

BY-LAWS

NORTHVIEW HOMEOWNERS' ASSOCIATION

SIGNAL HILL, CALIFORNIA

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BY-LAWS OF
NORTHVIEW HOMEOWNERS' ASSOCIATION
(Incorporated)

ARTICLE I

PLAN OF CONDOMINIUM OWNERSHIP

SECTION 1: Condominium Ownership. The project located on Lots 1 and 2 of Tract 36893, as per map recorded in Book 942, at pages 1&2 of map records, in the office of the County Recorder of Los Angeles County, State of California, known as Northview is subjected to the provisions of Section 1351 of the California Civil Code, State of California.

SECTION 2: By-Laws Applicability. The provisions of these By-Laws are applicable to the project. (The term "project" as used herein shall include the land and all structures and improvements hereon.)

SECTION 3: Personal Application. All present or future owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these By-Laws, and as the same may be amended from time to time, as therein provided.

The mere acquisition or rental of any of the "units" of the project or the mere act of occupancy of any of said units will signify that these By-Laws and the provisions of the "Declaration of Conditions, Covenants, Restrictions, for Northview," a condominium project (which shall hereinafter be referred to as "Declaration"), as accepted, ratified, and will be complied with.

ARTICLE II

VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

SECTION 1: Voting. The Association shall have two (2) classes of voting membership.

Class A. Class A Members shall be all Owners with the exception of the Declarant. Class A Members shall be entitled to one (1) vote for each Residence in which they hold the interest required for membership. When more than one person owns a portion of the interest in a Residence required for membership, each such person shall be a Member and the vote for such Residence shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Residence. The Association shall not be required to recognize the vote or written assent of any such co-Owner except the vote or written assent of the co-Owner designated in a writing executed by all of such co-Owners and delivered to the Association.

Class B. The Class B Member shall be Declarant. The Class B member shall be entitled to three (3) votes for each Residence in which it holds the interest required for membership; provided that the Class B Membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) When the total outstanding votes held by the Class A* members equal the total outstanding votes held by the Class B member;
- (b) Two (2) years from the original issuance of the final subdivision public report for the project.

SECTION 2: Majority of Owners. As used in these By-Laws the term "majority of owners" shall mean those "owners" holding 51% of the votes.

SECTION 3: Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a "majority of owners" as defined in Section 2 of this Article shall constitute a quorum.

SECTION 4: Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting. Every Proxy shall be revocable and shall automatically cease upon conveyance by the member of his condominium, or upon receipt of notice by the Secretary of the Board of the death or judicially declared incompetence of such member.

ARTICLE III

ADMINISTRATION

SECTION 1: Association Responsibilities. The owners of the "condominiums" will constitute the Association of Owners (hereinafter referred to as "Association") who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments and arranging for the management of the project pursuant to an agreement, containing provisions relating to the duties, obligations, removal and compensation of a management agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a majority of owners.

SECTION 2: Place of Meetings. Meetings of the Association shall be held at the principal office of the project within the subdivision, if any, or at a meeting place as close thereto as possible. Unless unusual conditions exist, members meetings shall not be held outside of Los Angeles county.

SECTION 3: Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within 45 days after the closing of the sale of the subdivision interest which represents the 51st percentile interest authorized for sale under the first public report for the subdivision, but in no event shall the meeting be held later than six (6) months after the closing of the sale of the first subdivision interest, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter. If the day for the annual meeting is a legal holiday, the meeting will be held on the first day following which is not a legal holiday. At such meetings there shall be elected by secret ballot of the owners a Board of Directors in accordance with the requirements of Section 5 of Article IV of these By-Laws. The owners may also transact such other business of the Association as may properly come before them.

SECTION 4: Special Meetings. A special meeting of the members of the Association shall be promptly called by the governing body upon (i) the vote for such a meeting by a majority of a quorum of the Board of Directors, or (ii) receipt of a written request therefore signed by members representing not less than 5% of the total voting power of the Association or by members other than the subdivider, having been presented to the Secretary, or at the request of the Federal Housing Commissioner or his duly authorized representative. Except in emergency situations, at least 10 days and not more than 90 days before the date of any meeting at which members are required or permitted to take any action notice shall be provided. The notice of any meeting shall state the time and place of such meeting and in the case of a special meeting the notice shall state the nature of the business to be undertaken. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifth of the owners present, either in person or by proxy.

