



# FIDELITY NATIONAL TITLE Insurance Company

MAJOR ACCOUNTS DIVISION  
BUILDER SERVICES DIVISION

February 25, 2005

Remax Brokerage  
400 S. Sepulveda Blvd Suite#100  
Manhattan Beach, CA 90266  
ATTN: **Brett O'Keefe**

Reference: **57 Units, Lincoln Heights**  
Order Number: **9759521**

In connection with the above referenced order, enclosed please find the following:

1.  Preliminary Title Report
2.  Preliminary Subdivision Report
3.  Vesting Deeds/PIQ Maps
4.  Underlying Schedule B Documents
5.  Item # \_\_\_\_\_ of Schedule B Documents to follow
6.  Covenants, Conditions and Restrictions Documents
7.  Plotted Easements
8.  Plotted Easements to follow
9.  Documents on disk
10.  5 Years Tax History
11.  Full Size Map

**Please send all correspondence to the Title Unit.**

Sincerely,

Ed Lam  
Docs Control  
Major Accounts Division

*1300 Dove Street, Suite 310, Newport Beach, California 92660  
Phone: (949) 622-5000 Fax: (949) 477-3616*



# Fidelity National Title Company

Major Accounts Division  
1300 Dove Street, Suite 310 • Newport Beach, CA 92660  
(949) 622-4845 • FAX (949) 477-6813

## PRELIMINARY REPORT

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TITLE OFFICER: David James  
TO: ReMax Commercial Brokerage  
400 S. Sepulveda Blvd, Suite 100  
Manhattan Beach, CA 90266  
ATTN: Brett O'Keefe  
YOUR REFERENCE.: 57 Units, Lincoln Heights  
PROPERTY ADDRESS: 3711 Baldwin Street, Los Angeles, California

ORDER NO.: 9759521  
LOAN NO.:  
SHORT TERM RATE:

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EFFECTIVE DATE: February 16, 2005, 07:30 A.M.

The form of Policy or Policies of title insurance contemplated by this report is:

American Land Title Association Loan Policy (10-17-92) with A.L.T.A. Form 1 Coverage

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:  
A CONDOMINIUM, as defined in Sections 783 & 1351(f) of the California Civil Code, in fee
2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:  
CONSTANTINO NOVAL, as Trustees of the Constantino Noval Revocable Living Trust
3. THE LAND REFERRED TO IN THIS REPORT IS SITUATED IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:  
SEE EXHIBIT "ONE" ATTACHED HERETO AND MADE A PART HEREOF

\rr 02/22/2005

**EXHIBIT "ONE"**

LOT 1 OF TRACT NO. 50779, IN THE CITY OF LOS ANGELES COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1202 PAGES 3 AND 4 OF MAPS, RECORDS OF SAID COUNTY.

EXCEPT THEREFROM:

PARCEL 1:

THE UNDIVIDED INTEREST AS TENANTS IN COMMON IN AND TO THAT PORTION OF LOT 1 OF TRACT NO. 50779, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 1202 PAGES 3 AND 4 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SHOWN AND DEFINED AS MODULES A & B ON THAT CERTAIN CONDOMINIUM PLAN RECORDED FEBRUARY 23, 1996 AS INSTRUMENT NO. 96-296191, OF OFFICIAL RECORDS OF SAID COUNTY.

PARCEL 1A:

UNITS 101, 102, 201, 203, 204, 301, 302, 303, 304, 305, 401, 402, 403, 404, 501, 502, 503 & 504 AS SHOWN AND DEFINED ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 1B:

AN EXCLUSIVE EASEMENT FOR BALCONY PURPOSES, OVER THAT PORTION OF THE ASSOCIATION PROPERTY SHOWN AND DEFINED ON THE ABOVE REFERENCED CONDOMINIUM PLAN AS MODULES "A & B" INCLUDED WITHIN THOSE CERTAIN AREA DEFINED AND DELINEATED ON SAID CONDOMINIUM PLAN AS "BALCONIES", "B", WHICH ADJOINS THE UNIT REFERENCED IN THE ABOVE DESCRIBED PARCEL 2.

PARCEL 2:

THE AN UNDIVIDED INTEREST AS TENANT IN COMMON IN AND TO THAT PORTION OF LOT 1 OF TRACT NO. 50779, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 1202, PAGES 3 AND 4 OF MAPS, IN THE OFFICE OF HTE COUNTY RECORDER OF SAID COUNTY, SHOWN AND DEFINED AS MODULE "A & B" ON THAT CERTAIN CONDOMINIUM PLAN RECORDED NOVEMBER 4, 1996 AS INSTRUMENT NO. 96-1789216, OF OFFICIAL RECORDS OF SAID COUNTY.

PARCEL 2A:

UNIT 1501, 5012, 1503, 1504, 1601, 1602, 1603, 1604, 1701, 1702, 1703, 1704, 1705, 1801, 1802, 1803, 1804, 1805, 1806, 1807, 1808, 1809, 1810, 1811, 1812, 1901, 1902, 1903, 1904, 1905, AS SHOWN AND DEFINED ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 2B:

AN EXCLUSIVE EASEMENT FOR BALCONY PURPOSES, OVER THOSE PORTIONS OF THE ASSOCIATION PROPERTY SHOWN AND DEFINED ON THE ABOVE REFERENCED CONDOMINIUM PLAN AS MODULES "A & B", INCLUDED WITHIN THOSE CERTAIN AREAS DEFINED AND DELINEATED ON SAID CONDOMINIUM PLAN AS "BALCONIES", "B-1", AND "B-2", WHICH ADJOIN THE UNIT REFERENCED IN THE ABOVE DESCRIBED PARCEL 2.

NOTE: SAID LAND IS ALSO KNOWN AS THE NORTHERLY 297.01 FEET OF LOT 1 OF SAID TRACT.

Assessor's Parcel No: 5211-013-097

**AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:**

1. **Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2005-2006.**
  
2. **Property taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2004-2005, Assessor's Parcel Number 5211-013-097.**  
  
Code Area Number: 0000004  
1st Installment: \$8,878.00 Paid  
2nd Installment: \$8,877.98 Open  
Land: \$1,500,000.00  
Improvements: \$0.00  
Exemption: \$0.00  
Personal Property: \$0.00  
  
Affects: A portion of the land described herein.
  
3. **Said property has been declared tax defaulted for non-payment of delinquent taxes for the fiscal year 2003-2004.**  
  
APN: 5211-013-035  
Default No.: None Shown  
Default Date: None Shown  
  
Amounts to redeem for the above stated fiscal year (and subsequent years, if any) are:  
  
Amount: \$29,738.26  
By: March 1, 2005  
  
Affects: A portion of the land described herein.
  
4. **The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (Commencing with Section 75) of the Revenue and Taxation code of the State of California.**
  
5. **Water rights, claims or title to water, whether or not disclosed by the public records.**
  
6. **The right of the city of Los Angeles to regulate and control the sale, and occupancy of said land as a part of said authority's low and moderate income housing program, pursuant to 15 ordinance of said sale, as disclosed by the declaration of covenants, conditions and restrictions recorded December 10, 1991 as Instrument No. 91-1938796 of Official Records.**
  
7. **The terms and conditions of a document entitled "Homeownership Development Agreement", executed by State of California, Department of Housing and Community Development and City of View Terraces, a California limited partnership, and subject to provisions as contained therein, recorded December 17, 1992, as Instrument No. 92-2369053, Official Records.**

**8. A covenant and agreement entitled ""**

Executed by: City View Terraces, a California limited partnership  
 In favor of: City of Los Angeles  
 Recorded: April 15, 1993, Instrument No. 93-712460, of Official Records

Which among other things provides:

Reference is hereby made to said document for full particulars.

This covenant and agreement shall run with the land and shall be binding upon any future owners, encumbrancers, their successors or assigns, and shall continue in effect until the advisory agency approves termination.

**9. A covenant and agreement**

Executed by: City View Terraces, a California limited partnership  
 In favor of: City of Los Angeles  
 Recorded: August 25, 1993, Instrument No. 93-1660853, of Official Records

Reference is hereby made to said document for full particulars.

This covenant and agreement shall run with the land and shall be binding upon any future owners, encumbrancers, their successors or assigns, and shall continue in effect until the advisory agency approves termination.

**10. Easement(s) for the purposes(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract 50779.**

Purpose: Public utilities  
 Affects: A portion of said land

**11. The terms and conditions of document entitled "Condominium Plan", executed by City View Terraces, a California limited partnership, and subject to provisions as contained therein, recorded December 3, 1993 as Instrument No. 93-2370005, Official Records.**

Said Condominium Plan was purportedly modified by that certain document entitled "Amended and Restated Condominium Plan Phase II", executed by City View Terraces, a California limited partnership, upon and subject to all the terms and provisions contained therein, recorded February 23, 1996 as Instrument No. 96-296191, Official Records.

**12. The matters set forth in the document shown below which, among other things, contains or provides for: certain easements; liens and the subordination thereof; provisions relating to partition; restrictions on severability of component parts; and covenants, conditions and restrictions (deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin).**

Entitled:  
 Recorded: December 3, 1993, Instrument No. 93-2370006, of Official Records

The provisions of said covenants, conditions and restrictions were extended to include the herein described land by an instrument

Recorded: December 3, 1993, Instrument No. 93-2370007, of Official Records

**13. A covenant and agreement**

Executed by: City View Terraces, a California limited partnership  
 In favor of: City View Terrace Condominium Homeowner's Association  
 Recorded: October 5, 1995, Instrument No. 1614316, of Official Records

Reference is hereby made to said document for full particulars.

This covenant and agreement shall run with the land and shall be binding upon any future owners, encumbrancers, their successors or assigns, and shall continue in effect until the advisory agency approves termination.

**14. The terms and conditions of a document entitled "Model Dwelling Affidavit" executed by City View Terrace, and subject to provisions as contained therein, recorded June 12, 1995 as Instrument No. 95-935204, Official Records.**

**15. A covenant and agreement**

Executed by: City View Terraces, a California limited partnership  
 In favor of: City of Los Angeles  
 Recorded: June 21, 1996, Instrument No. 96-1150570, of Official Records

Reference is hereby made to said document for full particulars.

This covenant and agreement shall run with the land and shall be binding upon any future owners, encumbrancers, their successors or assigns, and shall continue in effect until the advisory agency approves termination.

**16. Any invalidity or defect in the title of the vestees in the event that the trust referred to herein is invalid or fails to grant sufficient powers to the trustee(s) or in the event there is a lack of compliance with the terms and provisions of the trust instrument.**

If title is to be insured in the trustee(s) of a trust, (or if their act is to be insured), this Company will require a Trust Certification pursuant to California Probate Code Section 18100.5. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

**17. If title is to be insured in the trustee(s) of a trust, (or if their act is to be insured), this Company will require a Trust Certification pursuant to California Probate Code Section 18100.5. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.**

**18. Any easements not disclosed by those public records which impart constructive notice as to matters affecting title to real property and which are not visible and apparent from an inspection of the surface of said land.**

**19. Matters which may be disclosed by an inspection and/or by a correct ALTA/ACSM Land Title Survey of said land that is satisfactory to this Company, and/or by inquiry of the parties in possession thereof.**

20. This company will require a statement of information from the parties named below in order to complete this report, based on the effect of documents, proceedings, liens, decrees, or other matters which do not specifically describe said land, but which, if any do exist, may affect the title or impose liens or encumbrances thereon. After review of the requested Statement(s) of Information the Company may have additional requirements before the issuance of any policy of title insurance.

Parties: All parties

(Note: The statement of information is necessary to complete the search and examination of title under this order. Any title search includes matters that are indexed by name only, and having a completed statement of information assists the Company in the elimination of certain matters which appear to involve the parties but in fact affect another party with the same or similar name. Be assured that the statement of information is essential and will be kept strictly confidential to this file).

### END OF ITEMS

- Note 1. The only deeds affecting said land, which recorded within twenty-four (24) months of the date of this report, as are follows:
- Grantor: City View Terraces, a California limited partnership by Telacu Affordable Housing, Inc. a California corporation  
 Grantee: Constantino Noval, as Trustee of the Constantino Noval Revocable Living Trust  
 Recorded: July 17, 2003, Instrument No. 03-2038785, of Official Records
- Note 2. If you are aware of any improvements whatsoever that have been recently completed, that are ongoing, or contemplated prior to closing, this office must be informed of these facts immediately so that your transaction is not delayed.
- Note 3. Section 12413.1, California Insurance Code became effective January 1, 1990. This legislation deals with the disbursement of funds deposited with any title entity acting in an escrow or subescrow capacity. The law requires that all funds be deposited and collected by the title entity's escrow and/or subescrow account prior to disbursement of any funds. Some methods of funding may subject funds to a holding period which must expire before any funds may be disbursed. In order to avoid any such delays, all fundings should be done through wire transfer, certified check or checks drawn on California financial institutions.
- Note 4. The charge where an order is cancelled after the issuance of the report of title, will be that amount which in the opinion of the Company is proper compensation for the services rendered or the purpose for which the report is used, but in no event shall said charge be less than the minimum amount required under Section 12404.1 of the Insurance Code of the State of California. If the report cannot be cancelled "no fee" pursuant to the provisions of said Insurance Code, then the minimum cancellation fee shall be that permitted by law.
- Note 5. California Revenue and Taxation Code Section 18662, effective January 1, 1994 and by amendment effective January 1, 2003, provides that the buyer in all sales of California Real Estate may be required to withhold 3 and 1/3% of the total sales price as California State Income Tax, subject to the various provisions of the law as therein contained.



## WIRING INSTRUCTIONS

Senate Bill 1550, which became effective January 1, 1985, requiring the title companies to disburse on collected funds has raised many questions. The following information is provided to assist our customers with the law:

The fastest method for receiving collected funds is by wire transfer of funds credited to your account. The following instructions should be used when funds are being wired to our bank:

EFFECTIVE NOVEMBER 16, 2001

Wire funds through the Federal Reserve Bank to:

Union Bank of California, Los Angeles, CA

ABA No.: 122000496

Credit to: Fidelity National Title, Corona Title Trust Account  
Account No. 9100744500

Title Order No.: 9759521

## NOTICE

You may be entitled to receive a \$20.00 discount on escrow services if you purchased, sold or refinanced residential property in California between May 19, 1995 and November 1, 2002. If you had more than one qualifying transaction, you may be entitled to multiple discounts.

If your previous transaction involved the same property that is the subject of your current transaction, you do not have to do anything. The Company will provide the discount, provided you are paying for escrow or title services in this transaction.

If your previous transaction involved property different from the property that is the subject of your current transaction, you must inform the Company of the earlier transaction, provide the address of the property involved in the previous transaction, and the date or approximate date that the escrow closed to be eligible for the discount.

Unless you inform the Company of the prior transaction on property that is not the subject of this transaction, the Company has no obligation to conduct an investigation to determine if you qualify for a discount. If you provide the Company information concerning a prior transaction, the Company is required to determine if you qualify for a discount.

REQUEST FOR \$20.00 DISCOUNT - CA SETTLEMENT  
Use one form for each qualifying property

To: Fidelity National Title

Date:

From:  
(name)

Current Address:

I believe that I am qualified for the \$20.00 discount pursuant to the coordinated stipulated judgments entered in actions filed by both the Attorney General and private class action plaintiffs. I have not previously received a cash payment or a discount from another Company on the property described below.

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_

Address of  
Qualifying property:

Approximate date  
of transaction:

=====  
=====THIS SECTION IS FOR TITLE DEPARTMENT USE  
ONLY.

The above referenced party is entitled to receive a \$20.00 discount on escrow services or title insurance pursuant to the coordinated stipulated judgments entered in actions filed by both the Attorney General and private class action plaintiffs.

OR

The above referenced party does not qualify for the \$20.00 discount pursuant to the coordinated stipulated judgments entered in actions filed by both the Attorney General and private class action plaintiffs for the following reason:

The party has previously received credit for the transaction described above.

The transaction described above did not occur in the time period allowed by the stipulated judgments - May 19, 1995 to November 1 2002.

TITLE DEPARTMENT  
PLEASE FAX YOUR RESPONSE TO:

Escrow No. \_\_\_\_\_

Escrow Officer: \_\_\_\_\_

Fax Number: \_\_\_\_\_

## EXHIBIT A

### AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY (6-1-87) EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
  - land use
  - improvements on the land
  - land division
  - environmental protectionThis exclusion does not apply to violations or the enforcement of these matters which appear in the public records at policy date.
2. The right to take the land by condemning it, unless:
  - a notice of exercising the right appears in the public records on the Policy Date
  - the taking happened prior to the Policy Date and is binding on you if you bought the land without knowledge of the taking

In addition to the Exclusions, you are not insured against loss, costs, attorneys' fees, and the expenses resulting from:

1. Any rights, interests, or claims of parties in possession of the land not shown by the public records.
2. Any easements or liens not shown by the public records. This does not limit the lien coverage in Item 8 of Covered Title Risks.

#### 3. Title Risks:

- that are created, allowed, or agreed to by you
- that are known to you, but not to us, on the Policy Date unless they appeared in the public records
- that result in no loss to you
- that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks

#### 4. Failure to pay value for your title.

#### 5. Lack of a right:

- to any land outside the area specifically described and referred to in Item 3 of Schedule A or
  - in streets, alleys, or waterways that touch your land
- This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

3. Any facts about the land which a correct survey would disclose and which are not shown by the public records. This does not limit the forced removal coverage in Item 12 of Covered Title Risks.

4. Any water rights or claims or title to water in or under the land, whether or not shown by the public records.

### CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990 EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to the occupancy, use, or enjoyment of the land; (b) the character, dimensions or location of any improvement now or hereafter erected on the land; (c) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (d) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. (a) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
3. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
4. Defects, liens, encumbrances, adverse claims, or other matters:

(a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;

(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;

(c) resulting in no loss or damage to the insured claimant;

(d) attaching or created subsequent to Date of Policy; or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.

5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.

6. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

### SCHEDULE B, PART I EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

#### PART I

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be ascertained by persons in possession thereof.

3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortages in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.

**EXHIBIT A  
(CONTINUED)**

**AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92)  
WITH A.L.T.A. ENDORSEMENT-FORM 1 COVERAGE  
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.  
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:  
(a) created, suffered, assumed or agreed to by the insured claimant;  
(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;  
(c) resulting in no loss or damage to the insured claimant;  
(d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy); or  
(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid

- value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable zoning business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgage insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:  
(i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or  
(ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or  
(iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:  
(a) to timely record the instrument of transfer; or  
(b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

**AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92)  
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.  
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:  
(a) created, suffered, assumed or agreed to by the insured claimant;  
(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;  
(c) resulting in no loss or damage to the insured claimant;  
(d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy); or  
(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid

- (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;  
(c) resulting in no loss or damage to the insured claimant;  
(d) attaching or created subsequent to Date of Policy; or  
(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:  
(i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or  
(ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:  
(a) to timely record the instrument of transfer; or  
(b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above ALTA policy forms, dated 10-17-92, may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following General Exceptions:

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortages in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

**EXHIBIT A**  
**(CONTINUED)**

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (6-2-98)**  
**ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10-17-98)**  
**EXCLUSIONS**

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning:
  - a. building
  - b. zoning
  - c. Land use
  - d. improvements on Land
  - e. Land division
  - f. environmental protectionThis Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.  
This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
3. The right to take the Land by condemning it, unless:
  - a. notice of exercising the right appears in the Public Records at the Policy Date; or
  - b. the taking happened before the Policy Date and is binding on You if You bought the Land without knowing of the taking.

4. Risks:
  - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
  - b. that are known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;
  - c. that result in no loss to You; or
  - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8(d), 22, 23, 24 or 25.
5. Failure to pay value for Your Title.
6. Lack of a right:
  - a. to any Land outside the area specifically described and related to in paragraph 3 of Schedule A; and
  - b. in streets, alleys, or waterways that touch the Land.This Exclusion does not limit the coverage described in Covered Risk 11 or 18.

**ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01)**  
**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvements now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or area of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the Public Records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the Insured Claimant;
  - (b) not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (this paragraph does limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 28); or
  - (e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.

