural Committee.

Section 11.2. Architectural Committee. The Architectural Committee, if any, shall be composed of five (5) **Owners** appointed by the **Board**. If there is no committee, the **Board** shall function in this role. Any decision on an application shall be subject to the ultimate control of the **Board**. If a decision on an application has been rendered by the Architectural Committee, there shall be a right of appeal to the **Board**. The determination of the **Board** shall be final. The **Board** shall always maintain the ultimate authority to overrule the Architectural Committee. Members of the Architectural Committee shall not receive any compensation for services rendered. The **Board** may approve reimbursement to Architectural Committee members for reasonable out-of-pocket expenses incurred by them in connection with the performance of any Architectural Committee functions.

Section 11.3. Architectural Procedures/Guidelines. Subject to the notice provisions of the **Davis-Stirling Act**, the **Board** shall adopt architectural procedures for review and approval of architectural applications or other similar work. In addition, the **Board** may adopt and/or amend guidelines and regulations to be used to address architectural alterations. The **Board** or Architectural Committee may require submission of additional plans and specifications or other information prior to approving or disapproving the application or alteration.

Section 11.4. Application for Approval of Improvements. Any **Owner** proposing to perform any work of any kind which requires the prior approval of the Association shall apply to such Committee for approval by notifying the Architectural Committee of the nature of the proposed work in writing and furnishing such information as the Committee may require.

Section 11.5. Basis for Approval of Improvements. The Architectural Committee shall grant the requested approval only if:

11.5(a) The **Owner** has complied with the provisions of Section 11.4 above;

11.5(b) The Architectural Committee finds that the plans and specifications conform to this **Declaration** and the Architectural Committee Guidelines. The Architectural Committee may require evidence that the plans and specifications conform to the regulations of the City and County of San Francisco in effect at the time such plans were submitted to such Committee; and

11.5(c) The members of the Architectural Committee, in their sole discretion, determine that the proposed improvements would be compatible with the standards of the **Property** and the purposes of this **Declaration** as to quality of workmanship and materials, as to harmony of external design with the existing structures and as to location with respect to topography and finished grade elevations.

Section 11.6. Proceeding with Work. Upon receipt of written approval from the **Association**, the **Owner** shall, as soon as practicable, satisfy all conditions hereof and diligently proceed with

the commencement and completion of all construction, reconstruction, refinishing, alterations and excavations pursuant to said approval, said commencement to be, in all cases, within one year from the date of such approval. If any permits are required by the regulations of the City and County of San Francisco, it shall be the **Owner's** responsibility to acquire such permit. If such plans, approved by the **Association** are disapproved by any agency of the City and County of San Francisco and the required permit is not issued, work shall not be commenced and the previously approved plans shall be considered to be disapproved by the **Association**. If the **Owner** fails to comply with this section, any approval given by the **Association** shall be deemed revoked unless the Architectural Committee, upon written request of the **Owner** made prior to the expiration of said one-year period, extends the time for such commencement. No such extension shall be granted except upon finding by the Architectural Committee that there has been no change in the circumstances upon which the original approval was granted.

Section 11.7. Failure to Complete Work. The **Owner** shall complete the construction, reconstruction, refinishing or alteration of any such improvement within one (1) year after commencing construction, except and for so long as such completion is rendered impossible or would result in great hardship to the **Owner** due to strikes, fires, national emergencies, natural calamities or other supervening forces beyond the control of the **Owner** or his or her agents. If the **Owner** fails to comply with this section, the Architectural Committee shall notify the **Board** of such failure, and the **Board** shall proceed in accordance with the provisions of Section 11.11 below as though the failure to complete the improvement were a noncompliance with approved plans.

Section 11.8. Application for Preliminary Approval. Any **Owner** proposing to construct improvements requiring the prior approval of the Architectural Committee may apply to the Committee for preliminary approval by submission of preliminary drawings of the proposed improvements in accordance with the Architectural Committee Guidelines. The purpose of the preliminary approval procedure is to allow an **Owner** proposing to make substantial improvements an opportunity to obtain guidance concerning design considerations before expending substantial sums for plans and other exhibits required to apply for final approval. Applications for preliminary approval shall be considered and disposed of as follows:

11.8(a) Within thirty (30) days after proper application for preliminary approval, the Architectural Committee shall grant the approval only if the proposed improvement, to the extent its nature and characteristics are shown by the application, would be entitled to a final approval on the basis of a full and complete application. In granting or denying approval, the Architectural Committee may give the applicant such directions concerning the form and substance of the final application for approval as it may deem proper or desirable for the guidance of the applicant.