SECTION 5: Meetings Open to All. Regular and special meetings of the governing body shall be open to all members of the Association provided, however, that Association members who are not on the governing body may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the governing body.

The governing body may, with the approval of a majority of a quorum of its members, adjourn a meeting and reconvene in executive session to discuss and vote upon personal matters, litigation in which the Association is or may become involved and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

SECTION 6: Adjourned Meetings. If any meeting of owners cannot be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than 5 days from the time the original meeting was called nor more than 30 days from the time the original meeting was called at which meeting the quorum requirement shall be at least 25% of the total voting power of the Association. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to members in the manner prescribed for regular meetings.

SECTION 7: Order of Business. The order of business at all meetings of the owners of units shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Federal Housing Administration representative, if present.
- (f) Report of committees.
- (g) Election of Inspectors of election.
- (h) Election of directors.
- (i) Unfinished business.
- (j) New business.

SECTION 8: Parliamentary Procedure. All questions of Parliamentary Procedure shall be decided in accordance with Roberts' Rules of Order.

ARTICLE IV

BOARD OF DIRECTORS

SECTION 1: Number and Qualification. The affairs of the Association shall be governed by a Board of Directors or Board of Governors, consisting of five members, all of whom must be owners of "condominiums" in the project. After the first election, nominations for election to the Board of Directors shall be made by a Nominating Committee. Nomination may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors ninety days prior to each annual meeting of the members, to serve until the close of such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

SECTION 2: Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by the By-Laws directed to be exercised and done by the owners. The powers of the Board of Directors shall include but not be limited to the following:

- (a) Enforce the provisions of the declaration of restrictions, By-Laws or other agreement:
- (b) Contract for and pay fire, casualty, liability and other insurance insuring the condominium owners:
- (c) Contract for and pay maintenance, gardening, utilities, materials and supplies, and services relating to the common areas and to employ personnel necessary for the operation of the project, including legal and accounting services:
- (d) Pay taxes and special assessments which are or would become a lien on the entire project or common areas:
- (e) Pay for reconstruction of any portion or portions of the project damaged or destroyed which are to be rebuilt:
- (f) Delegate its powers:
- (g) Enter into any unit as necessary in connection with construction, maintenance or emergency repair for the benefit of the common area or the owners in common. Any non-emergency entry requires not less than 72 hours notice to the owner and/or occupant of the unit:
- (h) Appoint an Architectural Control Committee, as provided in the Declaration, and such other committees as deemed appropriate in carrying out its purpose:
- (i) Preparation of budgets and financial statements for the Association as prescribed in the By-Laws.
- (j) Election of officers of the governing body.
- (k) Filling of vacancies on the governing body except for a vacancy created by the removal of a governing body member.

SECTION 3: Other Duties. In addition to duties imposed by these By-Laws or by resolutions of the Association, or the provisions of Article VI of the Declaration, the Board of Directors shall be responsible for the following:

- (a) Care, upkeep and surveillance of the "project" and the "common area":
- (b) Collection of monthly and special assessments from the owners:
- (c) Designation and dismissal of the personnel necessary for the maintenance and operation of the "project", the "common area" and facilities.

SECTION 4: Management Agent. The Board of Directors may employ for the Association a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 3 of this Article. Such employment will be under the conditions established in the "Declaration" under Article VI, Section 3(a).

SECTION 5: Election and Term of Office. The first election of a governing body of the Association shall be conducted at the first meeting of the Association. All positions on the governing body shall be filled at that election. Term of office to be one year, unless removed as herein provided. Voting for the governing body shall be by secret written ballot. No member shall be entitled to cumulate votes for a candidate of candidates unless such candidate's name or candidates' names have been placed in nomination prior to the voting and the member has given notice at the meeting prior to the voting of the member's intention to cumulate votes. If any one member has given such notice, all members may cumulate their votes for candidates in nomination.