4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the Land is situated.
5. Invalidity or unenforceability of the lien of the Insured Mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
6. Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(e) and 26.
7. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to advances or modifications made after the Insured has knowledge that the vessel shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This exclusion does not limit the coverage provided in Covered Risk 8.
8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are known to the Insured at:
  - (a) The time of the advance; or
  - (b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.
9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.



Fidelity National Financial Group of Companies' Privacy Statement

July 1, 2001

We recognize and respect the privacy expectations of today's consumers and the requirements of applicable federal and state privacy laws. We believe that making you aware of how we use your non-public personal information ("Personal Information"), and to whom it is disclosed, will form the basis for a relationship of trust between us and the public that we serve. This Privacy Statement provides that explanation. We reserve the right to change this Privacy Statement from time to time consistent with applicable privacy laws.

In the course of our business, we may collect Personal Information about you from the following sources:

- From applications or other forms we receive from you or your authorized representative;
- From your transactions with, or from the services being performed by, us, our affiliates, or others;
- From our internet web sites;
- From the public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others; and
- From consumer or other reporting agencies.

**Our Policies Regarding the Protection of the Confidentiality and Security of Your Personal Information**

We maintain physical, electronic and procedural safeguards to protect your Personal Information from unauthorized access or intrusion. We limit access to the Personal Information only to those employees who need such access in connection with providing products or services to you or for other legitimate business purposes.

**Our Policies and Practices Regarding the Sharing of Your Personal Information**

We may share your Personal Information with our affiliates, such as insurance companies, agents, and other real estate settlement service providers. We also may disclose your Personal Information:

- to agents, brokers or representatives to provide you with services you have requested;
- to third-party contractors or service providers who provide services or perform marketing or other functions on our behalf; and
- to others with whom we enter into joint marketing agreements for products or services that we believe you may find of interest.

In addition, we will disclose your Personal Information when you direct or give us permission, when we are required by law to do so, or when we suspect fraudulent or criminal activities. We also may disclose your Personal Information when otherwise permitted by applicable privacy laws such as, for example, when disclosure is needed to enforce our rights arising out of any agreement, transaction or relationship with you.

One of the important responsibilities of some of our affiliated companies is to record documents in the public domain. Such documents may contain your Personal Information.

**Right to Access Your Personal Information and Ability to Correct Errors or Request Changes or Deletion**

Certain states afford you the right to access your Personal Information and, under certain circumstances, to find out to whom your Personal Information has been disclosed. Also, certain states afford you the right to request correction, amendment or deletion of your Personal Information. We reserve the right, where permitted by law, to charge a reasonable fee to cover the costs incurred in responding to such requests.

All requests must be made in writing to the following address:

Privacy Compliance Officer  
Fidelity National Financial, Inc.  
601 Riverside Avenue  
Jacksonville, FL 32204

**Multiple Products or Services**

If we provide you with more than one financial product or service, you may receive more than one privacy notice from us. We apologize for any inconvenience this may cause you.



Vestins

This page is part of your document - DO NOT DISCARD

03 2038785

RECORDED/FILED IN OFFICIAL RECORDS  
RECORDER'S OFFICE  
LOS ANGELES COUNTY  
CALIFORNIA  
JUL 17 2003 AT 8 A.M.

TITLE(S) : DEED



FEE  
FEE \$16 JJ  
4

D.T.T <sup>00</sup>  
1650  
6750 <sup>02</sup>

NOTIFICATION SENT \$4  
©

CODE  
20

CODE  
19

CODE  
9

Assessor's Identification Number (AIN)

To be completed by Examiner OR Title Company In black ink.

Number of Parcels Shown

5211-013-035

001

THIS FORM NOT TO BE DUPLICATED

UNITED TITLE CO.

RECORDING REQUESTED BY

03 2038785

1117103

2

AND WHEN RECORDED MAIL TO

Constantino Noval, as Trustee  
P.O. Box 65123  
Los Angeles, CA 90065

20301212-9

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Assessor's Parcel No.(s)

40 GRANT DEED 44

The undersigned grantor(s) declare(s):  
Documentary transfer tax is \$1,650.00 City - \$6,750.00  
(X) computed on full value of the interest of property conveyed, or  
( ) computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale.  
(X) City of: Los Angeles, and

5211-013-035

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,  
City View Terraces, a California Limited Partnership by TELACU Affordable Housing, Inc., a California Corporation,  
hereby GRANTS(S) TO

Constantino Noval, as Trustee of the Constantino Noval Revocable Living Trust,  
the following described real property in the City of Los Angeles,  
County of Los Angeles, State of California:

LOT 1 OF TRACT NO. 50779, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 1202, PAGES 3 AND 4 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF.

PROPERTY ADDRESS: 3711 BALDWIN STREET (LAND), LOS ANGELES, CA, 90022

Dated: JUNE 23, 2003

STATE OF CALIFORNIA,

COUNTY OF Los Angeles ) SS

On 7-11-03 before me

*Gerald T. Barham*  
GERALD T. BARHAM, VICE-PRESIDENT

a Notary Public in and for said state,  
personally appeared

personally known to me (or 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.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (This area for official notarial seal)  
Title Order No. 20301212-9 Escrow or Loan No. 03-10137-CE  
MAIL TAX STATEMENTS TO PARTY SHOWN BELOW; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE.

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

03 2038785

State of California }  
County of LOS ANGELES } ss.

On 7-11-03 before me, CHRISTINA ESPITIA, Notary Public  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")  
personally appeared GERALD T. BARHAM, VICE-PRESIDENT  
Name(s) of Signer(s)

- personally known to me
- 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.



WITNESS my hand and official seal.

*Christina Espitia*  
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: Grant Deed

Document Date: 6-23-03 Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer**

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer -- Title(s): VICE-PRESIDENT
- Partner --  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_



ORDER NO 20301212-9

EXHIBIT "A"

LOT 1 OF TRACT NO. 50779, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1202 PAGES 3 AND 4 OF MAPS, RECORDS OF SAID COUNTY.

EXCEPT THEREFROM:

PARCEL 1:

THE UNDIVIDED INTEREST AS TENANTS IN COMMON IN AND TO THAT PORTION OF LOT 1 OF TRACT NO. 50779, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 1202 PAGES 3 AND 4 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SHOWN AND DEFINED AS MODULES A & B ON THAT CERTAIN CONDOMINIUM PLAN RECORDED FEBRUARY 23, 1996 AS INSTRUMENT NO. 96-296191, OF OFFICIAL RECORDS OF SAID COUNTY.

PARCEL 1A:

UNITS 101, 102, 201, 203, 204, 301, 302, 303, 304, 305, 401, 402, 403, 404, 501, 502, 503 & 504 AS SHOWN AND DEFINED ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 1B:

AN EXCLUSIVE EASEMENT FOR BALCONY PURPOSES, OVER THAT PORTION OF THE ASSOCIATION PROPERTY SHOWN AND DEFINED ON THE ABOVE REFERENCED CONDOMINIUM PLAN AS MODULES "A & B" INCLUDED WITHIN THOSE CERTAIN AREA DEFINED AND DELINEATED ON SAID CONDOMINIUM PLAN AS "BALCONIES", "B", WHICH ADJOINS THE UNIT REFERENCED IN THE ABOVE DESCRIBED PARCEL 2.

PARCEL 2:

THE AN UNDIVIDED INTEREST AS TENANT IN COMMON IN AND TO THAT PORTION OF LOT 1 OF TRACT NO. 50779, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 1202, PAGES 3 AND 4 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SHOWN AND DEFINED AS MODULE "A & B" ON THAT CERTAIN CONDOMINIUM PLAN RECORDED NOVEMBER 4, 1996 AS INSTRUMENT NO. 96-1789216, OF OFFICIAL RECORDS OF SAID COUNTY.

PARCEL 2A:

03 2038785

ORDER NO 20301212-9

UNITS 1501, 5012, 1503, 1504, 1601, 1602, 1603, 1604, 1701, 1702, 1703, 1704, 1705, 1801, 1802, 1803, 1804, 1805, 1806, 1807, 1808, 1809, 1810, 1811, 1812, 1901, 1902, 1903, 1904, 1905, AS SHOWN AND DEFINED ON THE ABOVE REFERENCED CONDOMINIUM PLAN.

PARCEL 2B:

AN EXCLUSIVE EASEMENT FOR BALCONY PURPOSES, OVER THOSE PORTIONS OF THE ASSOCIATION PROPERTY SHOWN AND DEFINED ON THE ABOVE REFERENCED CONDOMINIUM PLAN AS MODULES "A & B", INCLUDED WITHIN THOSE CERTAIN AREAS DEFINED AND DELINEATED ON SAID CONDOMINIUM PLAN AS "BALCONIES", "B-1" AND "B-2", WHICH ADJOIN THE UNIT REFERENCED IN THE ABOVE DESCRIBED PARCEL 2.

NOTE: SAID LAND IS ALSO KNOWN AS THE NORTHERLY 297.01 FEET OF LOT 1 OF SAID TRACT.

03 2038785

1-800-345-7334

5211 13

SCALE 1" = 100'  
P.L.S. 2-24

OFFICE OF ASSESSOR  
COUNTY OF LOS ANGELES  
COPYRIGHT © 1993

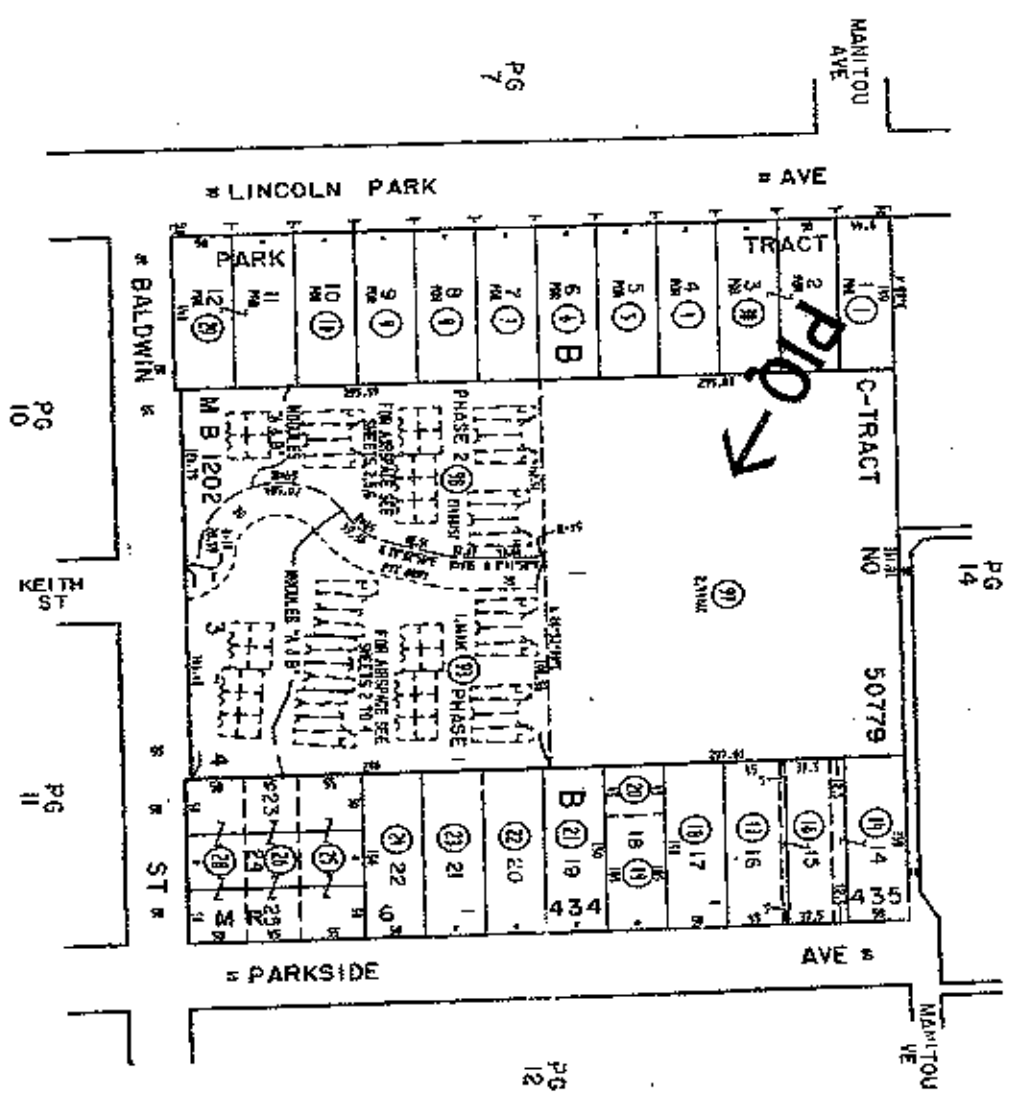
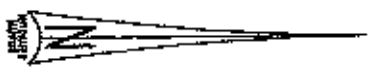
REVIEWED  
3/31/93  
3/31/93

3/31/93  
3/31/93

1999



SCALE IN 1/10 OF AN INCH



THIS MAP IS FURNISHED AS A MATTER OF ACCOMMODATION ONLY.  
AND NO LIABILITY IS ASSUMED BY ITS ATTACHMENT TO THE  
POLICY OF TITLE INSURANCE COMPANY.  
FIDELITY NATIONAL TITLE INSURANCE COMPANY.

MAY 21 1998



#6

91-1938796

91-1938796

RECORDING REQUESTED BY

RECORDED IN OFFICIAL RECORDS  
RECORDER'S OFFICE  
LOS ANGELES COUNTY  
CALIFORNIA  
31 MIN. 1 PM DEC 10 1991  
PAST.

AND WHEN RECORDED MAIL TO:

NAME: Housing Authority of the City of Los Angeles  
Attention: Operations  
STREET: 515 Columbia Avenue  
CITY, STATE & : Los Angeles, California 90017  
ZIP CODE

SPACE ABOVE THIS LINE FOR  
RECORDER'S USE

AGREEMENT FOR DEVELOPMENT OF  
UNITS FOR LEASE OR SALE  
("15% ORDINANCE")

FREE F

This Agreement is entered into on 12 - 10 1991  
by and between TELACU  
his/her successors and assigns, hereinafter referred to as the  
"DEVELOPER," at business address: 5400 E. Olympic Blvd. Ste 300

Los Angeles, California 90022  
State of California, and the Housing Authority of the City of  
Los Angeles by the Executive Director of the Housing Authority  
acting pursuant to Section 12.39B of the Los Angeles Municipal  
Code, hereinafter referred to as the "HOUSING DIRECTOR."

WITNESSETH

WHEREAS, Ordinance No. 145927 entitled, "An Ordinance  
amending Sections 12.03 and 13.04 of the Los Angeles Municipal  
Code and adding Section 12.39 thereto," was passed by the City  
Council of the City of Los Angeles on April 30, 1974 and  
approved by the Mayor on April 30, 1974; and

WHEREAS, Ordinance No. 159162 entitled, "An Ordinance  
Amending Los Angeles Municipal Code Section 12.39 regarding low  
and moderate income housing," was passed by the City Council of  
the City of Los Angeles on July 3, 1984, and approved by the  
Mayor on July 10, 1984; and

WHEREAS, Ordinance No. 145927 and Ordinance No. 159162  
were enacted for the purpose of making increased housing  
opportunities in the City of Los Angeles available to low and  
moderate income households; and



WHEREAS, DEVELOPER desires to develop a Housing Development subject to said Ordinances by construction pursuant to a building permit or by conversion to condominium ownership pursuant to a final subdivision tract map; and

WHEREAS, DEVELOPER is the owner of property commonly known as (street address) 3711 BALDWIN STREET CITY OF LOS ANGELES

Los Angeles, California and further described in Exhibit A attached hereto and made a part hereof, hereinafter referred to as "HOUSING DEVELOPMENT" or "DEVELOPMENT;" and

WHEREAS, said Ordinances require the proper execution, recordation and submission to the Department of Building and Safety of agreements between DEVELOPER and the Housing Authority pursuant to said Ordinances before any such building permit is issued or final tract map is approved; and

WHEREAS, a Special power of Attorney has been duly authorized and executed between the City of Los Angeles (Council File No. 83-0049) and the Housing Authority (Resolution No. 5411), which authorizes the Superintendent of Building and General Manager of the Department of Building and Safety to execute this Agreement on behalf of the HOUSING DIRECTOR; and

NOW, THEREFORE, DEVELOPER and HOUSING DIRECTOR have read said Ordinances and pursuant to the requirements therein, do covenant and agree as follows:

SECTION 1 GENERAL PROVISIONS

A. That DEVELOPER agrees to comply with all requirements of Ordinance No. 145927 and Ordinance No. 159152 (hereinafter referred to as the "ORDINANCE") which are herein incorporated by reference and made a part of this Agreement as though fully set forth.

B. That all provisions contained in this Agreement shall be interpreted as being consistent with the ORDINANCE and in the event of conflicting language, the ORDINANCE shall prevail and be controlling.

C. That words and phrases used in this Agreement shall be interpreted pursuant to the definitions set forth in the ORDINANCE.

D. When used in this Agreement, "OWNER" means the owner of a Housing Development subject to the provisions of the ORDINANCE and shall include one who has purchased a dwelling unit in the Housing Development at a foreclosure sale or acquired the property by deed in lieu of foreclosure.

SECTION 2 HOUSING DEVELOPMENT

A. DEVELOPER agrees to make every reasonable effort to develop at least 6 percent of the total number of units in the Development at a cost which would allow them to be rented or sold as low-income dwelling units at fair or market value and at least an additional 9 percent of the total number of units in the Development at a cost which would allow them to be rented or sold as low or moderate-income dwelling units at fair market value.

B. DEVELOPER agrees to make such units available at the fair market value to the Housing Authority or to low or moderate income households approved by the Housing Authority.

C. DEVELOPER agrees that any such units developed in accordance with subsection A and B shall continue to be available as low or moderate income dwelling units.

SECTION 3 LEASE-RIGHT OF FIRST REFUSAL

A. If DEVELOPER, after every reasonable effort to comply with Section 2 of this Agreement, determines that it cannot so comply, DEVELOPER hereby grants to the Housing Authority the continuing right of first refusal to lease at fair market value any of the units in the Development, up to a total of 15% of the total number of units in the Development as specified in the ORDINANCE.

B. DEVELOPER agrees that the Housing Authority may exercise its right of first refusal at the then fair market value whenever all occupants of any unit in the Development terminate or give notice of intent to terminate their occupancy, and after such termination fewer than 15% of the total number of units in the Development would be occupied as low or moderate income dwelling units.

C. When funding is available, the Housing Authority shall notify the DEVELOPER or OWNER that it may wish to exercise its right of first refusal. After such notification, DEVELOPER or OWNER shall immediately notify the Housing Authority in writing of any such terminations or intents to terminate as they occur.

D. Failure by the Housing Authority to respond within seven (7) days after receipt of a notice from the DEVELOPER or OWNER shall be deemed a decision by the Housing Authority to not exercise its right of first refusal for that single termination of the particular unit. The failure to respond is deemed a decision by the Housing Authority for the single notice of termination or intent to terminate and shall not preclude the Housing Authority from exercising its right of first refusal at any other time.

SECTION 4 SALE-CONTINUING RIGHTS

A. IF DEVELOPER of units for sale, after every reasonable effort to comply with Section 2 of this Agreement, determines that it cannot so comply, DEVELOPER hereby grants to the Housing Authority the continuing right to require that any units in the Development subsequently available for sale or resale up to a total of 13% of the total number of units, be sold at the then fair market value only to low or moderate income households approved by the Housing Authority.

B. When funding is available, the Housing Authority shall notify the DEVELOPER or OWNER that it may wish to exercise its rights pursuant to this Section. After such notification, DEVELOPER or OWNER shall immediately notify the Housing Authority in writing of the availability of a subject unit as it occurs. DEVELOPER or OWNER should indicate the fair market value of the property in the notification.

C. Failure by the Housing Authority to respond within seven (7) days after receipt of a notice from the DEVELOPER or OWNER shall be deemed a decision by the Housing Authority to not exercise its right pursuant to this section. The failure to respond is deemed a decision by the Housing Authority for the single notice of termination or intent to terminate and shall not preclude the Housing Authority from exercising its rights pursuant to this section at any other time.