11.8(b) Any preliminary approval granted by the Architectural Committee shall be effective for a period of ninety (90) days from the date of the issuance. During said period, any application for final approval which consists of proposed improvements in accordance with the provisions of the preliminary approval, and is otherwise acceptable under the terms of this **Declaration**, shall be approved by the Architectural Committee.

11.8(c) In no event shall any preliminary approval be deemed to be an approval authorizing construction of the subject improvements.

Section 11.9. Non-Waiver. It is acknowledged that over time, **Directors** change, aesthetic standards change, and community preferences change. Given that aesthetic standards may evolve over time, it is acknowledged that past approvals are no assurance of current or future approvals for similar alterations. This evolution of standards does not make the exercise of discretion arbitrary or selective. It is the goal of the **Association** to maintain consistency in aesthetic decisions within a reasonable time period. However, approval of any application or alteration shall not be deemed a waiver of any right to deny or approve any similar application or alteration.

Section 11.10. Liability. The **Board**, **Directors** and/or the Architectural Committee shall not be liable to the **Association** or any **Owner** for any damage, loss or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective, or (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications.

Section 11.11. Architectural Enforcement. For any architectural alteration or other condition or requirement where **Association** approval is necessary, the burden is on the **Owner** to produce written evidence of such approval. Otherwise the **Board** may deem that no approval was given.

11.11(a) Notice of Noncompliance. If the **Board** has determined that an **Owner** is not in compliance with the architectural guidelines, then the **Board** may send notice of such noncompliance to the **Owner**. The notice of noncompliance shall include a specific description of the architectural violation, as well as a proposed remedy and/or course of action. For purposes of this section, noncompliance includes, but is not limited to, failure to obtain **Association** approval, failure to follow the approved plan, failure to comply with architectural guidelines, and/or failure to properly maintain improvements.

11.11(b) Hearing and Determination. Prior to taking disciplinary action against an **Owner** for an architectural violation, the **Association** shall provide the **Owner** with due process pursuant to Article XII, Section 12.4. If the **Board** finds that there is no valid reason for the continuing noncompliance, the violation shall be deemed a continuing nuisance, and the **Board** may require the **Owner** to remedy or remove the unapproved architectural alteration.

11.11(c) Association Options for Abating Continuing Nuisances. If the **Owner** does not comply with the **Board's** ruling within any period specified or within any extension of such period as the **Board**, in its discretion, may grant, the **Board** may utilize the general enforcement provisions of this **Declaration**, including removal of the noncomplying improvement or remedying the noncompliance. The costs of any such action(s) shall be levied against the **Owner** as a Reimbursement **Assessment**.

Section 11.12. Architectural Agreement. The **Association** shall have the right to condition its approval on the execution and recordation of an Architectural Agreement entered into between

the **Association** and an **Owner**. Such an Agreement may memorialize the conditions under which an architectural alteration was approved, and the rights and responsibilities of the **Association**, the **Owner**, and future **Owners** of the **Unit**. The **Association** shall provide the **Owner** with a copy of any such recorded Notice. Unless otherwise provided in such an Agreement, the following shall apply to all alterations, regardless of whether expressly included in a separate written agreement: (a) **Owner** will indemnify, hold harmless and defend the **Association**, **Directors**, and manager from any claim arising from or related to the approval of the work and the work itself; (b) **Owner** will be responsible to maintain, repair and replace all aspects of the alteration and/or reimburse the **Association** for such costs; (c) consent to occupy any **Common Area** is granted as a "license" which may be revoked by the **Association** for failure to maintain, repair and/or replace any facet of the alteration or failure to comply with the conditions of approval; (d) **Owner** agrees to maintain homeowner property damage and liability insurance and such other insurance as is required by the **Association**; and (e) all of **Owner's** successors will also be bound to the **Owner's** obligations.