SECTION 6: Removal of Directors. Unless the entire governing body is removed from office by the vote of members of the Association, no individual governing body member shall be removed prior to the expiration of his term of office if the votes cast against removal would be sufficient to elect the governing body member if voted cumulatively at an election at which the same total number of votes were cast and the entire number of governing body members authorized at the time of the most recent election of the governing body member were then being elected. A governing body member who has been elected to office solely by the votes of members of the Association other than the subdivider may be removed from office prior to the expiration of his or her term of office only by the vote of at least a simple majority of the voting power residing in members other than the subdivider.

SECTION 7: Vacancies. Vacancies in the governing body caused by any reason other than removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association. A vacancy created by the removal of a Director by a vote of the Association shall be filled by a majority of the members votes other than the subdivider. Voting for the Director shall be by secret written ballot.

SECTION 8: Election Procedure. From the first election of the governing body and thereafter for so long as a majority of the voting power of the Association resides in the subdivider not less than 20% of the incumbents on the governing body shall have been elected solely by the votes of owners other than the subdivider. The Board shall conduct its first organization meeting within seven (7) days after the organization meeting of the owners, and shall, at such time, elect from among its members, such officers as shall be designated in the By-Laws. An annual meeting of the Board shall be held each year within seven (7) days of adjournment of the annual meeting of owners.

Association shall be conducted monthly. Regular meetings of the governing body of the shall be held at a time and at a place within the project fixed by the governing body from time to time. Notice of the time and place of such meeting shall be posted at a prominent place or places within the common area. Notice of regular meetings of the governing body shall be given to each Director, personally or by mail, telephone or telegraph, at least four (4) days prior to the day named for such meeting, as well as posted within the common area. Notice of a meeting need not be given to any governing body member who has signed a waiver of notice or a written consent to holding of the meeting. The governing body may take actions without a meeting if all of its members consent in writing to the action to be taken. If the governing body resolves by unanimous written consent to take action, an explanation of the action taken shall be posted at a prominent place or places within the common area within three (3) days after the written consent of all governing body members have been obtained.

SECTION 10: Special Meetings. Special meetings of the governing body may be called by the president on three days notice to each Director, or may be called by any two members of the governing body other than the president. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be sent to all governing body members and posted in a manner prescribed for notice of regular meetings not less than 72 hours prior to scheduled time of the meeting. Notice of the meeting need not be given to any governing body member who signed a waiver of notice or a written consent to holding of the meeting.

SECTION 11: Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

SECTION 12: Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

SECTION 13: Budget and Financial Statements. The Board of Directors shall prepare the operating statement (budget), balance sheet and annual report and the same shall be distributed to all members regardless of the number of members or the amount of assets of the Association as follows:

- (1) A budget for each fiscal year consisting of at least the following information shall be distributed not less than 45 days prior to the beginning of the fiscal year.
 - (A) Estimated revenue and expenses on an accrual basis.
 - (B) The amount of the total cash reserves of the Association currently available for replacement or major repair of common facilities and for contingencies.
 - (C) An itemized estimate of the remaining life of, and the methods of funding to defray repair, replacement or additions to major components of the common areas and facilities for which the Association is responsible.
 - (D) A general statement setting forth the procedures used by the governing body in the calculation and establishment of reserves to defray the costs of repair, replacement or additions to major components of the common areas and facilities for which the Association is responsible.

- (2) A balance sheet - as of an accounting date which is the last day of the month closest in time to six months from the date of closing of the first sale of an interest in the subdivision - and an operating statement for the period from the date of the first closing to the said accounting date, shall be distributed within 60 days after the accounting date. This operating statement shall include a schedule of assessments received and receivable identified by the number of the subdivision interest and the name of the entity assessed.
- (3) A report consisting of the following shall be distributed within 120 days after the close of the fiscal year.
 - (A) A balance sheet as of the end of the fiscal year.
 - (B) An operating (income) statement for the fiscal year.
 - (C) A statement of changes in financial position for the fiscal year.
 - (D) For any fiscal year in which the gross income to the Association exceeds \$75,000, a copy of the review of the annual report prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy.