D. In the event of any sale, transfer, assignment or any other change in ownership of the Development, DEVELOPER, its heirs, executors, administrators, bankruptcy trustees or masters shall notify the HOUSING DIRECTOR, in writing, of the name and address of said new owner of the Development.

E. In the event the Housing Development is made available for rental, the DEVELOPER or OWNER shall notify the Housing Authority in writing and shall comply with the lease provisions of Section 2 and Section 3.

SECTION 5 STANDARDS

DEVELOPER or OWNER agrees that low and moderate income dwelling units required by this section shall:

- A. Be reasonably dispersed throughout the Development;
- B. Generally reflect the average number of bedrooms per dwelling unit for the development as a whole;

91 1938796

C. Be designed to harmonize with other residential structures and units in the Development.

**SECTION 6 ENFORCEMENT**

A. This agreement shall run with the land and the right to enforce this Agreement through any proceedings at law or in equity lies only with the Housing Authority, its successors, the HOUSING DIRECTOR, and the City of Los Angeles.

B. All covenants of the parties hereto are expressly declared to be binding upon the heirs, executors, administrators, assignees, transferees and successors of the respective parties.

C. In addition to the above, DEVELOPER agrees to incorporate the provisions and terms of this Agreement into all documents which transfer any right or interest in the Housing Development or in any dwelling unit in the Development and into any Declaration of Covenants, Conditions and Restrictions. The Housing Authority, its successors, and the City of Los Angeles shall be the beneficiaries of any such provision.

D. It is understood and agreed that no waiver of a breach of any of the provisions of this Agreement shall be construed as a waiver of any other breach; nor shall failure to enforce any portion of this Agreement be construed as a waiver of any of the conditions of this Agreement.

E. In the event DEVELOPER or OWNER or their successors and assigns attempt to sell a dwelling unit subject to the provisions of this Agreement without affording the Housing Authority the rights granted in this Agreement, such sale shall be voidable and may be set aside by the Housing Authority in addition to any other remedy provided by law.

F. It is expressly agreed that if any condition or restriction contained herein or any portion thereof is invalid or void, such shall in no way affect any other condition or restriction.

G. Should any mortgage or deed of trust, now or hereafter existing on the above described property, be foreclosed, then title acquired by such foreclosure and the person or persons who thereupon and thereafter become the owner of such property shall be subject to and bound by all terms of this Agreement.

H. Any provision hereof to the contrary notwithstanding, (1) the continuing rights created hereby shall have no applicability whatsoever to any foreclosure sale (whether

judicial or non-judicial) conducted under or pursuant to the terms of a valid deed of trust; (2) the provisions of this instrument shall not invalidate the lien of any mortgage or deed of trust made in good faith and for value, but the terms of this Agreement shall be binding upon any person whose title is derived through foreclosure sale or trustee's sale, including the purchaser at said sales.

I. Any or all of the obligations of DEVELOPER set forth in this Agreement may be released by an instrument executed under the authority of an Ordinance of the City of Los Angeles to the extent and by the person directed in each Ordinance. Unless so released, the repeal or Amendment of the ORDINANCE shall not affect the validity, enforceability or construction of this Agreement.

J. DEVELOPER agrees that this Agreement may be executed by any party designated by the Housing Authority on behalf of the Housing Authority, and that such execution by said designated party shall be deemed valid and not subject to attack by DEVELOPER or OWNER, its heirs, executors, administrators, successors and assigns.

#### SECTION 7. GRANTING CLAUSE

DEVELOPER does hereby grant, assign and set over to the Housing Authority and the City of Los Angeles all the rights enumerated in this Agreement which shall run with the land and shall be binding upon all heirs, executors, administrators, assignees, transferees and successors of the respective parties.

All the rights contained in this Agreement are for the direct benefit of the City of Los Angeles, the land therein, its citizens and residents, pursuant to public policy to establish, ensure and preserve adequate, affordable housing throughout the City.

DEVELOPER grants to the Housing Authority and the City of Los Angeles the power to exercise and enforce any and all benefits conferred by this Agreement.

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IN WITNESS WHEREOF, the parties have executed this Agreement at Los Angeles, California, on the day and year first above written.

HOUSING AUTHORITY OF THE  
CITY OF LOS ANGELES

JOSEPH SHOLDINER  
Executive Director

TELACU  
DEVELOPER (name typed or  
printed)

(Signature/s & title/s):  
\_\_\_\_\_  
\_\_\_\_\_

By WARREN V. O'BRIEN  
Superintendent and  
General Manager  
Department of Building  
and Safety  
as Attorney-in-Fact  
for the HOUSING AUTHORITY  
OF THE CITY OF LOS ANGELES

\_\_\_\_\_  
*Warren V. O'Brien*  
\_\_\_\_\_

By *Bob D. Quinn*

DATED: 12-10-91

Executed pursuant to the  
Special Power of Attorney  
granted by the Housing  
Authority of the City of  
Los Angeles

DEVELOPER(S) SIGNATURE(S) MUST BE NOTARIZED

EXHIBIT A

The land referred to in this Agreement is described as follows:

LOT 13, BLOCK B, TRACT 'PARK TRACT'  
AS RECORDED IN LOS ANGELES COUNTY  
M.R.C. 434/175

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Recording requested by  
NORTH AMERICAN TITLE COMPANY

Free Recording Requested Pursuant to Government Code §27481

When Recorded Mail To: )  
State of California )  
Department of Housing and )  
Community Development )  
111 N. La Brea, Suite 500 )  
Inglewood, CA 90301 )  
Attn: Chief, Housing Finance )

RECORDED IN OFFICIAL RECORDS  
OF LOS ANGELES COUNTY, CA  
DEC 17 1992 AT 8 A.M.  
Recorder's Office

32-5586703

Space Above This Line for Recorder's Use

FREE P

201

303

HOMEOWNERSHIP  
DEVELOPMENT AGREEMENT

This Development Agreement (the "Agreement") dated as of October 21, 1992, is made by and between the State of California, Department of Housing and Community Development ("HCD"), and CITY VIEW TERRACES A CALIFORNIA LIMITED PARTNERSHIP ("Developer"), for new construction of seventy-two (72) affordable single-family ownership housing units at 3711 Baldwin Avenue, Los Angeles, California. HCD and Developer hereby covenant and agree as follows:

I. [§ 100] SUBJECT OF AGREEMENT

A. [§ 101] Purpose of the Agreement; Recitals.

1. The purpose of this Agreement is to provide for the development of decent, safe, sanitary and affordable single-family ownership housing in the Century Freeway Corridor to replenish the housing stock of the communities affected by the construction of the Century Freeway, in accordance with the Amended Final Consent Decree ("Consent Decree") in Keith v. Volpe, United States District Court, Central District of California, C.V. 72-355 HP.
2. HCD's Century Freeway Housing Program ("CFHP") intends to provide program funds to be used in combination with other funds to maximize delivery of affordable housing in the Century Freeway Corridor at the lowest program cost.
3. HCD has, by Request for Proposals ("RFP") dated August 16, 1989, solicited proposals for the execution of a program of housing projects in accordance with the terms of the RFP.

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4. Pursuant to the RFP, HCD entered into a Phase II Agreement, dated as of February 11, 1992, with The East Los Angeles Community Union, a California nonprofit corporation ("Packager"), whereby Packager has agreed to support nonprofit corporations and other developers in developing housing projects in accordance with the provisions of the RFP.

5. Developer intends to develop, construct, and sell one or more individual housing projects pursuant to the terms of this Agreement, the RFP and other requirements of law, and the Consent Decree.

B. (§ 102) The Project Site.

Developer has submitted and HCD has approved a site analysis package ("SAP") with respect to the project site ("Site"). The SAP is incorporated into this Agreement by reference. Developer has entered into or will enter into a purchase and sale agreement and has opened or will open escrow for acquisition of the Site which is more particularly described in Attachment 1 hereto.

C. (§ 103) Parties to the Agreement.

1. (§ 104) HCD.

HCD is a public body, corporate and politic, exercising governmental functions and powers, and created by the State of California. The principal office of HCD for purposes of this Agreement is:

Department of Housing and Community Development  
Century Freeway Housing Program  
111 North La Brea Avenue, Suite 500  
Inglewood, California 90301  
Attention: Chief, Housing Finance

2. (§ 105) Developer.

Developer is a limited partnership organized under the laws of the State of California. The principal office of Developer for purposes of this Agreement is:

CITY VIEW TERRACES A CALIFORNIA LIMITED PARTNERSHIP  
c/o TELACU  
5400 E. Olympic Boulevard, Suite 300  
Los Angeles, CA 90022  
Attn: Rick Martinez

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3. (§ 106) Prohibition Against Change in Ownership,  
Management and Control of Development.

The qualifications and identity of the Developer are of particular concern to HCD. It is because of those qualifications and identity that HCD has entered into this Agreement with the Developer. Except as otherwise provided in this Section, no voluntary or involuntary transfer of Developer's interest to a successor in interest shall be permitted or operative without the prior written approval of HCD. Developer agrees and covenants not to assign or transfer all or any part of its rights and obligations under this Agreement without the prior written approval of HCD.

Subject to § 701 hereof, this Agreement may be terminated by HCD if, in the sole opinion of HCD, there is any significant change (voluntary or involuntary) in the composition of Developer prior to the completion of development of the Site pursuant to § 606 of this Agreement. The addition, deletion, or substitution of limited partners of Developer and any change in composition with prior written HCD approval are deemed not to be significant changes in composition of the Developer.

D. (§ 107) Conditions Precedent.

It is understood and acknowledged by the parties hereto that any obligation of HCD referred to in this Agreement shall be subject to Developer's compliance with all the terms hereof, including but not limited to the satisfaction of the conditions precedent to such performance as set forth herein and in the Schedule of Performance attached hereto as Attachment 3.

E. (§ 108) Definitions.

All words and phrases used herein with their initial letters capitalized and not otherwise defined shall have the meanings ascribed to them in Attachment 7 hereto.

II. (§ 200) ACQUISITION OF THE SITE.

A. (§ 201) Purchase and Sale

In accordance with and subject to all the terms, covenants and conditions of this Agreement, Developer agrees to purchase the Site in accordance with a purchase and sale agreement approved by HCD and entered into by Developer and the owner of the Site. Developer agrees that the purchase of the Site shall be consummated and the Site shall be conveyed to Developer on or prior to the time specified in the Schedule of Performance and is a condition of disbursing HCD funds.

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B. (§ 202) Acquisition Costs.

The parties agree that total Acquisition Costs do not exceed three million dollars (\$3,000,000.00) and that Acquisition Costs relative to the 72 affordable units shall be two million forty thousand dollars (\$2,040,000.00).

III. (§ 300) DEVELOPMENT OF THE SITE

A. (§ 301) Scope of the Development.

Developer shall construct one hundred six (106) single-family residential ownership units on the Site of which seventy-two (72) will be affordable in accordance with the provisions of (a) the Scope of Development (Attachment 2 hereto), (b) the Schedule of Performance, (Attachment 3 hereto) and (c) the Plans and Specifications approved by HCD pursuant to this Agreement (hereinafter, the "Project"). For purposes of this Agreement, the terms "construct," "develop," "construction" or "development" shall mean and refer to development of the Project on the Site as provided in the Scope of Development.

Developer shall construct the 72 affordable units of the Project for sale of individual units to low- and moderate-income buyers whose household income does not exceed 120% of the county median income calculated with reference to the Consent Decree, at prices specified in Attachment 4 hereto and as may be modified subsequently with the prior written approval of HCD.

B. (§ 302) HCD Review of Design and Construction Drawings.

HCD shall have the right to review and comment on all plans, drawings and related documents for the Project, together with any changes proposed to such documents or drawings; HCD has no right of approval of such plans and drawings pursuant to this section, and any review and comment by HCD in no way affects Developer's Schedule of Performance.

Developer shall submit for review by HCD the design and construction documents referred to in this Agreement within the times established in the Schedule of Performance. Developer agrees to meet at least one time with HCD to discuss and to consider HCD's comments and suggested revisions.

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Except as provided in this Agreement, HCD neither undertakes nor assumes, nor will have any responsibility or duty to Developer or to any third party, to review, inspect, supervise, pass judgment upon, or inform Developer or any third party of any matter in connection with the development or construction of the Project, whether regarding the quality, adequacy or suitability of the plans, or any labor, service, equipment or material furnished to the Project, or any person furnishing the same, or otherwise. Developer and all third parties shall rely upon its or their own judgment regarding such matters, and any review, inspection, supervision, exercise of judgment or information supplied to Developer or to any third party by HCD in connection with such matter is for the public purpose of providing for the development of housing that is affordable to persons of low- and/or moderate-income, and neither Developer (except for the purposes set forth in this Agreement) nor any third party is entitled to rely thereon.

C. (§ 303) Cost of Construction.

The cost of construction, development and maintenance of the Project, including all on-site or off-site improvements required by the local jurisdiction, shall be borne by Developer. Any Development Cost in excess of that authorized by this Agreement shall be solely the responsibility of Developer.

D. (§ 304) Construction Schedule.

Developer shall begin and complete construction and development substantially within the times specified in the Schedule of Performance, or such extension thereof as may be granted by HCD in its sole discretion. Developer's failure to perform its obligations in a timely manner as provided herein shall constitute an Event of Default, giving HCD the right to terminate this Agreement or seek any other remedy contemplated hereunder or provided by law. The Schedule of Performance is subject to revisions from time to time as may be mutually agreed upon in writing between Developer and HCD. Notwithstanding the foregoing, all dates set forth in the Schedule of Performance shall be extended on a day-to-day basis to the extent of Force Majeure delays as described in § 304 of this Agreement, but may in no event be extended beyond the time of performance determined with reference to an order of the court having jurisdiction over the Consent Decree.

Before and during the period of construction, Developer shall submit to HCD written progress reports when and as requested by HCD, but not more often than monthly. The reports shall be in such form and detail as may be required by HCD.

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92 2369053

E. (§ 325) Insurance.

Prior to the commencement of construction and/or work on the Site, or any portion thereof, Developer shall furnish or shall cause to be furnished to HCD, duplicate originals or appropriate certificates of bodily injury and property damage insurance policies, in form satisfactory to HCD in the amounts described in Attachment 14 hereto. Such insurance shall be maintained and kept in force until repayment of the HCD Loan in accordance with this Agreement. Such insurance shall not be subject to cancellation, reduction in coverage, or non-renewal except after notice in writing shall have been sent by registered mail, addressed to HCD at the address indicated in § 104 of this Agreement, not less than thirty (30) days prior to the effective date of cancellation, reduction or non-renewal.

F. (§ 306) Compliance with Law.

Developer shall carry out development of the Project in conformance with the Consent Decree and all applicable federal, state and local laws, ordinances and regulations. HCD will verify that Developer is not included in the federal report entitled "List of Parties Excluded from Procurement or Nonprocurement Federal Programs".

Developer warrants by execution of this Agreement, and does swear under penalty of perjury, that no more than one final unappealable finding of contempt of court by a federal court has been issued against Developer within the immediately preceding two-year period because of Developer's failure to comply with an order of a federal court requiring Developer to comply with an order of the National Labor Relations Board.

G. (§ 307) Antidiscrimination.

Developer covenants for itself and its successors and assigns that:

(1) Developer will not discriminate against any employee or applicant for employment because of race, color, religion, creed, national origin, age, marital status, medical condition, sex or sexual orientation, and Developer shall, in all solicitations or advertisements for employees placed by or on behalf of Developer, state that all qualified applicants will receive equal consideration for employment without regard to any of the foregoing.

92 2369053

10/20/92

(2) Developer shall cause the foregoing provision to be inserted in all contracts for any work covered by this Agreement so that such provision shall be binding upon each contractor and subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

(3) Developer agrees to comply with the CFAAC Monitoring of Affirmative Action Provisions - Public Private Partnerships, Attachment 8 hereto, and agrees to cause such provisions to be inserted in all contracts or subcontracts executed in connection with development of the Project.

(4) Developer hereby adopts as the Affirmative Action Plan for its organization the plan incorporated in Attachment 9 hereto.

1. § 307.1) Affirmative Action in Contracting and Employment.

(a) Developer agrees to comply, and to cause its contractors and subcontractors to comply, in all respects, with the goals and requirements set forth in the "CFAAC Monitoring Plan for Affirmative Action Provisions" and Developer's approved affirmative action plan set forth in Attachments 8 and 9, which are intended to comply with Exhibit C to the Consent Decree, relating to the participation by businesses which are owned and controlled by racial and ethnic minority persons (Minority Business Enterprises, or "MBE") and women (Women Business Enterprises, or "WBE") in the construction of the Project and to Equal Employment Opportunity and Affirmative Action in employment.

The MBE/WBE goal for the Project will be an overall MBE/WBE goal of 47% (37% to 42% MBE, 5-10% WBE). In order to be counted toward attainment of the MBE/WBE contracting goals, all MBE/WBE businesses must be Caltrans Century Freeway certified or M/WBEs with collateral certification pursuant to the Consent Decree federal court order of February 25, 1992.

Overall equal employment opportunity goals for the purposes of §307.1(e)(1) shall be 65% of total employment hours on the Project for minorities and 10% of total employment hours on the Project for women. This provision does not relieve Developer of its obligation pursuant to Exhibit C of the Consent Decree to make good faith efforts to attain Equal Employment Opportunity goals of 65% minorities and 10% women for each trade employed in development of the Project.

92 2369053

10/20/92

The calculation of the MBE/WBE percentage goals attained by Developer shall be based on the Development Costs less all verifiable non-trade costs (which term shall mean: land costs, permit fees, financing costs, interest charges, operating reserves and taxes). If Developer wishes to deduct costs other than those specifically cited in the preceding sentence, Developer may request that CPAAC certify to HCD that such costs cannot be utilized or counted toward MBE/WBE goal attainment. If CPAAC so certifies, such costs, together with the verifiable non-trade costs, shall be deducted from the Development Costs for the purpose of determining the percentage of goal attainment achieved by Developer. The dollar amount to be paid by Developer pursuant to contracts, subcontracts or purchases of supplies or services to all MBE/WBE contractors, subcontractors, and suppliers shall be counted towards Developer's MBE/WBE goal attainment for the Project.

Developer may count its expenditures for materials and supplies obtained from MBE and WBE suppliers and manufacturers towards its MBE/WBE goal attainment only if such suppliers and manufacturers are actually and contractually responsible for the provision of such supplies and materials and subject to the following requirements:

(i) Developer may count its entire expenditure to an MBE or WBE manufacturer. For this purpose, a manufacturer shall mean an entity which produces goods from raw materials or substantially alters them before re-sale; and

(ii) Developer may count 20% of its expenditures to an MBE or WBE supplier which is not a manufacturer, provided that such supplier performs a commercially useful function in the supply process.

If Developer or Packager of the project is an MBE or WBE, Developer's fee or Packager's fee respectively shall be counted towards Developer's MBE/WBE goal attainment.

If Developer or the Packager of the Project is a community-based non-profit corporation, Developer's developer fee and/or the Packager's packager fee, as the case may be, shall be deducted from the Development Costs (in addition to the verifiable, non-trade costs permitted to be deducted pursuant to this paragraph) for the purpose of calculating such Developer's MBE/WBE percentage goals. For the purpose of this paragraph, a community-based non-profit corporation is a non-profit corporation:

(i) which is a tax-exempt corporation pursuant to Internal Revenue Code §501(c)(3) or (c)(4);

14/2002

92 2369053

(ii) which is located or operating within the Century Freeway housing zones; and

(iii) a majority of the board of which is, at the time of execution of this Development Agreement and continues to be until completion of construction hereunder, composed of women, minorities or a combination of the two.

(b) Developer agrees to comply and to cause its contractors and subcontractors to comply in all respects with the goals and requirements set forth in Exhibit C to the Consent Decree relating to the participation of corridor businesses (See Attachment 10 for a description of the Century Freeway corridor boundaries).

(c) During construction of the Project, Developer shall provide or cause its contractors and subcontractors to provide such information and documentation as set forth in the monitoring provisions of Attachment 8.