ARTICLE XII

ENFORCEMENT OF GOVERNING DOCUMENTS

Section 12.1. Violation. A violation of the **Governing Documents** shall be defined as a single act or omission occurring on a single day. Any activity or condition which constitutes a public or private nuisance shall also be deemed a violation. Further, any violation of the **Governing Documents** shall be deemed a nuisance. If the detrimental effect of a violation continues for additional days, discipline imposed by the **Association** may include one component for the violation and, according to the **Association's** discretion, a per diem (per day) component for so long as the detrimental effect continues. Similar violations on different days shall justify cumulative imposition of disciplinary measures. The **Association** shall take reasonable and prompt action to mitigate, repair or avoid the continuing damaging effects of a violation or nuisance occurring within the **Common Area** at the cost of the responsible party.

Section 12.2. Jurisdiction. The **Association** shall have jurisdiction over any **Person** on the **Property** or with rights in the **Property** and any real and/or personal property on the **Property**. This jurisdictional authority shall be subject to the terms, conditions and safeguards provided in the **Governing Documents**. The **Owner** shall be liable for compliance by tenants, other residents, guests or invitees (including the guests or invitees of tenants).

Section 12.3. Enforcement Options. In the event of a breach or violation of any of the **Governing Documents** by any **Person**, the **Board**, for and on behalf of all other **Owners**, may enforce compliance with the **Governing Documents** through the use of such remedies as are deemed appropriate by the **Board** and available in law or in equity, including, but not limited to, the following:

12.3(a) Suspension of Rights. The **Board** may suspend voting rights or the right to use **Common Area** facilities.

12.3(b) Fines. The **Association** may implement schedules of reasonable fines for particular offenses that are common or recurring in nature and for which a uniform fine schedule

is appropriate (such as illegally parked vehicles). If such a fine policy and schedule is adopted by the **Association**, the **Association** shall distribute it to each **Owner**, by personal delivery or first-class mail. The **Board** may levy a reasonable fine in accordance with the **Association's** fine policy and schedule and/or in the range specified in any Notice of Hearing. A fine, while enforceable by lien and/or judicial foreclosure, shall not be the subject of non-judicial foreclosure. In imposing any fine, the **Association**, in its sole discretion, may choose to suspend some or all of the fine for a period of time pending compliance with a directive of the **Association**.

12.3(c) Alternative Dispute Resolution (ADR). In the event of a dispute between **Owners** (or residents), prior to filing legal action, the parties shall comply with the mandatory ADR provisions of the **Davis-Stirling Act** or such other form of ADR as may be agreed upon.

12.3(d) Internal Dispute Resolution Procedure. In the event of a dispute between an **Owner** and the **Association**, prior to filing legal action, the parties shall "meet and confer" in an effort to resolve the dispute pursuant to the provisions of Civil Code section 1363.810 *et seq* or an Internal Dispute Resolution procedure otherwise adopted by the **Board**.

12.3(e) Legal Action. Preserving status quo in the Dolores Plaza neighborhood is an important goal of this **Declaration**. This includes the preservation of aesthetics and the quiet enjoyment of each residence. With the exception of nonpayment of any **Assessment**, the recovery of dollar damages for any violation of the **Governing Documents** is an insufficient remedy. Enforcement of the **Governing Documents** against any **Owner** or resident may be undertaken by appropriate legal proceedings instituted by any **Owner**, the **Association**, or both. Legal proceedings may include the following:

12.3(e)(1) an action for mandatory injunction (a court order or judgment which requires someone to do something);

12.3(e)(2) an action for prohibitory injunction (in which the court prohibits specified behavior);

12.3(e)(3) an action for declaratory relief (such as interpretation of any provision of the **Governing Documents**); and/or

12.3(e)(4) A claim for damages, including prospective costs and costs actually incurred in obtaining compliance.

No action shall be filed unless or until there is compliance with the Alternative Dispute Resolution provisions of the **Davis-Stirling Act**.

12.3(f) Self Help. The **Association** shall have the right to enter any **Unit** to gain compliance with the **Governing Documents**, including but not limited to the following:

12.3(f)(1) Maintenance, Repair and Replacement. If the **Association** reasonably finds a **Unit** requires maintenance, repair or replacement of any component or condition for which the **Owner** is responsible, the **Board** may direct the **Owner** to perform the work and if the **Owner** fails or refuses to do so, the **Association** may, after notice to the **Owner**, utilize these provisions, and cause the work to be performed. The **Association** may collect the cost by adding it to the **Assessment** for that **Unit** and collecting it in the same manner as a Reimbursement **Assessment**.