If the report referred to in paragraph (3) above is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized officer of the Association that the statement was prepared from the books and records of the Association without independent audit or review.

In addition to financial statements, the governing body shall annually distribute within 60 days prior to the beginning of the fiscal year a statement of the Association's policies and practices in enforcing its remedies against members for defaults in the payment of regular and special assessments including the recording and foreclosing of liens against members' subdivision interests.

SECTION 14: Signing of Checks. All checks for payment of obligations and expenses of the owners as a whole, must be signed by no fewer than two (2) officers. Until such time as a management agent may be employed, the Treasurer shall draw and sign all such checks and the President shall countersign all of the same when he is available. In the absence of the President or the Treasurer, the Secretary may sign and/or countersign checks. Further, during such time as a management agent may be employed, the Treasurer shall act as liaison officer between the Board and the management agent.

SECTION 15: Inspection of Books and Records.

- (a) Inspection by Members: The membership register, books of account and minutes of meetings of the members, of the Board, and of committees shall be made available for inspection and copying by any owners or first mortgagees, or by his duly appointed representative, at any reasonable time, at the office of the association or at such other place within the project as the board shall prescribe.
- (b) Rules for Inspection: The board shall establish reasonable rules with respect to:
 - (1) Notice to be given to the custodian of the records by the member desiring to make the inspection;
 - (2) Hours and days of the week when such an inspection may be made;
 - (3) Payment of the cost of reproducing copies of documents requested by a member.
- (c) Inspection by Directors: Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the association and the physical properties owned or controlled by the association. The right of inspection by a director includes the right to make copies of documents.

ARTICLE V

OFFICERS

SECTION 1: Designation. The principal officers of the Association shall be a President, a Vice-President, A Secretary, and a Treasurer. The President and Vice-President shall be elected by and from the Board of Directors. The Directors may appoint the Secretary and the Treasurer as one. The Directors may appoint an Assistant Treasurer, and an Assistant Secretary, and such officers as in their judgment may be necessary.

SECTION 2: Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

SECTION 3: Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

SECTION 4: President. The President shall preside at all meetings and shall have all the powers and duties which are usually vested in the office of president of a nonprofit corporation, including the power to appoint committees from among the owners and delegate power to same.

SECTION 5: Vice-President. The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act, and shall have all the powers and duties which are usually vested in the office of a Vice-President of a nonprofit corporation.

SECTION 6: Secretary. The Secretary shall keep a book of minutes of all regular and special meeting of the owners, and, in addition, an informal summary of all actions taken at all meetings of the Board of Directors. He shall give notice of the meetings, regular or special, of the owners required to be given, and he shall have all the powers and duties usually vested in the Secretary of a nonprofit corporation.

SECTION 7: Treasurer. The Treasurer shall collect the monthly maintenance charges from each owner, give proper receipts therefor, and promptly deposit the same in a commercial bank account designated as Northview Maintenance Fund Account, at a bank to be designated by the Board. He shall disburse from said account all of the necessary expense of maintaining said project set forth in the Declaration, and shall keep and maintain adequate and correct record of all receipts and disbursements, which shall at all reasonable times be open to inspection by any owner. He shall also prepare, or cause to be prepared, the annual financial report referred to in Article IV, Section 13 of these By-Laws.

OBLIGATIONS OF THE OWNERS

SECTION 1: Assessments.