(d) (Reserved)

(e) On completion of the Project, HCD shall determine to what extent Developer has attained the MBE/WBE contracting goals pursuant to paragraph (a) of this section. HCD may require Developer to provide all information and documentation necessary for HCD to make such a determination. In making such a determination, HCD may take into account information and documentation provided by CFAAC relative to Developer's attainment of MBE, WBE and overall employment goals.

(1) If HCD determines that Developer has attained an overall MBE/WBE goal of 52% or more and has met overall employment goals as set forth in §307.1(a), HCD shall pay to Developer an amount equal to one thousand dollars (\$1,000.00) per unit in the Project, but not to exceed a maximum of twenty-five thousand dollars (\$25,000.00). This amount shall be included in the total amount encumbered by this Agreement, but does not and shall not constitute part of the Development Costs or of the HCD Loan.

(2) If HCD determines that Developer has failed to attain an MBE/WBE goal of 47%, an MBE goal of 37% or a WBE goal of 5%, HCD shall provide written notice thereof to Developer. Within 30 days of such notice, Developer shall provide to HCD and CFAAC evidence of its good faith efforts to attain such goal or goals. Based on such evidence together with information from CFAAC and other interested persons and organizations, HCD shall make a determination as to whether Developer has made good faith efforts to attain such goal or goals.

10/2/92

92 2369053

Developer acknowledges that Developer's failure to attain the goals and its failure to provide evidence of good faith efforts within the 90 day period or, on the basis of such evidence, to satisfy HCD that it has made such good faith efforts to attain the goals will result in damage to HCD, since the provision of business opportunities to MBEs and WBEs is a goal and requirement of the Century Freeway Housing Program and the Consent Decree and the costs of doing so have been included in the calculation of the Development Costs partially financed by HCD hereunder. Developer further acknowledges that the amount of damages that would be suffered by HCD as a result of Developer's failure to perform its obligations with regard to MBE/WBE contracting is not capable of precise calculation or estimation. Accordingly, Developer agrees that HCD may assess against Developer LIQUIDATED DAMAGES in the amount of \$1,000 per unit in the Project (but not to exceed a total of \$25,000) in the event that HCD determines that Developer has failed to attain one or more of the MBE/WBE goals and has failed to establish that it made good faith efforts to do so. Developer shall pay liquidated damages to HCD pursuant to this section within thirty days from HCD's written demand therefor. This provision for liquidated damages is in addition to, and not in place of, any and all other remedies available to HCD for Developer's failure to perform its obligations hereunder.

2. [§ 307.2] (Reserved)
3. [§ 307.3] HCD Not Liable For Costs of Delays.

Developer specifically understands, acknowledges and covenants that:

a. HCD is not responsible for the acts and omissions of CFAAC in administering and monitoring the provisions of § 307 and Attachments 8 and 9 hereof;

b. Developer has taken into account in its estimate of Development Costs and the Schedule of Performance any additional costs and delays that might result from compliance with those provisions; and

c. HCD is not liable to provide any additional funding to compensate Developer for such costs or delays.

92 2369053

10/20/92



H. (§ 308) City and Other Governmental Agency Permits;  
Environmental Documentation.

Before commencement of construction or development of any buildings, structures, or other work or improvement upon the Site, Developer shall secure, or shall cause to be secured, any and all permits, approvals and/or certifications which may be required by the local jurisdiction or any other governmental agency affected by or having jurisdiction over such construction, development or work. Developer shall pay such fees as may be required in connection therewith.

Developer has complied or shall comply with all environmental requirements imposed by any public authority having jurisdiction over the Site, including, without limitation, the acquisition of environmental permits and licenses for the Project. Except as specifically described in the Environmental Report, to the best knowledge of Developer, after due investigation, no Hazardous Materials have been stored, deposited, disposed of, placed or located in, on or under the Site. Developer covenants and agrees that Developer shall not cause or permit the use, generation, manufacture, storage or disposal on, under or about the Site or the Project, or the transportation to or from the Site, of any Hazardous Materials in violation of any Hazardous Materials Laws.

I. (§ 309) Rights of Access.

Representatives of HCD shall have the right of access to the Site at normal construction hours upon notice to Developer, without charges or fees, for purposes of ensuring compliance with this Agreement including, but not limited to, the inspection of the work being performed in construction on the Site. CPAAC and its representatives shall have access rights to the Site for monitoring purposes as set forth in Section 9 of Attachment 8 hereto.

J. (§ 310) Security Financing; Right of Holders.

1. (§ 310.1) No Encumbrances Except Mortgages, Deeds of Trust, Conveyances and Lease-Backs or Other Conveyances for Financing for Development.

No mortgages, deeds of trust, liens or any other forms of encumbrance are permitted against the Site, except the deeds of trust, covenants, liens and security interests securing the Construction Loan and the Permanent Loan, unless approved in writing by HCD.

2.  (§ 310.2) Notice of Default to Mortgage, Deed of Trust or Other Security Interest Holders; Right to Cure.

Whenever HCD shall deliver any notice or demand to Developer with respect to any breach or default by Developer of this Agreement, HCD shall at the same time deliver to each holder of record of any mortgage, deed of trust or other security interest authorized by this Agreement and the address of which has been received by HCD, a copy of such notice or demand. Each such holder shall (insofar as the rights of HCD are concerned) have the right, at its option within thirty (30) days after the receipt of the notice, to cure or remedy, or commence to cure or remedy, any such default and to add the cost thereof to the debt and the lien for its security interest. If such default shall be a default which can only be remedied or cured by such holder upon obtaining possession, such holder may seek to obtain possession with diligence and continuity through a receiver or otherwise, and shall remedy or cure such default within thirty (30) days after obtaining possession; provided that in the case of a default which cannot with diligence be remedied or cured, or the remedy or cure of which cannot be commenced within such 30-day period, such holder shall have such additional time as HCD, in its sole discretion, may authorize to remedy or cure such default of Developer.

3.  (§ 310.3) Holder Not Obligated to Construct Improvements.

The holder of any mortgage or deed of trust or other security interest authorized by this Agreement shall not be obligated by these provisions to construct or complete the construction of the Project on the Site nor to guarantee such construction or completion.

4.  (§ 310.4) Holder Not Authorized to Use Site for Purposes Not Authorized by this Agreement.

No holder, assignee or successor in interest (whether voluntary or involuntary) is authorized to, and no holder may, devote the Site, or any part thereof, to any uses, or to construct any improvements thereon, other than those uses or improvements provided for and authorized pursuant to this Agreement.

10/20/92

92 2369053

5. (§ 310.5) Right of HCD to Cure Mortgage, Deed of Trust or Other Security Interest Default.

In the event of a default or breach by Developer of a mortgage, deed of trust or other security interest in the Project or in Developer's interest in the Site, or any part thereof, and if the holder of any such security interest has not entered into any agreement with HCD to assume Developer's obligation hereunder, HCD may cure the default prior to completion of any foreclosure, in which event HCD shall be entitled to reimbursement from Developer of all costs and expenses incurred by HCD, and HCD shall also be entitled to a non-recourse lien upon Developer's interest in the Site (or any portion thereof) to the extent of all costs and expenses incurred by HCD in curing the default. Any such lien shall be subject to any other approved recorded mortgages, deeds of trust or other form of financing conveyance executed for the sole purpose of obtaining funds to purchase and develop the Site as authorized herein.

K. (§ 311) Holder Subsequent.

Upon foreclosure, transfer or assignment of Developer's interest in the Site by a holder or Developer's assignee or any successor in interest, the holder, assignee or successor shall hold its rights subject to this Agreement. Developer covenants that all loan documents executed in connection with any Construction or Permanent Loans are consistent with the provisions of this Agreement with respect to the rights of holders and other parties thereto.

IV. (§ 400) USE OF THE SITE

A. (§ 401) Uses.

Developer covenants and agrees for itself, and on behalf of its successors, its assigns and every successor in interest to the Site or any part thereof, that Developer, its successors and assigns shall, for a period of not less than the later of thirty (30) years from the date the last Notice of Completion for a Property is issued or thirty (30) years from the date of the last Permanent Loan closing:

1. Devote the Site to use for low- and moderate-income households at affordable prices specified in Attachment 4 hereto. For purposes hereof, the terms "moderate" and "low" income mean income less than or equal to the income bands established by the Consent Decree, orders issued incident thereto, and this Agreement.

14/2091

92 2369053

2. Maintain each unit within the Project on the Site, keep the Site free from any accumulation of debris or waste materials, and maintain in a healthy condition any landscaping required by this Agreement.

B. [§ 402] Obligations to Refrain from Discrimination.

Developer covenants and agrees for itself, and on behalf of its successors, its assigns and every successor in interest to Developer's interest in the Site, or any part thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, national origin, ancestry, age, marital status, medical condition, physical handicap, sex, sexual orientation, or family composition in the sale, transfer, use, occupancy, tenure or enjoyment of the Site nor shall Developer or any person claiming under or through it establish or knowingly permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of vendees or transferees of the Site, or any portion thereof.

C. [§ 403] Form of Nondiscrimination and Nonsegregation Clause.

Developer shall refrain from restricting the sale of Developer's interest in the Site, or any part thereof, on the basis of race, color, religion, creed, national origin, ancestry, age, marital status, medical condition, physical handicap, sex, sexual orientation, or family composition. All deeds and contracts shall contain substantially the following nondiscrimination or nonsegregation clauses:

1. In contracts: "During the performance of this contract, contractor and its subcontractors shall not unlawfully discriminate against any employee or applicant for employment because of race, color, religion, creed, national origin, ancestry, age, marital status, medical condition, physical handicap, sex, or sexual orientation. Contractors and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination. Contractors and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7284.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990, set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this contract by reference and made a part hereof as if set forth in full. Contractor and its

10/2/92

92 2369053

subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement."

2. In deeds: "The grantee herein covenants by and for itself its successors and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, national origin, ancestry, age, marital status, medical condition, physical handicap, sex, sexual orientation, or family composition in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any persons claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

D. (§ 404) Effect and Duration of Covenants.

The covenants established in this Agreement shall, without regard to technical classification and designation, run with the land and are binding on Developer and any successor in interest to the Site, or any part thereof. The covenants contained in § 401 of this Agreement shall remain in effect for the term provided therein, and the covenants against discrimination, as described in §§ 402 and 403 hereof, shall remain in perpetuity.

E. (§ 405) Restrictions on Occupancy and Ownership.

1. (§ 405.1) Maintenance as Owner-occupied, Single-family Residential Property. Developer shall not take any action, or permit any action to be taken, which would result in a Property not being owner-occupied, single-family residential property in a manner consistent with the Consent Decree.

2. (§ 405.2) Qualified Buyers. Pursuant to the requirements of the Consent Decree and the RFP, Developer hereby represents, as of the date hereof, and warrants, covenants and agrees as follows:

(a) During the term of this Agreement and for purposes of this Agreement relating to sale of a given Property to an initial Buyer, income requirements of such Buyer shall be based on county median income at the time of sale of the Property and as otherwise provided in Attachment 4.

10/20/01

92 2369053

(b) Upon timely recordation by Developer of a valid Notice of Completion for each Property, or for the entire Development if the Property is part of a multi-unit development, executed by Developer and including all building, on-site and off-site improvements, and completion of the Property in accordance with final plans and specifications, issuance of certificates of occupancy by all governmental authorities having jurisdiction, and issuance of all other necessary consents, certificates and approvals, receipt by HCD of an updated title insurance policy with required endorsements naming HCD as the insured, in form and content acceptable to HCD and showing title vested in Developer, and upon satisfaction of the conditions precedent to funding of a Permanent Loan for each Property, HCD and Developer shall enter into such further agreements with the primary permanent lender and such other parties as may be necessary for the Buyer's Permanent Loan to be funded.

(c) It is furthermore understood and agreed that this Agreement shall have been recorded against the Project ahead of the Developer Deed of Trust and will not be subordinated to any lien junior to the Developer Deed of Trust. The restrictions created by this Agreement shall be removed as to a Property at the time of Permanent Loan closing when Buyer executes the Right to Purchase Agreement (Attachment 19).

(d) The sales price of a Property shall not exceed the amount specified in Attachment 4.

(e) Developer shall have counseled the Buyer who shall have qualified for a Permanent Loan at a fixed rate of interest and fully amortized over thirty (30) years. It is expressly understood by the parties hereto that the terms of the loan from the permanent lender shall provide for HCD's right to acquire the Permanent Lender's interest in the Permanent Loan for an amount not to exceed the outstanding balance of the Permanent Lender's loan, and for HCD's right of first refusal to purchase the Property. Developer's failure to obtain such terms for acquisition of the Permanent Lender's interest and right of first refusal to purchase from the Permanent Lender shall constitute an Event of Default under this Agreement.

At Permanent Loan closing, Developer shall have arranged permanent financing of the Property for or on behalf of Buyer, including the following:

- (1) Down payment plus actual closing costs;

10/20/92

92 2369053

(2) Primary permanent loan from a lender approved by HCD, secured by a deed of trust to which HCD may subordinate the Buyer Deed of Trust, and insured by FHA, private mortgage guaranty insurer or similar public or private equivalent, or guaranteed by VA.

(3) Additional funding from other sources available for such use which may provide loans or grants to enhance the affordability of the Property to Buyer. Any such funding which would result in a further encumbrance or lien upon the Property may be allowed only if approved in advance and in writing by HCD.

(4) CFHP funds in an amount not to exceed fifty thousand dollars (\$50,000.00) inclusive of the portion of the Developer Note attributable to the Property. This debt shall be evidenced by the Buyer Note and shall be secured by the Buyer Deed of Trust second only in priority to the lien of the permanent lender or such other lien as HCD, in HCD's sole discretion, may authorize in advance and in writing.

3. (§ 405.3) Occupancy Restrictions by Family Size. Developer shall not qualify and shall not sell a Property to a Buyer whose family size does not correspond to the following limits:

<u>Unit Size</u>	<u>Minimum No. of Persons in Family or Household</u>	<u>Maximum No. of Persons in Family or Household</u>
1-BR	1	2
2-BR	2	4
3-BR	4	6
4-BR	6	8

Exceptions to the above requirements may be approved by HCD upon submission of a written request together with all appropriate documentation to support such request.

4. (§ 405.4) Marketing Plan. Developer shall have established a Marketing Plan for sale of the Properties to Buyers, incorporated as Attachment 15 hereto, and shall market the Properties and counsel Buyers in accordance with such Plan. The Plan shall include a description of the counseling and financing required under § 405.2 f. above. Developer may amend the Marketing Plan only with the prior written consent of HCD.

10/20/92

92 2369053

V. [§ 500] HCD PROJECT FINANCING

HCD agrees to loan to Developer, and Developer agrees to borrow from HCD, an amount not to exceed three million six hundred thousand dollars (\$3,600,000.00) in one or more disbursements subject to conditions precedent set forth herein.

A. [§ 501] Method of Financing Project.

The HCD Loan shall be disbursed as an Acquisition, Predevelopment, and/or Completion Draw, subject to Developer's satisfaction of conditions precedent to such draws set forth herein.

1. The Acquisition Draw shall not exceed the amount of two million forty thousand dollars (\$2,040,000.00).

2. The Predevelopment Draw shall not exceed the amount of one million five hundred sixty thousand dollars (\$1,560,000.00)

The total cost of acquiring and developing the Site and constructing the Project is defined as the Development Costs and is estimated to be seventeen million nine hundred sixty-four thousand dollars (\$17,964,000.00) as follows:

TOTAL DEVELOPMENT COSTS

Land	\$ 3,000,000
Hard Costs	10,200,000
Packager Fee	108,000
Indirect	1,965,000
Other Indirect Costs	1,350,000
Financing	566,000
Marketing	<u>775,000</u>
Total	\$17,964,000

Financing for the Project is as follows:

First Interstate	
Construction Loan	\$10,100,000
HCD Loan	\$ 3,600,000
Equity	<u>\$ 4,264,000</u>
Total	\$17,964,000

10/20/92

92 2369053



At the time of Construction Loan closing, the interests of the parties shall be recorded in the following order of priority:

1. Construction Lender
2. HCD

**PERMANENT FINANCING**

72 Affordable Units:

5% Downpayment	\$ 597,175	
LA MRB Firsts	\$ 5,000,000	
CFHP Seconds	\$ 1,600,000	
Conventional	<u>\$ 2,854,325</u>	
Subtotal.....		\$12,051,500

34 Market Units:

10% Downpayment	\$ 700,650	
Conventional	<u>\$ 6,305,850</u>	
Subtotal.....		\$ 7,006,500

106 Units Total Sales Proceeds (includes Developer's profit of \$1,094,000)                      \$19,058,000

At the time of Permanent Loan closing for the 72 affordable units, the interests of the parties shall be recorded in the following order of priority:

1. Conventional or MRB Lender
  2. HCD
  3. Developer (if any)
- B. [§ 502] HCD Loan.
1. [§ 502.1] Draws: Promissory Note

The HCD Loan will normally be disbursed in an Acquisition and/or Predevelopment Draw in an aggregate amount not to exceed fifty thousand dollars (\$50,000.00) per Property; if such amount is less than \$50,000.00 per Property, Developer may take a Completion Draw at the time of a Permanent Loan closing in an amount not to exceed the difference between \$50,000 and the amount of the Acquisition/Predevelopment Draws for the Property on an average, per unit basis; no adjustment will be made for the relative cost of

10/20/92

92 2369053

the Property for which the Permanent Loan is intended, and no adjustment will be made for the Buyer attempting to qualify for the Permanent Loan. In no event may a Completion Draw be used to cover Developer's cost overruns attributable to the Property or the Project. No Completion Draw may be disbursed without proof that the Project has been approved by the California Department of Real Estate ("pink").

The HCD Loan shall be evidenced by a promissory note (the "Developer Note") dated as of the closing and in substantially the same form as Attachment 5 hereto, and secured by a deed of trust (the "Developer Deed of Trust") in substantially the same form as Attachment 6 hereto, which shall be recorded as a first lien upon the Project and Site. The Developer Note and Deed of Trust and the occupancy and ownership restrictions contained in this Agreement evidence HCD's interest and will be modified as provided herein in order to reflect the interest of the Buyer in the Property at the time of Permanent Loan closing.

2. [§ 502.2] Conditions Precedent to HCD Loan.

Prior to and as conditions of HCD's obligation to disburse funds, Developer shall satisfy, or cause to be satisfied, each of the following conditions and shall have acquired or shall concurrently acquire the Site as provided in § 201. In addition, Developer may, no more frequently than quarterly, submit a request for disbursement with supporting invoices for Acquisition and/or Predevelopment Costs related to the Project. HCD shall approve or disapprove the request for disbursement and make payment for approved disbursements to Developer for each approved invoice no later than sixty (60) days from the date of receipt of Developer's request for disbursement.

HCD will not permit funds to be disbursed from escrow to pay Acquisition and/or Predevelopment Costs until Developer has fulfilled all of the following conditions to HCD's satisfaction:

(1) Developer Note. HCD must receive the Developer Note duly executed by Developer.

(2) Developer Deed of Trust. The Developer Deed of Trust must be duly executed and acknowledged by Developer and recorded.

(3) Title Insurance. Upon recordation of the Developer Deed of Trust, a title insurance company acceptable to HCD must issue, at Developer's expense, an ALTA Lender's Extended Coverage policy of title insurance naming HCD as the insured, in liability amount equal to the HCD Loan and in form satisfactory to HCD, showing the Developer Deed of Trust as a valid lien on the

10/2/92

92 2369053

Site, subject only to such exceptions as may be approved by HCD in writing, which approval shall not be unreasonably withheld, together with endorsements 100, 116, 103.1, 103.7 and any other endorsements required by HCD.

(4) Authorizations. HCD must have received and accepted copies of the Formation Documents, Authorizations and Certifications.

(5) Title Documents. HCD must have received and approved a copy of the Title Documents.

(6) Legal Opinion. HCD must have received and approved a written opinion of Developer's counsel in substantially the form attached as Attachment 11 hereto.

(7) Flood Plain. HCD shall have received and accepted evidence that the Site is not situated in the 100-year flood plain, or if the Site is so situated, Developer shall provide a policy of flood insurance in form and substance satisfactory to HCD.