12.3(f)(2) Removal of Nuisance. The **Association** shall have authority to enter a **Unit** to cause the removal of a nuisance from the **Property**. This power does not relieve the **Association** of its duty to comply with the due process and notice requirements of the **Governing Documents**, unless there is immediate peril to persons or property.

12.3(g) Imposition of Reimbursement Assessment. The **Association** may levy a Reimbursement **Assessment** as provided for in Article IV, Section 4.1(d) hereof.

12.3(h) Referral to Governmental Agency. The **Association**, in its sole discretion, may refer any enforcement action to the appropriate governmental agency with jurisdiction, such as the police department, fire department, health department or other proper agency.

12.3(i) Notices to Mortgagees. If any **Owner** is in default under any provisions of the **Governing Documents**, the **Association** may notify the **Owner's Mortgagee** of record of such default.

Section 12.4. Implementation. Prior to taking disciplinary action against an **Owner**, the **Association** must provide the **Owner** with due process as set forth in this Section 12.4.

12.4(a) Notices. Notices and requests must be in writing. Notices from the **Association** shall include at a minimum, the date and time for the meeting at which the **Board** will consider disciplinary action, a brief description of the action or inaction constituting the alleged violation and a reference to the relevant **Governing Document** provision or other authority, and a statement that the **Owner** has a right to attend and may address the **Board**.

12.4(b) Meeting re: Discipline. The **Association** will notify an **Owner** in writing, by either personal delivery or first-class mail, at least 10 days prior to any meeting at which the **Board** is considering or imposing discipline (including the levying of fines) upon an **Owner**. The **Owner** may request that the issue be considered in Executive Session.

12.4(c) Notice of Hearing Results. If the **Board** imposes discipline on an **Owner**, the **Association** will provide a notice of the outcome of the disciplinary action by either personal delivery or first-class mail to the **Owner** within 15 days following the action.

12.4(d) Owner Standing. Any **Owner** shall also have such rights of enforcement as exist by virtue of Civil Code section 1354 (including direct enforcement of this **Declaration**) or otherwise by law.

Section 12.5. Miscellaneous.

12.5(a) Cumulative Remedies. The respective rights and remedies provided by this **Declaration** or by law shall be cumulative. The exercise of any right(s) or remedy(ies) shall not affect the exercise, at the same or at different times, of any other rights or remedies for the same or any different default or breach or for the same or any different failure of any **Owner** or others to perform or observe any provision of this **Declaration**.

12.5(b) Non-Waiver. The failure of any **Owner**, the **Board**, any Committee, or the **Association** or its officers or agents to enforce any of the covenants, conditions, restrictions, limitations, reservations, grants of easements, rights, rights-of-way, liens, charges or equitable servitudes contained in this **Declaration** shall not constitute a waiver of the right to enforce the same thereafter, nor shall such failure result in or impose any liability upon the **Association** or the **Board**, or any of its officers or agents.

12.5(c) Rules re: Disciplinary Proceedings. The **Association** shall be entitled to adopt rules and/or policies that further the efficient conducting of disciplinary proceedings. Such rules and/or policies shall form a part of the **Governing Documents**.

12.5(d) Noncompliance with Procedure. Failure by the **Association** to technically comply with these procedures, or any rules or policies adopted, shall not be fatal to the process so long as there is no significant prejudice to the **Person** who has been charged with a violation. Appearance at a hearing shall constitute a waiver of any defect in notice.

12.5(e) Fees and Costs of Enforcement. The **Association** shall be entitled to its actual legal fees and costs incurred in the enforcement of the **Governing Documents** and other costs, and may levy same as a Reimbursement **Assessment**. (Recovery of fees and costs related to delinquent **Assessments** are addressed in Article IV.)

ARTICLE XIII
GENERAL PROVISIONS

Section 13.1. Severability. Should any provision in this **Declaration** be void or become invalid or unenforceable in law or in equity by judgment or court order, the remaining provisions shall be and remain in full force and effect.

Section 13.2. Interpretation. The provisions of this **Declaration** and the other **Governing Documents** shall be liberally construed to effectuate its purpose of perpetuating a uniform plan for the operation of a Condominium Project.