- (a) All owners are obligated to pay monthly (and any special) assessments imposed by the Association to meet all project communal expenses, which may include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstructions work in case of hurricane, fire, earthquake or other hazard.
- (b) The assessments shall be made pro-rate according to the ratio of the number of subdivision interests owned by the owner assessed to the total number of interests subject to assessment.
- (c) Sixty (60) days prior to the beginning of each calendar year, the association shall estimate the total charges to be assessed against each "Condominium". Each owner thereof shall thereafter pay the Association his assessment in twelve (12) equal monthly installments, each installment to be paid on or before the First day of each month.
- (d) The governing body of the Association may not, without the vote or written assent of a majority of the voting power of the Association residing in members other than the subdivider, impose a regular annual assessment per subdivision interest which is more than 20% greater than the regular assessment for the immediately preceding fiscal year. The Association may, at its discretion, pro-rate any such supplemental assessment between the remaining months of the calendar year, or immediately levy a special assessment against each condominium.
- (e) Each monthly installment shall become delinquent if not paid on or before the First day of each month. Each special assessment shall become delinquent if not paid within thirty (30) days after the levy thereof. There shall accrue with each such delinquent monthly installment and with each such delinquent special assessment, a late charge of \$10.00 together with interest at 10% per annum on such delinquent sums, calculated from the date of delinquency to and including the date full payment is received by the Association.
- (f) In any fiscal year, the governing body of the Association may not without the vote or written assent of a majority of the voting power of the association residing in members other than the subdivider, levy special assessments to defray the costs of any action or undertaking on behalf of the Association which in the aggregate exceed 5% of the budgeted gross expenses of the Association for that fiscal year. Every general special assessment shall be levied upon the same basis as that prescribed for the levying of regular assessments.

A special assessment against owners in a condominium development to raise funds for the rebuilding or major repair of the structural common area housing units of the project shall be levied upon the basis of the ratio of the square footage of the floor area of the unit to be assessed to the total square footage of floor area of all units to be assessed.

The provisions hereof with respect to special assessments do not apply in the case where the special assessment against a member is a remedy utilized by the governing body to reimburse the Association for costs incurred in bringing the member and his subdivision interest into compliance with visions of the governing instruments for the subdivision.

- (g) The Board of Directors or the Management Agent (or any duly authorized officer) of the Association, on behalf of said Association, may cause to be recorded in the office of the county recorder of the county in which said "project" is situated, a notice of any delinquent sums due the Association from any condominium owner; which notice shall state the amount of such delinquent sums and other authorized charges and interest (including the cost of recording such notice), a sufficient description of the "condominium" against which the same has been assessed, and the name of the record owner or owners thereof.
- (h) Upon payment to the Association of such delinquent sums and charges in connection therewith, or other satisfaction thereof, said Board of Directors or Management Agent shall cause to be recorded in the office of the county recorder of said county a further notice stating the satisfaction and release of such delinquent sums and charges.
- (i) Such notices shall be signed on behalf of the Board of Directors (or any duly authorized officer) or by the Management Agent. The Association may demand and receive the cost of recordation of such release before recording the same.
- (j) Any purchase or encumbrancer, acting in good faith and for value, may rely upon such notice of satisfaction and release as conclusive proof of the full satisfaction of the sums stated in said notice of delinquent sums.
- (k) All such delinquencies may be enforced, collected and/or foreclosed in the manner provided in said Declaration.

SECTION 2: Maintenance and Repair.

- (a) Every owner must perform promptly all maintenance and repair work within his own "unit", which if omitted would affect the project in its entirety or in a part belonging to other owners, being expressed responsible for the damages and liabilities that his failure to do so may engender.
- (b) All the repairs of internal installations of the unit such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, lamps, and all other accessories belonging to the unit area shall be at the owner's expense.
- (c) An owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common area and facility damaged through his fault.

SECTION 3: Use of Units - Internal Changes.

- (a) All "units" shall be utilized for residential purposes only.
- (b) An owner shall not make structural modifications or alterations in his unit or installations located therein without previously notifying the Association in writing, through the Management

Agent, if any, or through the President of the Board of Directors, if no management agent is employed. The Association shall have the obligation to answer within thirty (30) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

SECTION 4: Use of "Common Area".

- (a) An owner shall not place or cause to be placed in the project areas and facilities common or restricted, any furniture, packages or objects of any kind. Such areas shall be used for no other purpose than for normal transit through them.

SECTION 5: Right of Entry.