(8) Hazardous Materials Report. HCD must have received a report from a person or entity acceptable to HCD certifying that the Site and any improvements thereon are free of Hazardous Materials.

(9) Packager Invoices. Developer must submit a copy of any applicable Packager Invoices pursuant to the Phase II Agreement and Attachment 12 of this Agreement.

(10) No Default. Developer shall not be in material default of this Agreement and shall have obtained all necessary entitlements and permits for the construction, development, use, operation and occupancy of the improvements on the Site required as of any given point in time.

(11) Insurance. Developer shall procure and deliver to HCD, at Developer's own cost and expense, a policy (or policies) of insurance as set forth in Attachment 14.

(12) Construction Loan Commitment Letter. Developer shall have obtained a conditional commitment for the Construction Loan in form and substance satisfactory to HCD.

(13) Permanent Loan Commitment Letter. Developer shall have obtained a conditional commitment for Permanent Loans on the Properties in form and substance satisfactory to HCD.

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92 2369053

(14) Other Conditions. Developer shall have complied with all other terms of this Agreement.

3. (§ 502.3) Interest on HCD Loan.

The HCD Loan shall accrue simple interest at the rate of three percent (3%) per annum on the unpaid principal balance calculated from the date of HCD Loan closing. Accrued interest shall be forgiven by HCD if HCD, in its sole discretion, determines that Developer has complied satisfactorily with terms of this Agreement and related documents. Interest on the HCD Loan shall not accrue on the portion attributable to a Property after Permanent Loan closing.

4. (§ 502.4) Repayment of HCD Loan.

Except as provided herein or in the Note, the HCD Loan shall be due and payable not later than five (5) years from the date of this Agreement. The HCD Loan shall be a non-recourse obligation of Developer in accordance with the terms of the Promissory Note.

Any difference between the amount per Property loaned to Developer and the actual amount of the Buyer Note shall be repaid to HCD at the time of Permanent Loan closing and the HCD Loan shall be reduced by the amount per Property loaned to Developer, and the Developer Note and Developer Deed of Trust shall be automatically amended to reflect such reduction as provided therein.

The term of the Note shall be reduced from five (5) to three (3) years if construction of phase II of the Project has not commenced as provided in the Schedule of Performance.

C. (§ 503) Representations and Warranties of Developer.

Developer represents and warrants to HCD that the following representations and warranties are true and correct as of the date of this Agreement:

(1) Neither the execution and delivery of this Agreement and documents referenced herein, nor the incurrence of the obligations set forth herein, nor the consummation of the transactions herein contemplated, nor compliance with the terms of this Agreement and the documents referenced herein, conflicts with or results in the material breach of any terms, conditions or provisions of, or constitutes a default under, any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease or

other agreements or instruments to which Developer is a party or by which Developer may be bound or affected.

(2) Developer has the legal power, right and authority to execute this Agreement and to undertake and consummate the transactions contemplated herein, and to pay, perform and observe the conditions, covenants, agreements and obligations contained herein.

(3) Developer shall ensure that the Site, during the period in which Developer owns the Site, will not to the best of Developer's knowledge be in material violation of any federal, state or local law, ordinance or regulation.

(4) All requisite action has been taken by Developer in connection with entering into this Agreement and the instruments referenced herein, and the consummation of the transactions contemplated hereby.

(5) The individuals executing this Agreement and the instruments referenced herein on behalf of Developer have the legal power, right and actual authority to bind Developer to the terms and conditions hereof and thereof.

(6) This Agreement and all documents required hereby to be executed by Developer are and shall be valid, legally binding obligations of and enforceable against Developer in accordance with their terms.

(7) No representation, warranty or statement of Developer in this Agreement or in any document, certificate or schedule furnished or to be furnished to HCD pursuant hereto contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact without which the statements or facts contained therein would be misleading.

D. [§ 504] Representations and Warranties of HCD.

In addition to any express agreements of HCD contained in this Agreement, the following constitute representations and warranties of HCD:

(1) HCD has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby.

(2) All requisite action has been taken by HCD in connection with entering into this Agreement and the instruments

HCDW1

92 2369053

referenced herein, and with consummation of the transactions contemplated hereby.

(3) The individuals executing this Agreement and the instruments referenced herein on behalf of HCD have the legal power, right and actual authority to bind HCD to the terms and conditions hereof and thereof.

(4) This Agreement and all documents required hereby to be executed by HCD are and shall be valid, legally binding obligations of and enforceable against HCD in accordance with their terms.

(5) Neither the execution and delivery of this Agreement and documents referenced herein, nor the incurrence of the obligations set forth herein, nor the consummation of the transactions herein contemplated, nor compliance with the terms of this Agreement and the documents referenced herein conflicts with or results in the material breach of any terms, conditions or provisions of, or constitutes a default under, any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreements or instruments to which HCD is a party.

(6) No representation, warranty or statement of HCD in this Agreement or in any document, certificate or schedule furnished or to be furnished to Developer pursuant hereto contains or will contain any untrue statement of a material fact, omits or will omit to state a material fact without which the statements or facts contained therein would be misleading.

E. (§ 505) Casualty Proceeds.

In the event of any fire or other casualty to the Project or eminent domain proceedings resulting in condemnation of Developer's interest in the Project or any part thereof, Developer shall have the right to rebuild the Project, and to use all available insurance or condemnation proceeds therefor, provided that (i) such proceeds are sufficient to rebuild the Project in a manner that provides adequate security to HCD for its HCD Loan, or if such proceeds are insufficient then Developer shall have funded any deficiency, (ii) HCD shall have the right to review and comment on the plans and specifications for any rebuilding and, subject to the rights of any senior lienholders, the right to approve disbursements of insurance or condemnation proceeds for rebuilding under any construction escrow or similar arrangement, and (iii) no Event of Default then exists hereunder. If the casualty or condemnation affects only part of the Project and total rebuilding is infeasible, then proceeds may be used for partial rebuilding in

10/20/92

92 2369053

a manner that provides adequate security to HCD for the remaining balance of the HCD Loan.

VI. (§600) FINANCING

A. (§ 601) Construction Loan.

Developer shall obtain a Construction Loan for construction of the Project as set forth in the Schedule of Performance. Construction of the Project shall begin not later than one (1) year from the date of execution of this Agreement unless extended by authorization of a court having jurisdiction under the Consent Decree. Failure to begin construction within such time shall constitute an Event of Default under this Agreement.

B. (§ 602) Subordination.

This Agreement and the Developer Deed of Trust may be subordinated to the Construction Deed of Trust provided that:

1. Developer is in compliance with all terms and conditions hereof;
2. HCD has approved the terms and provisions of the Construction Loan including any agreement, promissory note, deed of trust, or other documents relating thereto; and
3. HCD has approved Developer's firm, final commitment for Permanent Loans in form and substance satisfactory to HCD.

The Construction Loan to which HCD may subordinate the Developer Deed of Trust must be in an amount substantially consistent with the Development Costs as set forth in § 501 hereof and in the Project budget as submitted and approved in the SAP.

C. (§ 603) HCD'S Review of Construction Costs.

Construction Loan funds shall be disbursed by the Construction Lender pursuant to the terms of the Construction Loan. Developer shall submit to HCD for review copies of all draw requests and supporting architect's certificates, if any, furnished to the Construction Lender during the course of construction.

D. (§ 604) Changes in Development Cost.

If there are changes to the Project either before or during construction which would result in a substantial change in

10/20/02

92 2369053

the Development Cost, Developer shall within fifteen (15) days notify HCD of: (a) the substance of the change, and (b) the amount of the increase or decrease in the Development Cost. If the Development Cost is increased, HCD may require Developer to provide adequate assurance that the increased cost will not prevent the Project from meeting the affordability requirements of Attachment 4 hereto. In no event shall HCD be liable to increase the amount of the HCD Loan as a result of any increase in the Development Cost, however caused. If the Development Cost is decreased, HCD may reduce the amount of the HCD Loan commensurate with the decrease. For purposes of this section a substantial change in the Development Cost means a change which increases or decreases the Development Cost by five percent (5%) or more, provided that smaller changes which in the aggregate exceed five percent (5%) of the Development Cost will also be deemed to be substantial changes.

E. [§ 605] Package's Participation.

Developer agrees to consult with Package in accordance with the Consultant Contract in resolving Project problems with respect to construction of the Project or otherwise in complying with the provisions of this Agreement. Funds for payment of Package's fees shall be paid to Developer as provided in the Schedule of Package Fees (Attachment 12) and paid by Developer to Package.

F. [§ 606] Completion of Construction.

The Project shall be considered complete upon accomplishment of all of the following conditions precedent:

(a) Execution and timely recordation by Developer of a valid Notice of Completion for each Property including all on-site and off-site improvements; and

(b) Completion of the Project substantially in accordance with the final Plans and Specifications; and

(c) Issuance by all governmental authorities having jurisdiction over certificates of occupancy and of all other consents, certificates and approvals necessary for the use and occupancy of each Property within the Project.

G. [§ 607] Permanent Loan.

Upon completion of each Property as set forth in § 606, Developer shall have repaid, or arranged to have paid at the time of Permanent Loan closing, the portion of the Construction Loan secured by and attributable to each Property, including any amount

10/20/92

92 2369053



due HCD under § 502.4 above, and paid, removed, or provided bonds to insure payment of, any liens or encumbrances on the Site or Property, except those liens relative to use and occupancy imposed by HCD and Permanent Lender and any other liens and encumbrances approved in writing by HCD. The Developer Note shall be reduced by the amount of debt affectively transferred to a Buyer upon closing of each Permanent Loan, and the Developer Deed of Trust will be partially reconveyed as to the Property. The lien of this Agreement shall be released as to the Property at Permanent Loan closing and execution by Buyer of the Right to Purchase Agreement.

As conditions precedent to closing a Permanent Loan:

1. Developer shall have arranged for a Permanent Loan which, when added to the portion of the HCD Loan allocable to the Property in an amount not to exceed the amount necessary to qualify the Buyer for such Property (the "HCD Buyer Loan") and any other subsidy to be provided to Buyer under §405.2(f)(3), shall be sufficient to finance Buyer's acquisition of the Property. The Permanent Loan shall provide for Buyer's obligation under the Permanent Loan promissory note to be assumable by another qualified buyer subsequently and for HCD to exercise its rights under the Right to Purchase Agreement ("RTPA");
2. Buyer shall duly execute a Buyer Note (in substantially the same form as Attachment 17 hereto), and shall execute and acknowledge the Buyer Deed of Trust (in substantially the same form as Attachment 18 hereto) and the RTPA (in substantially the same form as Attachment 19 hereto) which shall have been recorded. The Buyer Deed of Trust may be subordinated to a Permanent Loan deed of trust if HCD, in its sole discretion, determines that such Loan would not be available on terms and in amounts necessary without subordination and that subordination does not threaten the economic viability or the long-term affordability of the Property, or the likelihood of repayment of the Permanent Loan evidenced by the Buyer Note.
3. Developer shall provide a copy of any applicable Packager invoices, and shall have paid or arranged to pay Packager any part of the Packager fee due at the time of Permanent Loan closing and as provided

10/2002

92 2369053

in the schedule of payments incorporated in the Consultant Contract.

4. Developer shall provide to HCD for its approval an affidavit or affidavits executed by Buyer and verified by Developer, and containing the following information:
  - a. Buyer's income, savings, debt-to-income ratio and household size;
  - b. Verified copies of Buyer's federal income tax returns for the preceding two calendar years;
  - c. The Buyer Affordability Worksheet (Attachment 16) showing compliance with Developer's obligations under the Sales Price and Income Requirements (Attachment 4); and
  - d. An executed copy of Buyer's final commitment from the Permanent Lender.

HCD's denial of Buyer's loan package shall not disqualify Buyer from another loan for which he or she is qualified. HCD's failure to deny Buyer's loan within thirty (30) calendar days of receipt of all items in subparagraphs a., b., c. and d. above shall be deemed to constitute HCD's approval of the loan.

5. Developer shall provide HCD with Title Documents including an executed RTPA, Buyer Note, Buyer Deed of Trust, and any other documents required by HCD.
6. Developer shall provide HCD with a Preliminary Title Report (at least sixty (60) days current from the date of closing escrow) and Title Insurance, at Buyer's expense, from an insurance company acceptable to HCD naming HCD as the insured, in liability amount equal to the HCD Buyer Loan and in form satisfactory to HCD, showing the Buyer Deed of Trust as a valid lien on the Site, subject only to such exceptions as may be approved by HCD in writing, which approval shall not be unreasonably withheld, together with any endorsements reasonably required by HCD.

10/20/01

92 2369053

H. [§ 608] Buyer Note, Buyer Deed of Trust, RTPA-

The HCD Buyer Loan shall be evidenced by the Buyer Note at the time of Permanent Loan closing and credited against the outstanding balance of the Developer Note. This amount, plus any other CFHP funds incorporated into the Buyer Note at Permanent Loan closing shall accrue simple interest at the rate of three percent (3%) per annum on the unpaid principal balance. All payments of interest and principal of the Buyer Note shall be deferred for a period of thirty (30) years. The Buyer Note may be prepaid with the prior approval of HCD, in its sole discretion, provided that no such prepayment shall relieve Buyer of any obligation under the RTPA intended to run with the land during the term of such RTPA. The Buyer Note including accrued interest shall be due on sale or transfer of the Property, voluntary or involuntary, and in no event later than maturity of the Buyer Note. The Buyer Note may be assumed by another qualified buyer at the sole discretion of HCD.

The Buyer Note shall be secured by the Buyer Deed of Trust which shall be recorded and second in priority only to the Permanent Loan deed of trust or any other lien approved by HCD.

The RTPA shall be recorded and shall constitute a covenant running with the land to ensure long-term affordability of the Property as provided therein.

I. [§ 609] Developer Financing

In addition to permanent financing pursuant to § 607, Developer covenants and warrants that it will provide non-amortizing, deferred interest and principal financing secured by a lien of lesser priority than HCD for any Property which has not been sold to a Buyer one (1) year from the date provided in the Schedule of Performance for such Property in order to assure the sale of all Properties and to repay the HCD Loan. Failure to provide such financing shall constitute an Event of Default hereunder and give rise to HCD's rights in the event of an Event of Default under the Developer Deed of Trust.

VII. [§ 700] DEFAULTS, REMEDIES AND TERMINATION

A. [§ 701] Defaults-General.

The following shall be "Events of Default":

1. Failure in the due, prompt and complete observance or performance of any condition, covenant or obligation of Developer set forth in this Agreement for a period of 30 days after

1/10/92

92 2369053

written notice to Developer from HCD specifying the nature thereof, provided that Developer shall not be in default under this § 701 if the failure to observe or perform the condition, covenant or obligation in question is curable but is of such a nature that it is incapable of being cured with reasonable diligence within said 30-day period and Developer commences such cure within said 30-day period and diligently and continuously pursues the same to completion. In no event shall HCD be precluded from exercising all legal remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or if the default is not cured within 180 days after the initial notice is given hereunder.

2. Failure in the due, prompt and complete observance or performance of any condition, covenant or obligation of Developer set forth in the Note, Deed of Trust or any of the loan documents evidencing construction or permanent financing after giving effect to the express curative provisions, if any, provided therein.

3. Any representation or warranty by Developer to HCD contained herein proves to be false in any material respect or intentionally misleading as of the date given.

4. Developer neglects, fails or refuses to keep in full force and effect any permit or approval with respect to the construction and development of the Site (which permit or approval is required by applicable governmental authority), any policy or policies of insurance or title insurance, or any other undertakings required hereunder, provided that such neglect, failure or refusal shall not constitute a default hereunder if both such permit, approval or undertaking is reinstated by Developer within 30 days after receiving a written demand therefor from HCD and no loss or damages were or have been incurred by HCD concerning such lapse or such reinstatement.

5. Developer becomes insolvent or unable to pay its debts as they mature or makes an assignment for the benefit of its creditors.

6. Developer assigns or attempts to assign this Agreement, or any rights herein, or makes any total or partial sublease, transfer or conveyance of the whole or any part of the Site or the improvements thereon, except as permitted by this Agreement.

7. Developer fails to complete the purchase of the Site, to submit complete plans, drawings and related documents to HCD for review and comment, or to satisfy any condition precedent

10/20/93

92 2369053

to disbursement, subordination or conversion to a permanent loan of the HCD Loan, substantially within the time for performance, if any, specified in Attachment J hereto, subject to a right to written notice and a right to cure within 30 days of such notice.

8. Developer fails to comply with the monitoring procedures in the CFAAC Monitoring Agreement attached as Attachment B hereto subject to the right to notice and cure as set forth in paragraph 1 of this section.

9. Developer fails to comply with applicable relocation requirements as set forth in Article X (§§ 1001 and 1002) hereof subject to the right to notice and cure as set forth in paragraph 1 of this section.

10. Any order is made or any decree is entered by a court of competent jurisdiction enjoining construction and development of the Site or enjoining or prohibiting Developer from performing or satisfying its obligations to complete development of the Site in conformance with this Agreement, and such proceedings are not discontinued or such order or decree is not vacated within 180 days, which time shall be automatically extended to at least one year, or such longer period as may be granted by HCD in its sole discretion as long as such order or decree continues to be litigated.

The injured party shall give written notice of default to the party in default, specifying the default complained of by the injured party. Delay in getting such notice shall not constitute a waiver of any default nor shall it change the time of the default.

Any failures or delays by either party in giving written notice of default or in asserting any of its rights and remedies as to any default shall not operate as a waiver of any such rights or remedies. Delays by either party in asserting any of its rights and remedies shall not deprive either party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

B. (§ 702) Legal Actions.

1. (§ 702.1) Institution of Legal Actions.

If any Event of Default by Developer shall occur and Developer fails to cure such default within the express time period provided, HCD may, in addition to any other rights of HCD under the HCD Loan, at its option and without prior notice or demand, declare

**92 2369053**

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the unpaid principal balance of the Developer Note and all accrued unpaid interest thereon immediately due and payable, except that HCD may make any advances after the happening of any one or more of said Events of Default without thereby waiving rights to demand payment in full of the Developer Note and without liability to make any other or further advances.

In addition to any other rights or remedies under this Agreement, either party may institute legal action to cure, correct, or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purposes hereof, including an action for specific performance of the terms of this Agreement. Such legal action must be instituted in any court in the County of Los Angeles, State of California, in any appropriate branch thereof, or in the United States District Court in the Central District of California, if the action may lawfully be instituted in the said courts. In the event any legal action is instituted, the prevailing party shall be entitled to its reasonable attorneys' fees. Attorney's fees incurred in enforcing any judgment in a legal action pursuant to this paragraph are recoverable as a separate item. This entitlement to post-judgment attorney's fees is intended to be severable from the other provisions of this contract, and to survive any judgment, and is not deemed merged into the judgment.

2. (§ 702.2) Applicable Law.

The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

3. (§ 702.3) Acceptance of Service of Process.

In the event that any legal action is commenced by Developer against HCD, service of process on HCD shall be made by personal service upon the Executive Director of Century Freeway Housing Program of HCD at the address set forth in Section 104, or in such other manner as may be provided by law.

In the event that any legal action with regard to a default under this Agreement is commenced by HCD against Developer, service of process on Developer shall be made by personal service upon Developer at the address set forth in Section 105 or in such other manner as may be provided by law, and shall be valid whether made within or without the State of California.

C. (§ 703) Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies

10/20/92

92 2369053

of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

D. (§ 704) Damages; Specific Performance

If either party defaults with regard to any of the provisions of this Agreement, the nondefaulting party shall serve written notice of such default upon the defaulting party. If the default is not cured by the defaulting party within 30 days after service of the notice of default, or if the default is not commenced to be cured within 30 days after service of the notice of default and is not cured promptly within a reasonable period of time after commencement, the defaulting party shall be liable to the other party for damages caused by such default, and the nondefaulting party, at its option, may also institute an action for specific performance of the terms of this Agreement.

E. (§ 705) Remedies and Rights of Termination

1. (§ 705.1) Termination by Developer

Developer at its option may terminate this Agreement at any time before the first disbursement of funds hereunder.

2. (§ 705.2) Termination by HCD

Subject to Force Majeure (Section 804), HCD at its option may terminate this Agreement if an Event of Default as defined in § 701 exists hereunder.