Section 13.3. Term of Declaration. The provisions of this **Declaration** shall continue and be effective until January 1, 2018, after which date this **Declaration** shall be automatically extended for successive periods of ten (10) years, until it is terminated by the **Owners** in accordance with the law. This **Declaration** may be amended as provided below.

Section 13.4. Amendment. This **Declaration** may be amended by approval of **Owners** representing more than fifty percent (50+) of the **Condominiums** (at least 75 **Condominiums**). Said amendment shall be effective upon recordation in the Office of the County Recorder of the County of San Francisco. Notice of approval shall be given to all **Owners** but, at the **Board's** discretion, need not include the full document previously submitted and voted upon, unless requested by an **Owner**.

Section 13.5. Gender, Number and Captions. As used herein, the singular shall include the plural and the masculine shall include the feminine. The titles and captions of each paragraph hereto are not a part hereof and shall not affect the construction or interpretation of any part hereof.

Section 13.6. Different Building Types. Dolores Plaza is made up of one large Condominium building (Building A) and three smaller architecturally distinctive Condominium buildings (Buildings B, C and D). Some provisions of these **CC&Rs** must be reasonably interpreted to acknowledge the architectural differences.

Section 13.7. Conflicts. In the case of any conflict among **Governing Documents**, the sequence of priority shall be Articles, **Declaration**, **Bylaws**, then rules, policies and guidelines. In the event of any inconsistencies, ambiguities or omissions in this **Declaration**, the **Board** may adopt guidelines or policies to reconcile, supplement or correct such conflicts.

Section 13.8. Notices. Notices and requests must be in writing. General notices and requests may be given by any method reasonably calculated to give actual notice (see Article XII, Section 12.4(a) as to disciplinary action). Notices of **Board** meetings may be posted in a prominent place or places in the **Common Area**. Similarly, notices of final adoption of a rule or policy change, as well as election results, may also be posted in the **Common Area**. If the notice or request is given by mail, it shall be sent by first-class and/or certified mail. If the **Association** uses the mail, it may send such notice to the last address of the **Person** shown in the records of the **Association**.

Section 13.9. Owner Responsibility. Each **Owner** shall be liable to the **Association** for any damage to the **Common Areas** or areas which the **Association** must maintain, repair or replace caused directly or indirectly by the **Owner** or his or her family, pets, guests, invitees, tenants, the guests or invitees of any resident (including but not limited to inadvertence, failure to act, active or passive negligence or willful misconduct or otherwise). Each **Owner** shall protect, defend, hold harmless and indemnify the **Association** and **Directors** from any third party claim arising out of such conduct.

Section 13.10. Security. Each **Owner** and resident is responsible for his or her own safety and the security of his or her **Condominium** and personal property. The **Association** may, but shall not be obligated to, maintain or support certain activities or equipment within the **Property** designed to enhance safety and security within the **Property**. However, neither the **Association** nor its **Directors** shall in any way be liable for any loss or damage by reason of failure to provide security or ineffectiveness of security measures undertaken. Each **Owner** agrees to inform his or her tenants that the **Association** and its representatives are not insurers and that each **Person**

using the **Property** assumes all risks of personal injury and loss or damage to property, resulting from acts of third parties.

Section 13.11. Indemnification by Association of Directors and Officers. The **Association** shall, to the fullest extent permitted by law, protect, defend and indemnify its past and present **Directors**, Officers and Committee members from potential liability for their activity while acting in good faith and engaged in **Association** business. Such protection may include that provided for in (a) the **Association's** insurance, including the liability insurance in the case of damage to person or property, and/or (b) the Corporations Code, specifically section 7237. In the event that any claim of indemnification is made to the **Association** by such individual, the **Association** shall, in a timely way, tender the claim to its broker and/or insurance carriers. To the extent that the individual seeking indemnification has exposure to any uninsured loss, the **Association** shall also submit the matter to its counsel for a legal opinion as to **Association** obligations.

Section 13.12. Advancement of Expenses. To the fullest extent permitted by law, the **Association** shall, consistent with Corporations Code section 7237(f), advance all costs of defense of an accused Officer, **Director** or Committee member, if such costs of defense are not provided by insurance.

Section 13.13. Limitations on Personal Liability of Individual Directors/Officers.

13.13(a) No action shall be brought against an individual **Director** or Officer unless expressly permitted by the provisions of Civil Code section 1365.7.