- (a) An owner shall grant the right of entry to the management agent or to any other person authorized by the Board of Directors or the Association in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.
- (b) An owner shall permit other owners, or their representatives, when so required, to enter his unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of an emergency, such right of entry shall be immediate.

SECTION 6: Rules of Conduct.

- (a) No resident of the project shall post any advertisements, or posters of any kind in or on the project except as authorized by the Association. This does not purport to prohibit or restrict the right of the unit owner to display or have displayed on the property a sign of customary and reasonable dimensions advertising the property for sale.
- (b) Residents shall exercise extreme care about making noises or the use of musical instruments, radios, television and amplifiers that may disturb other residents. Keeping domestic animals will abide by the Municipal Sanitary Regulations.
- (c) It is prohibited to hang garments, rugs, etc., from the windows or from any of the facades of the project.
- (d) It is prohibited to dust rugs, etc., from the windows, balconies, or to clean rugs, etc., by beating on the exterior part of the project.
- (e) It is prohibited to throw garbage or trash outside the disposal installations provided for such purposes in the service areas.
- (f) No owner, resident or lessee shall install wiring for electric or telephone installations, television antenna, machines or air conditioning units, etc., on the exterior of the buildings of the project or that protrude through the walls or the roof of said buildings.

SECTION 7: Leasing.

- (a) Liability of any owner under these By-Laws, the Declaration, and under the covenants of his deed, shall continue, notwithstanding the fact that he may have leased his condominium for any period of time to another person or persons.
- (b) It shall be an express condition of the leasing of any unit that the grantees or lessees thereof, read and agree to abide by all of the provisions of the Declaration.

ARTICLE VII

AMENDMENTS TO PLAN OF CONDOMINIUM OWNERSHIP

SECTION 1: By-Laws. These By-Laws may be amended, at a regular or special meeting of the Members, by the affirmative vote (in person or by proxy) or written consent of Members representing a majority of a quorum of the Association which shall include a majority of the votes of Members other than Declarant, or where the two-class voting structure is still in effect, shall include a majority of each class of Members. Notwithstanding the above, the percentage of voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

It shall be the responsibility of the Board of Directors to mail a notice of any such amendments to all mortgagees appearing in the book entitled "Mortgagees of Condominiums" referred to in Article VIII hereof; provided, however, that its failure to so do shall not invalidate any such amendment.

ARTICLE VIII

MORTGAGEES

SECTION 1: Notice to Association. An owner who mortgages his condominium, shall notify the Association through the Management Agent, if any, or the President of the Board of Directors in the event there is no Management Agent, the name and address of his mortgagee; and the Association shall maintain such information in a book entitled "Mortgagees of Condominiums". Any such owner shall likewise notify the Association as to the release or discharge of any such mortgage.

SECTION 2: Notice of Unpaid Assessments. The Association shall, at the request of a mortgagee of a condominium, report any unpaid assessments due from the owner of such condominium. The names and addresses of all such mortgagees shall be kept in the book entitled "Mortgagees of Condominiums" hereinbefore referred to.

ARTICLE IX

DEFINITION OF TERMS

The following terms, as used in these By-Laws, shall have the same meanings as are applied to said terms in the Declaration to which this is attached and made a part hereof:

"Project, Condominium, Common Area, Unit, Board, Mortgage, Mortgagee, Owner, Association, Architectural Committee, Assessment"

ARTICLE X

CONFLICTS

In the event that any of these By-Laws conflict with any provisions of the laws or statutes of the State of California, it is hereby agreed that such By-Laws conflicting with the laws or statutes of California shall be null and void upon the event of a final determination to such effect by a court of competent jurisdiction, but that all other By-Laws not in conflict with said laws or statutes shall remain in full force and effect as though these By-Laws were adopted at the outset omitting those conflicting with said laws or statutes.

ARTICLE XI

MISCELLANEOUS PROVISIONS

SECTION 1: Successors. Each successive owner of each condominium shall sign the Minute Book copy of these By-Laws and shall be furnished with an individual copy of the By-Laws by the Secretary.