VIII. (§ 800) GENERAL PROVISIONS

A. (§ 801) Notices, Demands and Communications Between the Parties.

Formal notices, demands and communications between HCD and Developer shall have been sufficiently communicated only if dispatched by registered or certified mail, postage prepaid, return receipt requested, or via telecopier (facsimile transmission), to the principal offices of HCD and Developer, designated in §§ 104 and 105 hereof. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may, notwithstanding § 900 below, from time to time designate by mail as provided herein.

10/20/92

92 2369053

B. (§ 802) Conflicts of Interest.

No official or employee of HCD shall have any personal interest, direct or indirect, in this Agreement nor shall any such official or employee make, participate in, or attempt to influence any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested.

C. (§ 803) Non-liability of HCD Officials and Employees.

No official, employee, consultant, contractor or agent of HCD shall be personally liable to Developer, or any successor in interest, in the event of any default or breach by HCD, or for any amount which may become due to Developer or successor for any obligations under the terms of this Agreement.

D. (§ 804) Force Majeure Delays: Extension of Times of Performance.

Performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority including litigation challenging the validity of this transaction or any element thereof, or severe weather. Force majeure shall include any delays which are both unforeseeable and unreasonable in the issuance of permits or approvals by any government agency having jurisdiction over the site or the Project. For this purpose, delay shall not include a final, unappealable denial of such permit or approval and this provision shall not relieve Developer of its obligations to obtain such permits and approvals pursuant to § 308 hereof. An extension of time for any such cause shall be for the period of the enforced delay only and shall commence to run from the time of the commencement of the cause, but in no event may any such extension operate to extend Developer's performance beyond the maximum allowed by order of the court having jurisdiction over the Consent Decree without further order of such court. The party claiming an extension of time to perform shall give prompt notice of such claim to the other party.

E. (§ 805) Approvals and Review of Records.

Approvals required of HCD or Developer shall not be unreasonably withheld or delayed, or subjected to unreasonable conditions.

**92 2369053**

10/20/92



HCD shall have the right at any time and with reasonable notice to inspect the books of Developer related to this Agreement and, at its own expense, may also cause an audit of the books of Developer insofar as they are related to the Project. Developer shall retain all books and records relating to the Project and/or this Agreement for a period of not less than three (3) years from the date of completion of the Project and thereafter as required by law or any subsequent agreement between HCD and Developer relating to the Project.

F. (§ 806) Estoppel Certificates.

Either party hereto shall, at any time, upon not less than ten (10) days prior written notice from the other party hereto, execute, acknowledge and deliver to such other party a statement in writing (i) certifying that this Agreement is unmodified and in full force and effect, or, if modified, stating the nature of such modification and certifying that this Agreement, as so modified, is in full force and effect, and (ii) acknowledging that there are not, to such acknowledging party's knowledge, any uncured defaults hereunder on the part of the other party hereto, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any third party.

IX. (§ 900) WAIVERS AND AMENDMENTS

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of HCD or Developer, and all amendments hereto must be in writing and signed by the appropriate authorities of HCD and Developer. This Agreement and any provisions hereof may be amended by written agreement signed, except as provided in § 801 above, by both Developer and HCD, and such amendment shall not require the consent of any fee owner, tenant, lessee, easement holder, licensee, mortgagee, trustee, beneficiary under a deed of trust, or any other person or entity having an interest in the Site or Project. This Agreement integrates and supersedes all other agreements between the parties regarding the subject matter of this Agreement, whether oral or written.

X. (§ 1000) GUIDELINES FOR RELOCATION

A. (§ 1001) Site or Project Owned by Developer.

If Developer owns or controls the Site or Project which has been approved for funding pursuant to this Agreement, the term "initiation of negotiations" for purposes of determining eligibility for relocation assistance benefits shall mean the date of issuance of the RFP. Developer may not evict tenants to avoid

10/2002

92 2369053

Federal Uniform Relocation Act relocation requirements in anticipation of receiving the HCD Loan for the proposed Project. Violation of such requirements shall be grounds for termination of this Agreement under § 705.2 hereof. Any eviction action by a Developer shall result in a rebuttable presumption that a causal relation exists between the evictions and Developer's intention to use Federal funds on the Project or Site from which the tenants were evicted. Unless Developer can successfully rebut any such assumption, the evicted tenants will be considered displaced persons and eligible for all applicable benefits under the Uniform Relocation Act.

B. (§ 1002) Site or Project Not Owned by Developer.

If Developer does not own or control the Site or Project which has been approved for funding pursuant to this Agreement, the term "initiation of negotiations" for purposes of determining eligibility for relocation assistance benefits shall mean the date of issuance of the RFP. The owner of the Site or Project may not evict tenants to avoid relocation requirements as a condition of sale to Developer in anticipation of Developer's receiving the HCD Loan for the proposed Project. In such case, Developer will be held responsible with respect to Uniform Relocation Act requirements as a condition of funding approval. Violation or non-compliance with requirements shall be grounds for termination of this Agreement under § 705.2 hereof. Any eviction of tenants by an owner of the Site or Project will result in a rebuttable presumption that a causal relation exists between the evictions and Developer's intention to use federal funds on the Project or Site from which the tenants were evicted. Unless Developer can successfully rebut any such assumption, the evicted tenants will be considered displaced persons and eligible for all applicable benefits under the Uniform Relocation Act.

XI. (§ 1100) RELATIONSHIP OF PARTIES

(§ 1101) No Liability on the Part of HCD

Neither HCD nor its officers, employees, consultants, contractors or agents, including but not limited to the Director of the Department of Housing and Community Development and the Executive Director of the CFHP shall be answerable or accountable in any manner for any loss or damage that may happen to the Project or any part thereof, any loss or damage to any of the materials or other things used or employed in performing the construction work related to the Project, any injury to or death of any person, either workers or the public, or any damage to property from any cause which might have been prevented by the general construction contractor, its workers, or anyone employed by it.

**92 2369053**

10/2002

Developer or the general construction contractor shall be responsible for any liability imposed by law and for injuries to or death of any person including but not limited to workers and the public, or damage to property resulting from defects or obstructions or from any cause whatsoever during construction or at any time before completion and final acceptance of the Project.

Developer shall cause any general contract entered into for the construction of the Project to require the contractor thereunder to indemnify and hold harmless HCD and all officers, employees, consultants, contractors and agents thereof connected with the work, including but not limited to the Director of the Department of Housing and Community Development and the Executive Director of the CFHP, from all claims, suits or actions of every name, kind and description, brought for, or on account of, injuries to or death of any person including but not limited to workers and the public, or damage to property resulting from the performance of a contract, except as otherwise provided by statute. The duty of

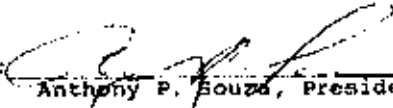
the contractor to indemnify and hold harmless shall include the duties to defend as set forth in § 2778 of the California Civil Code.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Developer:

CITY VIEW TERRACES A CALIFORNIA LIMITED PARTNERSHIP

By: TELACU Affordable Housing, Inc., a California corporation, General Partner

By:   
Anthony P. Souza, President

By: The East Los Angeles Community Union, a California nonprofit corporation, General Partner

By:   
David C. Lizarraga, Chairperson

HCD:

By:   
Allan Kingston, Executive Director  
Century Freeway Housing Program

92 2369053

10/20/92

LIST OF ATTACHMENTS

- Attachment 1 Legal Description
- Attachment 2 Scope of Development
- Attachment 3 Schedule of Performance
- Attachment 4 Sales Price and Income Requirements
- Attachment 5 Developer Note
- Attachment 6 Developer Deed of Trust
- Attachment 7 Definitions
- Attachment 8 Monitoring Provisions
- Attachment 9 Affirmative Action Plan
- Attachment 10 Century Freeway Corridor Description
- Attachment 11 Form of Legal Opinion
- Attachment 12 Schedule of Packager Fees
- Attachment 13 Drug Free Workplace
- Attachment 14 Insurance Requirements
- Attachment 15 Marketing Plan
- Attachment 16 Buyer Affordability Worksheet
- Attachment 17 Buyer Note
- Attachment 18 Buyer Deed of Trust
- Attachment 19 Right to Purchase Agreement

92 2369053

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State of California }  
County of Los Angeles } ss.

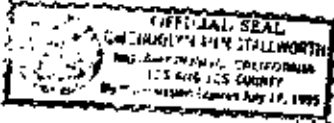
On this the 10th day of December 1992, before me.

Gwendolyn Ann Stallworth  
the undersigned Notary Public, personally appeared

92 2369053

Anthony P. Souza

personally known to me  
proved to me on the basis of satisfactory evidence  
to be the person(s) who executed the within instrument as  
President or on behalf of the corporation therein  
named, and acknowledged to me that the corporation executed it.  
WITNESS my hand and official seal



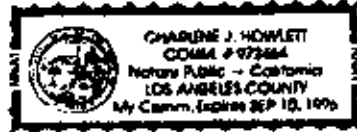
*Gwendolyn Ann Stallworth*  
Notary's Signature

("All-Purpose" Acknowledgement)

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES

On December 15, 1992 before me, Charlene J. Howlett, Notary Public, personally appeared G. Allan Kingston, Executive Director, Century Freeway Housing Program, Department of Housing & Community Development, personally known to me (or 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), on the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Signature *Charlene J. Howlett*

(Seal)

92 2369053

State of California }  
County of Los Angeles } ss.

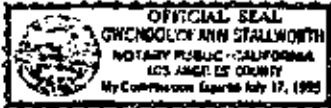
On this the 10th day of December 1992, before me.

Gwendolyn Ann Stallworth  
the undersigned Notary Public, personally appeared

92 2369053

David C. Lizarraga

personally known to me  
proved to me on the basis of satisfactory evidence  
to be the person(s) who executed the within instrument as  
Chairperson or on behalf of the corporation therein  
named, and acknowledged to me that the corporation executed it.  
WITNESS my hand and official seal.



*Gwendolyn Ann Stallworth*  
Notary's Signature

Legal Description  
REP Pkt 1.000 1

Page 1 of 1

ATTACHMENT 1

LEGAL DESCRIPTION OF SITE

THE LAND REFERRED TO HEREIN IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Lot 13 in Block "B" of Park Tract, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 6 Page 434 of Miscellaneous Records, in the Office of the County Recorder of said county.

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92 2369053

ATTACHMENT 2  
SCOPE OF DEVELOPMENT

1. Property Address:

2711 Baldwin Avenue  
Los Angeles, CA

2. Development Description:

Number of Dwelling Structures: 19  
Number of stories: 2-3  
Elevator (yes/no): no  
Total number of units: 106 (72 affordable)  
Number of units by bedroom size and square footage:

Affordable:

14 2 BR @ 947 SF  
14 2 BR @ 1140 SF  
22 2 BR @ 1154 SF  
22 2/3 BR @ 1299 SF

Market:

25 2 BR @ 1613 SF  
9 2 BR @ 1834 SF

3. Amenities:

Window Coverings	___	Carpet	<u>x</u>
Stove	<u>x</u>	Garbage Disposal	<u>x</u>
Trash Compactor	___	Dishwasher	<u>x</u>
Microwave Oven	___	Washer/Dryer	___
Balcony/Patio	<u>all</u>	Garage Opener	___
Security System	___	Sprinklers for 3-story buildings	___
Community Room	___	Pool	<u>x</u>
Fireplace	___	Family Room/Den	___

10/1/88

92 2369053

ATTACHMENT 3

SCHEDULE OF PERFORMANCE

<u>ACTION</u>	<u>DATE</u>
1. Execution of purchase agreement for acquisition of land	Completed in 1990
2. Opening of escrow for land acquisition	Completed in 1990
3. Land escrow closing/conveyance of title to Developer	Completed in 1990
4. Submission of approved subdivision/condo tentative map to HCD	Completed March, 1992
5. Obtain local government approval of final plans and specifications	Completed April, 1992
6. Submission of final plans and specifications to HCD	Completed July, 1992
7. Obtain DRE preliminary (pink) report	November 15, 1992
8. Satisfaction of all preconditions to disbursement of HCD funds	November 16, 1992
9. Commencement of construction-Phase I	February 5, 1993
10. Submission of proposed DRE preliminary application (including budget) to HCD for review and approval	April 30, 1993
11. Obtain DRE final (white) public report	June 15, 1993
12. Submission of HCD-approved application to DRE	June 30, 1993
13. Submission of final DRE documents (including condo plan, CC&Rs, Bylaws, Articles of Incorporation) to HCD for review and approval (concurrently with submission to DRE)	July 31, 1993

10/1/92

**92 2369053**



ACTION	DATE
14. Commencement of construction-Phase II	November 30, 1993
15. Completion of all construction	July 31, 1994
16. Sale of Units:	

	Phase I		Phase II		
	CFHP	Market	CFHP	Market	
10	-	-	-	-	December 31, 1993
10	2	-	-	-	February 28, 1994
10	-	-	-	-	April 30, 1994
10	6	-	-	-	June 30, 1994
-	-	-	11	3	July 31, 1994
-	4	-	11	3	August 31, 1994
-	2	-	10	3	October 31, 1994
-	1	-	-	3	December 31, 1994
-	2	-	-	2	February 28, 1995
-	-	-	-	2	April 30, 1995
-	-	-	-	1	June 30, 1995

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92 2369053

ATTACHMENT J

SALES PRICE AND INCOME REQUIREMENTS

PROJECT

Name: Cityview Terrace

Address: 3711 Baldwin Avenue, Los Angeles

Number of Units in Project: 72 affordable (106 total)

Total Development Cost: \$17,564,000

SALES PRICES

Phase I:

Unit #BR	Sales Price	No. of Units	Total
A 2	\$150,000	9	\$ 1,350,000
B 2	\$163,000	9	\$ 1,467,000
C 2	\$168,000	9	\$ 1,512,000
D 2	\$173,000	9	\$ 1,557,000

Phase II:

A 2	\$155,000	5	\$ 775,000
B 2	\$168,000	5	\$ 840,000
C 2	\$172,000	13	\$ 2,236,000
D 2	\$177,000	13	\$ 2,301,000
<b>TOTAL</b>		<b>72</b>	<b>\$12,038,000</b>

DISTRIBUTION OF UNITS BY INCOME BAND

County Median Income: \$42,300

Bedrooms	Low (51-80%)	Moderate (81-120%)	Total
2		72	72

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**92 2369053**

ATTACHMENT 5

Developer Promissory Note

\$3,600,000

....., 1992  
Inglewood, California

FOR VALUE RECEIVED, the undersigned Developer, having its office at 5400 E. Olympic Boulevard, Los Angeles, CA 90022, hereby promises to pay to the order of the State of California Department of Housing and Community Development ("HCD"), the sum of three million six hundred thousand dollars (\$3,600,000.00) ("Loan") or so much thereof as may be advanced by HCD to the Developer pursuant to that certain Development Agreement (the "Agreement") of even date herewith between Developer and HCD, plus interest thereon at the rate provided in paragraph 5 below. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement, which is incorporated herein by reference. All sums advanced pursuant to this Note shall be due and payable in full on ..... 1997.

1. The obligation of the Developer to HCD hereunder shall be secured by a Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing ("Developer Deed of Trust") encumbering certain land in Los Angeles County, California, which shall be subordinate to the Agreement.

2. This Note evidences the obligation of the Developer to HCD for the repayment of funds made available to the Developer by HCD to finance the development of affordable ownership housing on the land described in the Deed of Trust for low- and moderate-income households at affordable sales prices (the "Project"), pursuant to the Agreement.

3. Developer acknowledges that, in making the loan represented by this Note, HCD has relied to a material extent upon the business reputation of Developer and upon the continuing interest which Developer will have in the Project. In the event Developer, without the prior written consent of HCD, sells, conveys, transfers, disposes of, hypothecates, mortgages or otherwise alienates or encumbers the Project (other than by way of the Construction Deed of Trust or Permanent Deed of Trust or any deed of trust securing a predevelopment loan) or any part thereof, or any interest therein, by the operation of law or otherwise, or should Developer cease to be a general partner of a partnership to which Developer may assign its rights under the Agreement pursuant

1/1/1992

**92 2369053**

to the terms thereof, or should the Project be syndicated except as set forth in the Agreement, then HCD shall have the right, at its sole option, to declare all sums evidenced by this Note immediately due and payable.

4. Borrower acknowledges that if an Event of Default occurs under the Agreement or the Regulatory Agreement, HCD shall have the right, pursuant to the terms of the Agreement or the Regulatory Agreement respectively, to declare all sums evidenced by this Note immediately due and payable.

5. The outstanding principal balance of this Note shall be reduced by the amount of indebtedness assumed by each purchaser of an individual property (the "Property") within the Project. The amount of such reduction per Property, unless some other amount shall have been approved in writing by HCD, shall be the portion of this Note attributable to the Buyer of such Property. Any excess of the portion attributable to the Buyer over the amount of the Note prorated to each Property shall be paid to HCD; such excess may be escrowed for the benefit of HCD pending sale of the last Property in order to ensure that funds unused on an earlier sale may be used to qualify the Buyer of a unit sold subsequently.

6. Simple interest on the principal amount of the loan calculated at the rate of three percent (3%) shall accrue during the term of the loan and shall be due and payable at such time as principal is due. Accrued interest shall be forgiven by HCD if HCD, in its sole discretion, determines that Developer has complied satisfactorily with the terms of this Agreement and related documents. HCD may make the determination of whether accrued interest will be forgiven after all Properties developed hereunder have been sold to Buyers, but interest on any portion of the aggregate principal attributable to an individual Property shall not accrue after the date of Permanent Loan closing for such a Property.

7. Payments under this Loan are payable at the principal office of HCD, CPHP, at 111 N. La Brea Avenue, Suite 500, Inglewood, California 90301, Attention: Executive Director, or at such other place as the holder hereof may inform the Developer in writing, in lawful money of the United States.

8. The Developer waives presentment for payment, demand, protest, and notice of dishonor and of protest; the benefits of all waivable exemptions; and all defenses and pleas on the ground of any extension or extensions of the time of payment or of any due date under this Note, in whole or part, whether before or after maturity and with or without notice.

11/23/92

92 2369053

9. In the event of the occurrence of an event of default hereunder, Developer and its partners and their partners shall not be personally liable therefor and HCD's sole remedy in the event of such an event of default shall be limited to judicial foreclosure of the property described in this Note or the exercise of power of sale or other rights granted under the Deed of Trust or any other instrument given to secure the indebtedness recited above, but shall not include the right to proceed directly against Developer and its partners or their partners or the right to obtain a deficiency judgment after foreclosure; however, nothing contained in this paragraph shall (a) limit or be construed to limit or impair the enforcement against the Property and/or any other security so mortgaged and/or pledged of any of the rights and remedies of HCD under this Note, the Deed of Trust or any other security, (b) prevent or be construed to prevent HCD from obtaining an injunction, order for specific performance or other applicable remedy against Developer to comply with the terms of the Agreement, or (c) release Developer, any general partner or beneficiary of Developer or any other party from personal liability arising from any of the following:

(i) fraud or intentional misrepresentation made in or in connection with this Note or any document evidencing, securing or pertaining to the secured debt evidenced by the Note;

(ii) the failure to apply insurance proceeds or condemnation awards which may come into the possession of Developer (to the full extent of such proceeds or awards) in the manner required by the Agreement or by the Deed of Trust; and

(iii) waste of the Site encumbered by the Deed of Trust.

10. The Developer shall have the right to prepay at any time without penalty the obligation evidenced by this Note, or any part thereof, but shall still be bound by the Agreement.

11. If this Note is not paid when due, whether at maturity or by acceleration, Developer promises to pay all costs of collection including, without limitation, reasonable attorneys' fees, and all expenses in connection with the protection or realization of the Site securing the obligations evidenced by this Note, incurred by HCD or the holder hereof on account of such collection, whether or not suit is filed. Such costs and expenses shall include, without limitation, all costs, attorneys' fees and expenses incurred by HCD or the holder hereof in connection with any insolvency, bankruptcy, reorganization, arrangement or other similar proceeding involving the Developer, which in any way affect the exercise by HCD or holder hereof of its rights and remedies under this Note or under the Deed of Trust or other agreement securing the obligations under

10/20/92

92 2369053

this Note. Such costs and expenses shall also include attorneys' fees and costs incurred in enforcing any judgment in a legal action pursuant to this paragraph. This entitlement to post-judgment attorneys' fees is intended to be severable from the other provisions of this Note, to survive and judgment, and is not deemed merged into the judgment.