13.13(b) No suit or action against a **Director**, Officer or other volunteer of the **Association** personally shall be sustainable in any court unless commenced within twelve (12) months of the date claimant knew or should have known of alleged misconduct and/or the inception of damage or injury.

Section 13.14. Davis-Stirling Act. Given that the statutory law applicable to homeowner associations is frequently amended by the legislature, and given the **Association's** desire to keep the provisions of the **Declaration** consistent with applicable statutory law, the **Association** may find it useful to update the mandatory requirements of the **Davis-Stirling Act** that are included in this **Declaration** (including any Exhibits). After consultation with counsel, by unanimous endorsement of the sitting **Directors**, and thirty (30) day notice to **Owners** before adopting, the **Board** may periodically update the provisions of this **Declaration**, including any Exhibits, to reflect changes in the **Davis-Stirling Act** which would otherwise be in conflict with and would pre-empt these provisions. Any such updated provisions shall be (1) recorded in the Official Records of San Francisco County and cross-reference these **CC&Rs** and (2) distributed to all **Owners**.

Section 13.15. Variances. The **Board** may, upon unanimous approval of all five (5) **Directors**, allow reasonable variances and adjustments of this **Declaration** in order to overcome difficulties and prevent unnecessary hardships in the application of these provisions. However, such variances shall only be granted which conform to the intent and purposes of this **Declaration**. Further, in every instance such variance or adjustment will not be materially detrimental or injurious

to other property or improvements within the **Property**. The **Board** may, in its sole discretion, impose limitations on any variance granted, including terms, conditions and duration. Where notice of a request for a variance has been given to **Owners** potentially affected and an **Owner** fails to object (according to the terms of the notice), that **Owner** shall be barred from later contesting the decision of the **Association**. A written record must be kept by the **Owner** and any successor of all such requests, proceedings and approvals. If the **Owner** is unable to produce such evidence, there shall be a presumption that no variance was granted.

Section 13.16. Transition Provisions.

13.16(a) In order to facilitate the transition from the provisions contained under the Former Declaration to those contained in these **Governing Documents**, the **Board** shall have the authority, in its sole discretion, to grandfather certain activities within, uses of, or conditions on the **Property** for a period of eighteen (18) months following the date of recordation of these **CC&Rs**. The granting of any such grandfathered activity, use or condition shall be in writing and made a part of the **Association's** records.

13.16(b) In the alternative, when provisions of this **Declaration** provide for grandfathering and registration of certain conditions, the **Board** may adopt rules and guidelines for such registration. These may include requiring documentation that the condition was in existence prior to the circulation of this **Declaration** for a vote.

CERTIFICATE OF AMENDMENT

The **Association** desired to make substantial changes to the CC&Rs pursuant to the amendment provisions and Civil Code section 1355, and on September 17, 2008 the **Owners** voted and approved the language of said changes.

This Amended Declaration of Covenants, Conditions and Restrictions supersedes the Former Declaration.

The undersigned declare, under penalty of perjury, under the laws of the State of California, that the matters set forth in this Amendment are true and correct of their own knowledge. Executed at SAN FRANCISCO, California on JANUARY 20, 2010.

DOLORS PLAZA CONDOMINIUM ASSOCIATION

President

John Kuttamer

Secretary

Julia C. Nelson

ATTACH NOTARY CERTIFICATE(S)

Glenn H. Youngling, PLC
1108 Irwin Street, San Rafael, California 94901
(415) 454-1090

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of SAN FRANCISCO

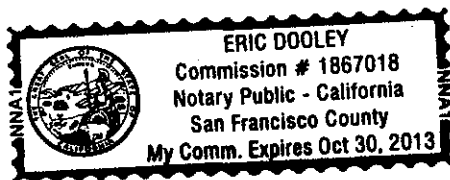
On 11/26/16 before me, ERIC DOOLEY, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared John W. HAMER + Julia C. Nelson
Name(s) of Signer(s)

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 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.



Place Notary Seal and/or Stamp Above

Signature: Eric Dooley
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____

☐ Corporate Officer — Title(s): _____ ☐ Corporate Officer — Title(s): _____

☐ Individual ☐ Partner — ☐ Limited ☐ General ☐ Individual ☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact ☐ Attorney in Fact

☐ Trustee ☐ Trustee

☐ Guardian or Conservator ☐ Guardian or Conservator

☐ Other: _____ ☐ Other: _____

Signer Is Representing: _____ Signer Is Representing: _____

Dolores Plaza HOA

Exhibit A to CC&Rs

Assessment Allocation

[Per CC&R Article IV, Section 4.1(a)]

Those items in the budget designated as insurance premiums, water, gas and painting and roof reserves shall be allocated and assessed proportionately among the Units as set forth below. The operating cost of the elevators and ventilation equipment in Building A shall be allocated to and assessed among all of the Building A Units only on an equal basis. All other items in the budget shall be allocated to and assessed among all Units equally.

Unit No.	Assessment Allocation	Unit No.	Assessment Allocation	Unit No.	Assessment Allocation	Unit No.	Assessment Allocation
101	0.54%	401	0.65%	266	0.81%	B1	0.63%
102	0.80%	402	0.77%	351	0.62%	B2	0.63%
103	0.62%	403	0.65%	352	0.69%	B3	0.63%
104	0.68%	404	0.68%	353	0.63%	B4	0.63%
105	0.77%	105	0.77%	354	0.63%	B5	0.63%
106	0.65%	406	0.65%	355	0.64%	B6	0.55%
201	0.65%	407	0.44%	356	0.75%	C1	0.45%
202	0.80%	408	0.63%	357	0.61%	C2	0.59%
203	0.65%	409	0.78%	358	0.81%	C3	0.87%
204	0.71%	410	0.68%	359	0.44%	C4	0.45%
205	0.77%	411	0.60%	360	0.63%	C5	0.59%
206	0.65%	412	0.76%	361	1.00%	C6	0.87%
207	0.44%	413	0.80%	362	0.52%	C7	0.82%
208	0.63%	414	0.80%	363	0.71%	C8	0.98%
209	0.78%	415	0.50%	364	0.57%	C9	1.03%
210	0.70%	416	0.50%	365	0.80%	D1	0.52%
211	0.60%	417	0.42%	366	0.81%	D2	0.64%
212	0.80%	418	0.42%	451	0.61%	D3	0.88%
213	0.80%	419	0.78%	452	0.61%	D4	0.52%
214	0.80%	420	0.78%	453	0.62%	D5	0.64%
215	0.50%	151	1.28%	454	0.63%	D6	0.88%
216	0.50%	152	0.63%	455	0.59%	D7	0.52%
217	0.42%	153	0.63%	456	0.75%	D8	0.64%
218	0.42%	154	0.75%	457	0.61%	D9	0.88%
219	0.78%	155	0.52%	458	0.81%		
220	0.78%	156	0.81%	459	0.44%		
301	0.65%	157	0.61%	460	0.63%		
302	0.80%	158	0.42%	461	0.95%		
303	0.65%	159	0.63%	462	0.52%		
304	0.71%	160	0.95%	463	0.68%		
305	0.77%	161	0.50%	464	0.57%		
306	0.65%	251	0.62%	465	0.77%		
307	0.44%	252	0.69%	466	0.81%		
308	0.63%	253	0.63%				
309	0.78%	254	0.63%				
310	0.70%	255	0.64%				
311	0.60%	256	0.75%				
312	0.80%	257	0.61%				
313	0.80%	258	0.81%				
314	0.80%	258	0.44%				
315	0.50%	260	0.63%				
316	0.50%	261	1.00%				
317	0.42%	262	0.52%				
318	0.42%	263	0.71%				
319	0.78%	264	0.57%				
320	0.78%	265	0.80%				

COPY

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Attorneys for Petitioner
Dolores Plaza Condominium Association

ENDORSED
FILED
San Francisco County Superior Court
FEB 11 2010
GORDON PARK-LI, Clerk
BY: ERICKA LARNAUTI
Deputy Clerk

RECEIVED
JAN 14 2010
BY:

SAN FRANCISCO COUNTY COURTS

IN AND FOR THE SUPERIOR COURT OF CALIFORNIA

In the Matter of DOLORES PLAZA
CONDOMINIUM ASSOCIATION, a
California nonprofit mutual benefit
corporation,

Petitioner

CASE NO. CPF-09-510032

**ORDER GRANTING PETITION TO
(1) REDUCE REQUIRED VOTING
PERCENTAGE (CC §1356) AND
(2) OBTAIN JUDICIAL APPROVAL
OF AMENDMENTS TO ARTICLES
(Corp. Code §7515)**

Date: January 14, 2010

Time: 9:30 a.m.