12. All notices, demands, approvals and other communications provided for herein shall be in writing and shall be given in the manner set forth in the Agreement.

13. Time is of the essence with respect to every provision hereof. This Note shall inure to the benefit of NCD, its successors and assigns and shall be binding on Developer, its successors and assigns.

14. This Note may not be changed or terminated orally, but only by an agreement in writing signed by the party against whom enforcement of such change or termination is sought.

IN WITNESS WHEREOF, this Note has been duly executed by the Developer as of the date first above written.

"Developer"

CITY VIEW TERRACES A CALIFORNIA LIMITED PARTNERSHIP

By: TELACU Affordable Housing, Inc., a California corporation,  
General Partner

By: \_\_\_\_\_  
Anthony Souza, President

By: TELACU, a California nonprofit corporation, General  
Partner

By: \_\_\_\_\_  
David C. Lizarraga  
Chairperson

10/20/92

92 2369053

ATTACHMENT 6  
DEVELOPER DEED OF TRUST

*Free Recording Requested Pursuant to Government Code 272801*

When Recorded Mail To: )  
State of California )  
Department of Housing and )  
Community Development )  
111 N. La Brea, Suite 500 )  
Inglewood, CA 90301 )  
Attn: Chief, Housing Finance )

*Space Above This Line for Recorder's Use*

DEED OF TRUST  
With Assignment of Rents, Security Agreement  
and Fixture Filing

THIS DEED OF TRUST is made this \_\_\_\_\_ day of \_\_\_\_\_ 1992 by  
and between CITY VIEW TERRACES A CALIFORNIA LIMITED PARTNERSHIP  
("Trustor"), \_\_\_\_\_, a California corporation  
("Trustee"), for the benefit of the State of California Department  
of Housing and Community Development ("Beneficiary").

Trustor grants, transfers, and assigns to Trustee in trust,  
upon the trust, covenants, conditions and agreements and for the  
uses and purposes hereinafter contained, with power of sale, and  
right of entry and possession, all of Trustor's right, title and  
interest in and to that certain real property in the City of Los  
Angeles, County of Los Angeles, State of California, described in  
Exhibit "A" attached hereto and incorporated herein by this  
reference:

Together with the rents, issues, and profits thereof, subject,  
however to the right, power, and authority hereinafter given to and  
conferred upon Beneficiary to collect and apply such rents, issues  
and profits; and together with all buildings and improvements of  
every kind and description now or hereafter erected or placed  
thereon, and all fixtures, including but not limited to all gas and

10/2/92

**92 2369053**

electric fixtures, engines and machinery, radiators, heaters, furnaces, heating equipment, laundry equipment, steam and hot water boilers, stoves, ranges, elevators, and motors, bathtubs, sinks, water closets, basins, pipes, faucets and other plumbing and heating fixtures, mantels, cabinets, refrigerating plant and refrigerators, whether mechanical or otherwise, cooking apparatus and appurtenances, and all shades, awnings, screens, blinds and other furnishings, it being hereby agreed that all such fixtures and furnishings shall to the extent permitted by law be deemed to be permanently affixed to and a part of the realty; and

Together with all building materials and equipment now or hereafter delivered to the Property and intended to be installed therein.

The Trustor also hereby grants to the Beneficiary, as secured party, a security interest in all of the following described property, whether now or hereafter existing, and in which Trustor now has or hereafter obtains any right, title, estate or interest: (i) all existing and future goods located on the property which are now or in the future owned by the Trustor and used in the operation or occupancy of the property, including but not limited to all appliances, furniture and furnishings, building service equipment, and building material, supplies and equipment; swimming pool heaters, furniture and equipment; racquet ball and tennis equipment; gym and exercise machines and equipment; linens; chairs and tables; radios; ovens; heaters; stoves and microwave ovens; utensils; dishes; glassware and silverware; cash register; and inventory; (ii) all general intangibles relating to the development or use of the property including but not limited to all governmental permits relating to construction on the property, all names under or by which the property or any of the Improvements may at any time be operated or known and all rights to carry on business under any such names or any variant thereof, and all trademarks and goodwill in any way relating to the property; (iii) all other goods and chattels and personal property as are ever used or furnished in operating the improvements to be constructed on the Property, and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are, or shall be attached to said building or buildings in any manner;

To have and to hold the property hereinbefore described together with all appurtenances thereto (the "Property") to the Trustee, its or his successors and assigns forever.

FOR THE PURPOSE of securing the following obligations:

(a) The payment to Beneficiary of an indebtedness in the principal amount of three million six hundred thousand dollars

1/12/91

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(\$3,600,000.00), with interest thereon, executed by Trustor and payable to the order of Beneficiary, bearing the same date as this Deed of Trust bears, and any and all modifications, extensions or rewards thereof or substitutions therefor, and performance of each and all of the obligations of Trustor under the Note:

(b) Performance and satisfaction of each and all the covenants, agreements, terms and conditions to be performed or satisfied by Trustor and contained in this Deed of Trust, in that certain Development Agreement of even date herewith between Trustor and Beneficiary (the "Agreement");

(c) Payment of sums and interest thereon that may hereafter be loaned or advanced by Beneficiary to or for the benefit of Trustor or to its successor and assigns, provided that no such additional loan or advance and no interest thereon shall be secured by this Deed of Trust unless such additional loan or advance is (i) made to Trustor while it is the owner of record of the Property or a leasehold estate therein, or any portion thereof, or to its successors or assigns while they are the owners of the Property or a leasehold estate therein, and (ii) is evidenced by a written instrument signed by Trustor which recites that it is secured by this Deed of Trust.

AND TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR COVENANTS AND AGREES:

1. That it will pay the Note at the times and in the manner provided therein.

2. That it will not permit or suffer the use of any of the Property for any purpose other than the use for which the same was intended at the time this Deed of Trust was executed.

3. That upon the occurrence of any Event of Default under the Agreement, the Beneficiary, at its option, may declare the whole of the indebtedness secured hereby to be due and payable.

4. That all rents, profits and income from the Property covered by this Deed of Trust are hereby assigned to the Beneficiary for the purpose of discharging the debt hereby secured. Permission is hereby given to Trustor so long as no Event of Default exists hereunder, to collect such rents, profits and income for use in accordance with the provisions of the Agreement.

5. That upon an Event of Default hereunder or under the Agreement, Beneficiary shall be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take

10/20/92

92 2369053

possession and protect the Property described herein and operate same and collect the rents, profits and income therefrom.

6. That the Trustor will keep the improvements now existing or hereafter erected on the Property insured against loss by fire and such other hazards, casualties, and contingencies as may be reasonably required by the Beneficiary in the Agreement, and all such insurance shall be evidenced by standard fire and extended coverage insurance policy or policies. Such policies shall be endorsed with standard mortgage clause with loss payable to the Beneficiary in addition to the Trustor and shall be deposited with the Beneficiary.

7. To pay, at least thirty (30) days before delinquency, any taxes and assessments affecting said Property including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said Property or any part thereof which appear to be prior or superior hereto; and cost, fees, and expenses of this Trust.

8. To keep said Property in good condition and repair, not to remove or demolish any buildings thereon (except for any partial demolition occurring in connection with rehabilitation); to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged, or destroyed thereon to the extent that insurance proceeds are available therefor and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said Property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said Property in violation of law and/or covenants, conditions and/or restrictions affecting said Property; not to permit or suffer any material alteration of or addition to the buildings or improvements hereafter constructed in or upon said Property without the consent of the Beneficiary.

9. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

10. Should Trustor fail to make any payment or do any act as herein provided, then Beneficiary or Trustee, but without obligation to do so and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof. Beneficiary or Trustee

10/20/92

92 2369053

being authorized to enter upon said Property for such purposes may commence, appear in and/or defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; may pay, purchase, contest, or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, may pay necessary expenses, employ counsel, and pay his reasonable fees.

11. The Beneficiary shall have the right to pay fire and other property insurance premiums when due should Trustor fail to make any required premium payments. All such payments made by the Beneficiary shall be added to the principal sum secured hereby.

12. To pay immediately and without demand all sums so expended by Beneficiary or Trustee; under permission given under this Deed of Trust, with interest from date of expenditure at the rate specified in said Note.

13. That the funds to be advanced hereunder are to be used in the development of the Project in accordance with the Agreement; and upon the failure of the Trustor to use such funds for such purposes, the principal sum and all arrears of interest, and other charges provided for in the Note shall at the option of the Beneficiary of this Deed of Trust become due and payable, anything contained herein to the contrary notwithstanding. The covenant of this paragraph 13 shall terminate upon the later of all of the following: completion of the single-family dwellings to the reasonable satisfaction of the Beneficiary; payment of the final disbursement as provided in the Agreement; sale of the last single-family dwelling to a Buyer as provided in the Agreement; and repayment of the NCD Loan in full satisfaction of the Note.

14. That it will not voluntarily create, suffer, or permit to be created against the Property any lien or liens except as authorized by Beneficiary and further that it will keep and maintain the Property free from the claims of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on the Property.

15. That the improvements about to be made upon the Property covered by the Deed of Trust, and all plans and specifications, comply with all municipal ordinances and regulations and all other regulations made or promulgated, now or hereafter, by lawful authority, and that the same will upon completion comply with all such municipal ordinances and regulations and with the rules of the applicable fire rating or inspection organization, bureau, association or office.

10/24/92

92 2369053

IT IS MUTUALLY AGREED THAT:

16. If (i) the construction of the improvements herein referred to shall not be carried on with reasonable diligence, or shall be discontinued at any time for any reason other than strikes or lockouts, and (ii) there is an Event of Default under the Agreement, the Beneficiary, after due notice to the Trustor or any subsequent owner, is hereby invested with full and complete authority to enter upon the said premises, employ watchmen to protect such improvements from deprecation or injury and to preserve and protect the personal property therein, and to continue any and all outstanding contracts for the erection and completion of said building or buildings, to make and enter into any contracts and obligations wherever necessary, either in its own name or in the name of the Trustor, and to pay and discharge all debts, obligations and liabilities incurred thereby. All such sums so advanced by the Beneficiary (exclusive of advances of the principal of the indebtedness secured hereby) shall be added to the principal of the indebtedness secured hereby and shall be secured by this Deed of Trust and shall be due and payable on demand with interest at the rate specified in said Note.

17. Should the Property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner, the Beneficiary shall be entitled subject to the rights of the holder of any senior deeds of trust to all of Trustor's interest in compensation, awards, and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage. All such compensation, awards, damages, rights of action and proceeds, including the proceeds of any policies of fire and other insurance affecting said Property, are hereby assigned to the Beneficiary subject to the rights of the holders of senior deeds of trust. After deducting therefrom all its expenses, including attorneys' fees, and if Trustor is not in default, Beneficiary shall apply all such proceeds to restoring the Property, or in the event of Trustor's default or in the event Trustor determines not to rebuild, the Beneficiary shall retain the proceeds to the extent of the amount of principal and interest due under the Note. Any balance of such proceeds still remaining shall be disbursed by the Beneficiary to the Trustor.

18. This Deed of Trust shall be recorded subordinate to the Agreement. Beneficiary acknowledges that Trustor intends to obtain loans from an institutional lender and/or other agencies for construction and permanent financing for the improvements and such loans may be obtained prior to maturity as set forth in the Note or

11/20/92

92 2369053

the release of this Deed of Trust. Beneficiary agrees to subordinate this Deed of Trust to the deeds of trust securing such loans subject to the provisions of the Agreement.

19. If Trustor shall fail to perform any covenant or agreement in this Deed of Trust and such failure continues beyond any applicable cure period, the Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale, and of written notice of default and of election to cause the real property described in Exhibit "A" attached hereto to be sold at public auction, which notice Trustee shall cause to be duly filed for record in accordance with California law, and the Beneficiary may foreclose this Deed of Trust; provided, however, that Trustor shall not be deemed to have committed an Event of Default hereunder for failure to make any payment when due until thirty (30) days after Trustor's receipt of notice of such failure from Beneficiary, and further provided that Trustor shall not be deemed to have committed an Event of Default hereunder for failure to perform any covenant or agreement contained herein until thirty (30) days after Trustor's receipt of notice of such failure from Beneficiary or if such failure cannot reasonably be cured within such thirty (30) day period, Trustor shall not be deemed to have committed an Event of Default if Trustor commences such cure within said thirty (30) day period and diligently prosecutes such cure to completion. Beneficiary shall also deposit with Trustee this Deed of Trust, the Note and all documents evidencing expenditures secured hereby.

20. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell the real property described on Exhibit "A" attached hereto at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine at public auction to the highest bidder for cash lawful money of the United States payable at time of sale. Trustee may postpone sale of all or any portion of said Property by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser its Deed conveying Trustor's fee or leasehold estate, as the case may be, in such real property so sold but without any covenant or warranty, express or implied. The recitals in the Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary, may purchase at the sale. The Trustee shall apply the proceeds of sale to payment of (1) the expenses of such sale, together with the reasonable expenses of this trust including therein reasonable Trustee's fees

10/10/92

92 2369053

or attorneys' fees for conducting the sale, and the actual cost of publishing, recording, mailing and posting notice of the sale; (2) the cost of any search and/or other evidence of title procedure in connection with such sale and revenue stamps on Trustee's Deed; (3) all sums expended under the terms hereof, not then repaid, with accrued interest at the rate specified in said Note; (4) all other sums then secured hereby; and (5) the remainder, if any, to the person or persons legally entitled thereto.

21. Beneficiary may from time to time substitute a successor or successors to any Trustee named herein or acting hereunder to execute this Trust. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any Trustee herein named or acting hereunder. Each such appointment and substitution shall be made by written instrument executed by Beneficiary, containing reference to this Deed of Trust and its place of record, which, when duly recorded in the proper office of the county or counties in which the Property is situated, shall be conclusive proof of proper appointment of the successor trustee.

22. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said Note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the Property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".

Upon written request of Beneficiary stating that the portion of the indebtedness under the Note which is attributable to a single-family dwelling which is a part of the Property, Trustee shall reconvey, without warranty, that portion of the Property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

23. The trust created hereby is irrevocable by Trustor.

24. In the event of the occurrence of an Event of Default hereunder, Trustor and its partners and their partners shall not be personally liable therefor and Beneficiary's sole remedy in the event of such Event of Default shall be limited to judicial foreclosure of the property described in this Deed of Trust or the exercise of power of sale or other rights granted hereunder or any other instrument given to secure the indebtedness recited above, but shall not include the right to proceed directly against Trustor

10/20/92

92 2369053

and its partners or their partners or the right to obtain a deficiency judgment after foreclosure; however, that nothing contained in this paragraph shall (a) limit or be construed to limit or impair the enforcement against the Property and/or any other security so mortgaged and/or pledged of any of the rights and remedies of Beneficiary under the Note secured hereby, the Deed of Trust or any other security, (b) prevent or be construed to prevent Beneficiary from obtaining an injunction, order for specific performance or other applicable remedy against Trustor to comply with the terms of the Agreement, or (c) release Trustor, any general partner or beneficiary of Trustor or any other party from personal liability arising from any of the following: (i) fraud or any intentional and material misrepresentation made in or in connection with the Note or any document evidencing, securing or pertaining to the secured debt evidenced by the Note; (ii) the application of insurance proceeds or condemnation awards which may come into the possession of Trustor (to the full extent of such proceeds or awards) in a manner contrary to that required, if any, by this Deed of Trust or the Agreement; and (iii) waste of the Property encumbered hereby.

25. Trustor acknowledges that, in making the loan represented by the Note, Beneficiary has relied to a material extent upon the business reputation of Developer and upon the continuing interest which Developer will have in the property encumbered by this Deed of Trust (the "Trust Estate"). In the event Trustor sells, conveys, transfers, disposes of, hypothecates, mortgages or otherwise alienates or encumbers the Trust Estate, or any part thereof, or any interest therein, (other than by way of Permanent Deed of Trust as defined in the Agreement), by the operation of law or otherwise, or should Trustor cease to be a general partner of a partnership to which Trustor may assign its rights under the Agreement pursuant to the terms thereof, as set forth in the Agreement, then Beneficiary shall have the right, at its sole option, to declare all sums evidenced by this Note immediately due and payable.

26. This Deed of Trust constitutes a Security Agreement with respect to all personal property in which Beneficiary is granted a security interest hereunder, and Beneficiary shall have all of the rights and remedies of a secured party under the California Uniform Commercial Code as well as all other rights and remedies available at law or in equity. Trustor hereby agrees to execute and deliver on demand and hereby irrevocably constitutes and appoints Beneficiary the attorney-in-fact of Trustor, to execute, deliver and, if appropriate, to file with the appropriate filing officer or office such security agreements, financing statements, continuation statements or other instruments as Beneficiary may request or require in order to impose, perfect or continue the perfection of,

10/20/02

92 2369053

the lien or security interest created hereby. Upon the occurrence of any Event of Default hereunder, Beneficiary shall have the right to cause any of the Property which is personal property and subject to the security interest of Beneficiary hereunder to be sold at any one or more public or private sales as permitted by applicable law, and Beneficiary shall further have all other rights and remedies, whether at law, in equity, or by statute, as are available to secured creditors under applicable law. Any such disposition may be conducted by an employee or agent of Beneficiary or Trustee. Any person, including both Trustor and Beneficiary, shall be eligible to purchase any part or all of such property at any such disposition.

Expenses of retaking, holding, preparing for sale, selling or the like shall be borne by Trustor and shall include Beneficiary's and Trustee's attorneys' fees and legal expenses. Trustor, upon demand of Beneficiary, shall assemble such personal property and make it available to Beneficiary at the Property, a place which is hereby deemed to be reasonably convenient to Beneficiary and Trustor. Beneficiary shall give Trustor at least five (5) days prior written notice of the time and place of any public sale or other disposition of such property or of the time of or after which any private sale or any other intended disposition is to be made, and if such notice is sent to Trustor, as the same is provided for the mailing of notices herein, it is hereby deemed that such notice shall be and is reasonable notice to Trustor.

27. The Trustor will be in default (each an "Event of Default") under this Deed of Trust if:

(a) The Trustor fails to make any payment required by the Note, and does not cure that failure within thirty (30) days after receipt of written notice from the Beneficiary; or

(b) The Trustor fails to perform any other covenant contained in this Deed of Trust, following notice and an opportunity to cure as provided in paragraph 19 above;

(c) There occurs an Event of Default under the Agreement. The right to notice and cure provided by paragraph 19 above shall not entitle the Trustor to a second right to notice and cure additional to such right provided in the Agreement; or

(d) Any other event occurs which, under the Note or under any other agreement of the Trustor relating to the Loan, constitutes a default following notice and opportunity for the Trustor to cure as provided therein or gives the Beneficiary the right to accelerate the maturity of any part of the indebtedness secured by this Deed of Trust.

10/20/92

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28. Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made public record as provided by law. Except as otherwise provided by law, the Trustee is not obligated to notify any party hereto of pending sale under this Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

29. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term "Beneficiary" shall include not only the original Beneficiary hereunder but also any future owner and holder including pledgees of the Note secured hereby. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular includes the plural.

30. The Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to it at the following address:

CITY VIEW TERRACES A CALIFORNIA LIMITED PARTNERSHIP  
c/o The East Los Angeles Community Union, a  
California nonprofit corporation  
Attn: Rick Martinez  
5400 E. Olympic Boulevard, Suite 100  
Los Angeles, CA 90022

IN WITNESS WHEREOF the Trustor has executed this Deed of Trust as of the day and year set forth above.