Dept: 302

BY FAX

Dolores Plaza Condominium Association filed a Petition to (1) Reduce the Required Voting Percentage to approve amendment to the Association's Declaration of Covenants, Conditions and Restrictions under Civil Code section 1356 and (2) Obtain Judicial Approval of Amendments to Articles under Corporations Code section 7515. No opposition was filed with the Court. The Court's tentative decision was to grant the Petition. No hearing was requested.

Therefore, the Court having considered the Petition, the Declarations filed herein, the brief submitted by Petitioner, the [Proposed] Order Granting Petition and the records on file herein, finds:

1. The allegations of the Petitioner's Petition to (1) Reduce the Required Voting Percentage to approve amendment to the Association's Declaration of Covenants, Conditions and Restrictions under Civil Code section 1356 and (2) Obtain Judicial Approval of Amendments to Articles under Corporations Code section 7515 are accepted as true and accurate.

2. Petitioner gave at least 15 days' written notice of the hearing to all Association members and to all others entitled to such notice.

3. The balloting on the proposed revised CC&Rs and Articles was conducted in accordance with all applicable provisions of the Governing Documents and Civil Code section 1363.03(b) .

4. Petitioner made a reasonably diligent effort to permit all eligible members to vote on the revised CC&Rs and Articles.

5. It is impractical or unduly difficult for this corporation to obtain the consent of members to amend the Articles and CC&Rs, in the manner prescribed by its Articles and CC&Rs.

6. Owners with more than 50 percent of the votes voted in favor of approving the revised CC&Rs and Articles.

7. Of Petitioner's total membership of 150 members, ballots were cast comprising 66% of Petitioner's total membership. 83 members voted in favor of adopting the revised CC&Rs and Articles, while 9 members voted in opposition of the Articles and 11 members voted in opposition of the CC&Rs. Affirmative votes representing more than 50% of the votes (i.e., at least 75) are required to satisfy the majority approval requirement of Civil Code section 1356.

8. Petitioner's revised CC&Rs and Articles appear reasonable.

9. The granting of the within petition is not improper for any reason stated in California Civil Code section 1356(e).

1 **GOOD CAUSE APPEARING, IT IS ORDERED THAT:**

2 1. Petitioner's Petition to (1) Reduce the Required Voting Percentage for approval of the
3 revised CC&Rs and (2) Obtain Judicial Approval of Amendments to Articles of Dolores Plaza
4 Condominium Association is granted.

5 2. The Association, having complied with the requirements of Civil Code section 1356
6 and good cause appearing, the Court confirms the amendment as being validly approved on the basis
7 of the affirmative votes actually received during the balloting period.

8 3. For the exclusive purpose of approving the Amended and Restated Articles of
9 Incorporation of Dolores Plaza Condominium Association, the requirements imposed by the Articles
10 of the Association are dispensed with. Instead, the Amended and Restated Articles of Incorporation
11 of Dolores Plaza Condominium Association are ordered adopted and approved by petitioner's
12 members on the basis of substantial compliance with the membership voting requirements as a result
13 of the number of affirmative votes actually received.

14 4. The objections, if any, filed with respect to the petition are overruled.

15 5. Before recordation of the CC&Rs, true and correct copies of all exhibits to the revised
16 CC&Rs shall be attached.

17 6. The revised CC&Rs shall not be effective until recorded in the Official Records of San
18 Francisco County, together with a copy of this Order. The revised Articles shall not be effective until
19 filed with the Secretary of State.

20 7. Within 60 days after recording the CC&Rs and filing the Articles, Petitioner shall mail
21 a copy of the revised CC&Rs and Articles to each member of the Association, together with a
22 statement that the revised CC&Rs have been recorded and the revised Articles filed. On such
23 recordation and filing, the revised CC&Rs and Articles shall have the same force and effect as if they
24 had been adopted in compliance with every requirement for amendment imposed by the Governing
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1 Documents of Dolores Plaza Condominium Association common interest development.

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3 Dated: FEB 11 2010

CHARLOTTE WALTER WOOLARD

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JUDGE OF THE SUPERIOR COURT

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