TRUSTOR:

CITY VIEW TERRACES A CALIFORNIA LIMITED PARTNERSHIP

By: TELACU Affordable Housing, Inc., a California  
corporation, General Partner

By: \_\_\_\_\_  
Anthony Souza, President

By: The East Los Angeles Community Union, a California  
nonprofit corporation, General Partner

By: \_\_\_\_\_  
David C. Lizarraga, Chairperson

11/20/92

92 2369053

Exhibit "A"

LEGAL DESCRIPTION OF SITE

THE LAND REFERRED TO HEREIN IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Lot 13 in Block "B" of Park Tract, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 6 Page 434 of Miscellaneous Records, in the Office of the County Recorder of said county.

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ATTACHMENT 7

DEFINITIONS

"Acquisition Costs" means, the purchase price for the Site, recording fees for the deed to Developer, the difference between the CLTA owner's policy premium and ALTA owner's policy premium covering the Site, the cost of any Lender's Policy of Title Insurance required by HCD, one-half the title company's escrow fee and the cost of any endorsement required by HCD. The term "Acquisition Costs" shall also include any other fees or charges approved in writing by HCD prior to closing.

"Acquisition Draw" means, the amount of funds paid to Developer as part of the HCD Loan for the purpose of funding all or part of the Acquisitions Costs.

"Authorizations" means, if Developer is a partnership or joint venture, a certificate addressed to HCD executed by each general partner or Developer with respect to the due authorization of the Loan Documents, the incumbency of the person or persons executing and delivering Loan documents on behalf of Developer and the accuracy and completeness of the attached copy of the partnership agreement. If Developer is a corporation, "Authorizations" shall mean a certificate of corporate resolutions duly executed by the secretary or other officer of the corporation with respect to the due authorization of the Loan Documents and the incumbency of the person or persons executing and delivering Loan documents on behalf of Developer.

"Buyer Deed of Trust" means, the Deed of Trust with Assignment of Rents and Security Agreement in substantially the same form as Attachment 18 which secures repayment of the Buyer Note.

"Buyer Note" means, the Promissory Note executed by Buyer in favor of HCD and evidencing the portion of the Permanent Loan attributable to debt on the Property financed by HCD.

"Certifications" means, if Developer is a limited partnership, a certificate or certificates issued by the Secretary of State of the state of Developer's formation reflecting that Developer is a partnership duly organized, validly existing and in good standing under the laws of such state, and, if applicable, a certificate issued by the Secretary of State of the State of California reflecting that Developer is registered to do business as a foreign limited partnership in the State of California. If Developer is a corporation, "Certifications" means a certificate or certificates issued by the Secretary of State of the state of Developer's incorporation reflecting that Developer is duly

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organized, validly existing and in good standing under the laws of such state, and, if applicable, evidence that Developer is duly qualified to conduct business in the State of California.

"CFAAC" means, the Century Freeway Affirmative Action Committee.

"City" means, the city (or county if the Property is not located within a city) in which the Property is situated.

"Completion Draw" means, the amount of funds paid to Developer as part of the HCD Loan for purposes of financing sale of a Property to a Buyer at Permanent Loan closing.

"Construction Lender" means, an Institutional Lender or public agency which has committed to make a loan to Developer for the purpose of financing the construction of the Project on the Site.

"Construction Loan" means, a loan to be made by Construction Lender to Developer for construction of the Project.

"Corridor" means, the Primary or Secondary Zones of the proposed Century Freeway as more particularly described in Attachment 10.

"Developer Deed of Trust" means, the Deed of Trust with Assignment of Rents and Security Agreement in substantially the same form as Attachment 6 which secures repayment of the HCD Loan.

"Developer Note" means, the Promissory Note executed by Developer in favor of HCD and evidencing the HCD Loan in substantially the same form as Attachment 5 which is secured by the Developer Deed of Trust.

"Development Costs" means, the total costs to be incurred by Developer in connection with the acquisition and development of the Site and construction of the Project. As of the date of the Development Agreement, the Development Costs have been estimated by the Developer to be as set forth in § 501 hereof.

"Formation Documents" means, if Developer is a partnership, a copy of the partnership agreement duly certified as being true, correct and unmodified by a general partner, together with (if Developer is a general partnership), a Statement of Partnership duly recorded in Los Angeles County, California, or, if Developer is a limited partnership, a certificate issued by the Secretary of State of the State of Developer's formation reflecting that the partnership agreement or a certificate thereof or an LP-1 form if

07/10/02

92 2369053

Developer is a California limited partnership has been duly filed with such Secretary. If Developer is a corporation, "Formation Documents" means a copy of Developer's articles of incorporation and by-laws duly certified as being true and correct by an officer of Developer.

"Hazardous Materials" means, (a) any oil, flammable substances, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other materials or pollutants which cause the premises to be in violation of any Hazardous Materials Laws; (b) asbestos in any form which is or could become friable, area formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls in excess of fifty (50) parts per million; (c) any chemical, material or substance defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous waste," "restricted hazardous wastes," or "toxic substances" or words of similar import under any applicable local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto, including, but not limited to, the Comprehensive Environmental Response Compensation and Liability Act as 1980, as amended, 42 U.S.C. Sec. 9601, et. seq.; the Hazardous Materials Transportation Act, as amended, 49 U.S.C. Sec. 1801, et. seq.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Sec. 6901, et. seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. Sec. 1251, et. seq.; Chapters 29, 144, 147, 160 and 162, Wis. Stats.; and (d) any other chemical, material or substance exposure to which is prohibited, limited or regulated by any governmental authority.

"Hazardous Materials Laws" means, any federal, state or local laws, ordinances or regulations relating to the environment, health and safety and Hazardous Materials (including, without limitation, the use, handling, transportation, production, disposal, discharge or storage thereof) on, under or about the Site, including, without limitation, soil or ground water conditions.

"HCD Loan" means, a loan from HCD to Developer in the aggregate amount of the Acquisition, Predevelopment, and Completion Draws which does not exceed fifty thousand dollars (\$50,000.00) per unit of single-family homeownership housing developed pursuant to the Development Agreement and evidenced by the Developer Note.

"Institutional Lender" means, a California chartered bank; a bank created and operating under and pursuant to the laws of the United States of America; an "incorporated admitted insurer" (as that term is used in § 1100.1 of the California Insurance Code); a

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federal savings and loan association (Cal. Fin. Code § 8600); a commercial finance lender (within the meaning of §§ 26000 et seq of the California Financial Code); a "foreign [other nation] bank" provided it is licensed to maintain an office in California, is an agency or branch office in that state, or maintains a federal agency or federal branch in any state (§ 1716 of the California Financial Code); a bank holding company or a subsidiary of a bank holding company which is not a bank (§ 3797 of the California Financial Code); a trust company, insurance company, investment banker; college or university; pension or retirement fund or system, either governmental or private, or any pension or retirement fund or system of which any of the foregoing shall be trustee, provided the same be organized under the laws of the United States or of any state thereof; a Real Estate Investment Trust, as defined in § 856 of the Internal Revenue Code of 1986, as amended, provided such Trust is listed on either the American Stock Exchange or the New York Stock Exchange; and public or quasi-public agencies including but not limited to redevelopment agencies and community development departments of local governments.

"Marketing Plan" means, a plan drafted by Developer and approved by HCD for selling Properties to Buyers as outlined in Attachment 15.

"Maturity date" means, that date thirty (30) years from the date of recordation of the Buyer Deed of Trust on which date the portion of the Permanent Loan due HCD is due and payable.

"Permanent Lender" means, a public agency and/or an Institutional Lender who has committed to make a loan to Buyer for the purpose of permanently financing the Project on the Site.

"Permanent Loan" means, a loan or loans to be made to Buyer by Permanent Lender in an amount which, when added to the portion of the HCD Loan allocable to the Property, is sufficient to repay the portion of the Construction Loan allocable to the Property and to provide long-term financing for the Property.

"Plans and Specifications" means, the final plans and specifications for the Project, as reviewed by HCD and as changed from time to time pursuant to the Development Agreement.

"Predevelopment Costs" means Development Costs that must be incurred and paid by the Developer before the commencement of construction, including but not limited to the following categories of expenditures: relocation costs, architecture, engineering, permits and fees, survey, toxic studies, soils tests, insurance, packager fees, syndication costs, legal fees, loan application and origination fees, appraisal costs, property taxes, temporary

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fencing, weed abatement, security, tax credit application fees, accounting and audit costs, title and recording costs associated with financing other than the Acquisition Draw, establishment of non-construction reserve accounts reasonably required by a construction lender or for the purposes of syndication of the Project, and organizational fees.

"Predevelopment Draw" means the amount of funds as described in § 503.1 for purposes of financing the Predevelopment Costs.

"Project" means, the Site and the residential housing to be constructed thereon as described in Attachment 2 of the Development Agreement.

"Right to Purchase Agreement" means, that certain agreement executed and acknowledged by Buyer and recorded at the time of Permanent Loan closing, creating covenants running with the land, ensuring the long-term affordability of the Property, and giving HCD the option to repurchase the Property as provided therein, all in substantially the same form as Attachment 19.

"Site" means, the land described in Attachment 1 to the Development Agreement.

"Title Documents" means, all documents and instruments reflected on any preliminary title report and supplements thereto issued by a title company acceptable to HCD.

07/10/92

92 2369053

ATTACHMENT B

CFAAC MONITORING PLAN FOR AFFIRMATIVE ACTION PROVISIONS  
PUBLIC PRIVATE PARTNERSHIP

1. Goal Setting

MBE/WBE and Employment goals will be set as provided in §307.1 and Attachment 9 of the Development Agreement.

2. Outreach

Developer, its general contractor, and any subcontractor may request the assistance of CFAAC and/or CFTMS with outreach activities and other forms of technical, management, and dispute resolution assistance designed to maximize participation of M/WBE and corridor firms. Failure by CFAAC or CFTMS to provide such assistance, or failure by CFAAC or CFTMS to provide adequate or competent assistance shall not relieve Developer of any of its obligations under the Development Agreement.

3. Certification

Only Caltrans/Century Freeway certified M/WBEs and M/WBEs with collateral certification by Caltrans pursuant to the Consent Decree federal court order of February 25, 1992, shall be counted toward the M/WBE goal. If Developer wishes to obtain credit for MBE/WBE goal attainment purposes for the employment of a specific minority or women entity as a contractor or subcontractor, it is Developer's responsibility to ensure that the entity is certified as an MBE or WBE, or that such entity applies timely for certification in accordance with Developer's Action Plan as approved by HCD and CFAAC before such entity is due to commence work on the Project. Absent bad faith and subject to the following paragraph, Developer may rely on any document issued or published by Caltrans, and current as of the date of employment by Developer of such entity, showing the entity to be a Century Freeway certified or collaterally certified MBE or WBE.

The said order provides for minorities and women entities with collateral certification to apply for Caltrans Century Freeway certification within two weeks from the date their bid is accepted to work on the project and for certification review to be completed within a further two week period. If an entity which is collaterally certified fails to submit its certification

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application to Caltrans within such two week period, Developer may not count such entity as an MBE or WBE for goal attainment purposes. Failure by a Developer to attain MBE/WBE goals because of the failure of a collaterally-certified entity to submit its certification application to Caltrans within such two week period or ultimate denial of Century Freeway certification to a collaterally-certified entity shall not be grounds for a determination by HCD that Developer has failed to make good faith efforts to attain MBE/WBE goals, absent evidence that Developer acted in bad faith in connection with the employment or certification of such entity.

CFAAC will advocate and promote its best efforts to provide an expedited certification review process in accordance with the said order. In addition, CFAAC will schedule outreach activities and conduct workshops if requested to assist contractors in obtaining certification.

#### 4. Pre-Construction Conference

Developer shall give HCD and CFAAC at least two weeks advance written notice of the date on which it intends to commence construction on the Project. As soon as possible thereafter, but not later than three working days before the date on which construction is to commence, CFAAC shall convene a Pre-Construction Conference as mandated by the Consent Decree for each project to inform and emphasize to Developer and contractors the importance of equal employment opportunity, M/WBE and corridor business utilization for the project. This conference is designed to ensure that the general contractor is fully implementing the Action Plan submitted to HCD and CFAAC as a condition of contract award by HCD and concurrence by CFAAC. The Action Plan, and Developer's performance thereunder and under this Development Agreement through the date of the pre-construction conference, may be relied upon by HCD, CFAAC and Caltrans at the pre-construction conference when determining whether construction may commence.

Participants at the pre-construction conference shall include HCD, Developer, general contractor, subcontractors, CFAAC, and union representatives. However, written contracts or accepted bids may be provided in place of personal attendance at the pre-construction conference by subcontractors and subconsultants. In the event that all subcontractors are not present at the pre-construction conference, the conference will proceed with Developer, general contractor, and such subcontractors and subconsultants as may be present. Developer is responsible for ensuring that all subcontractors who do not attend the pre-construction conference are adequately informed of their obligations under Exhibit C of the

10/2/92

92 2369053

Consent Decree, and the provisions of this Development Agreement (including but not limited to Attachments 8 and 9 hereto) with which they are required to comply pursuant to §307.1(a) hereof.

At the pre-construction conference, the process of payments to contractors shall be fully explained by Developer. In addition, CFAAC representatives shall review with the general contractor and all subcontractors the CFAAC forms which need to be submitted (including but not limited to Monthly Employment Utilization Reports, Monthly M/WBE Utilization Reports, and General Contractor's Monthly List of Subcontractors), and the time-line for submission.

#### 5. Monitoring

##### 5.1 On-site Monitoring

After the commencement of construction, CFAAC may commence periodic on-site inspections for contract compliance. CFAAC through its authorized representative shall report to the general contractor's on-site office and the general contractor's representative shall provide the CFAAC representative with a listing of all subcontractors performing construction services that day, and a daily work force count. The individual subcontractors then present on site shall report to the CFAAC representative their total work force for that day. The CFAAC representative may randomly interview workers for corridor residency, ethnicity, and gender as well as inspect the project site for other details related to Exhibit C compliance.

##### 5.2 Documentary Monitoring

During the construction period, Developer shall submit monthly to CFAAC the following forms and documents: Monthly Employment Utilization Reports, Monthly M/WBE Utilization Reports and General Contractor's Monthly List of Subcontractors. CFAAC may inform Developer and general contractor of any discrepancies and may require Developer to meet with CFAAC representatives in order to explain and resolve such discrepancies. In the event of any unresolved dispute, the matter shall be brought forth to private third party arbitration in accordance to Developer/general contractor and general contractor /subcontractor contracts.

Within 10 calendar days of the effective dates thereof, Developer shall provide HCD and CFAAC with copies of all accepted bids, subcontracts and other instruments entered into

11/21/92

92 2369053

as part of Developer's Action Plan after the pre-construction conference. Such accepted bids, subcontracts and instruments shall be deemed to have become supplements to Developer's Action Plan and MCD shall take them into account in determining whether Developer is in compliance therewith.

#### 6. Records

CFAAC shall have access to all Developer/general contractor/subcontractor records, including but not limited to payroll information and documentation or any other additional supporting documentation which CFAAC deems may be necessary for monitoring Developer's compliance with Exhibit C of the Consent Decree.

#### 7. Substitutions

Developer shall give MCD and CFAAC 72 hours written notice of its intent to terminate a contract with a certified M/WBE general contractor and of its general contractor's intent to terminate a subcontract with a certified M/WBE subcontractor. General contractors shall make good faith efforts to replace a certified M/WBE subcontractor that is unable to perform successfully with another certified M/WBE. CFAAC shall ascertain from Caltrans the certification eligibility of the proposed M/WBE. Prior to the substitution and in the event of a contractual dispute between two affected parties, CFAAC may facilitate a meeting between the disputants and Developer in order to assist in resolution. After investigation and consideration of the circumstances surrounding the substitution, CFAAC may make a determination as to whether Developer's actions with regard to the substitution are consistent with Developer's obligations to make good faith efforts to attain MBE/WBE contracting goals. If CFAAC determines that Developer's actions are not consistent with such good faith efforts, CFAAC may issue a Notice of Deficiency pursuant to paragraph 9.1 of this Attachment 8.

#### 8. Compliance Enforcement

##### 8.1 Notice of Deficiency

In the event that CFAAC determines at any time before or during construction of the project that Developer is not in compliance with its obligations under §107.1, this Attachment 8 or Attachment 9 hereto, CFAAC may issue a Notice of Deficiency to Developer, with a copy to MCD, stating the

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circumstances of Developer's non-compliance. HCD may take into account any such Notice of Deficiency, together with Developer's response (if any) thereto in determining whether or not Developer is in compliance with this Development Agreement and whether or not Developer has made good faith efforts to attain MBE/WBE goals for the purposes of assessment of liquidated damages pursuant to §107.1(e)(2). Failure by CFAAC to issue a Notice of Deficiency under this paragraph shall not relieve Developer of its obligations hereunder nor constitute any waiver thereof.

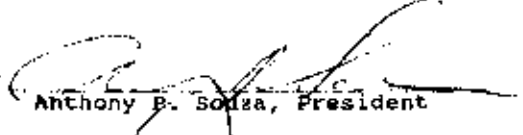
8.2 Remedies

HCD's remedies for enforcement of M/WBE requirements of this Development Agreement shall be as provided in the Development Agreement itself, and include but are not limited to the imposition of liquidated damages pursuant to §107.1(e)(2) of the Development Agreement. Other remedies allowed by state and federal law may be pursued by CFAAC.

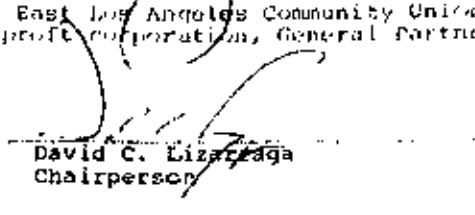
The undersigned Developer agrees to be bound by the terms and conditions of the foregoing Attachment 8.

CITY VIEW TERRACES A CALIFORNIA LIMITED PARTNERSHIP

By: TELACU Affordable Housing, Inc., a California corporation,  
General Partner

By:   
Anthony P. Souza, President

By: The East Los Angeles Community Union, a California  
nonprofit corporation, General Partner

By:   
David C. Lizateaga  
Chairperson

10/2/92

92 2369053

ATTACHMENT 11

# AFFIRMATIVE ACTION PLAN

## FOR PARTICIPATION IN THE CENTURY FREEWAY HOUSING PROGRAM

Submitted By:

**THE EAST LOS ANGELES COMMUNITY UNION  
(TELACU)**

Dated:

**MAY 15, 1991**



5400 E. Olympic Boulevard, Suite 300, Los Angeles, California 90022  
(213) 721-1655

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## TELACU

5400 E Olympic Boulevard  
Los Angeles, CA 90022  
(213) 721-1655

May 15, 1991

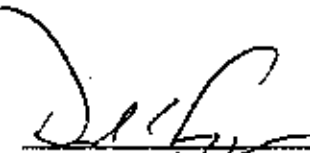
Century Freeway Housing Program  
111 North La Brea  
Inglewood, California 90301


**To Whom It May Concern:**

TELACU submits this Affirmative Action Plan ("Plan") for the projects which will be financed through the Century Freeway Housing Program, as described through Letter of Intent dated April 3, 1991 and assigned the reference number of RFP P/P 1-009.

TELACU is committed to implementing the Plan and will diligently act to achieve the employment goals supplied herein.

Submitted by:  
TELACU, Inc.  
5400 East Olympic Boulevard  
Suite 300  
Los Angeles, CA 90022

  
\_\_\_\_\_  
David C. Lizaraga  
Chief Executive Officer

  
\_\_\_\_\_  
David Cardona  
EEO Program Manager

c:\char\p\h

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## TELACU

5400 E. Olympic Boulevard  
Los Angeles, CA 90022  
(213) 721-1667

### EQUAL EMPLOYMENT POLICY STATEMENT and AFFIRMATIVE ACTION COMMITMENT for TELACU

Throughout the years, TELACU has recognized the importance of utilizing people to their fullest potential. We will continue to demonstrate that commitment through fair and equal treatment of all employees and applicants. As a minority-owned and operated community development corporation, we diligently promote equal employment opportunities for minorities and women in both our family of operations and in the communities we serve.

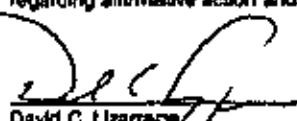
TELACU upholds affirmative action principles as an integral part of our business practices. Therefore, we would like to reaffirm our policies and procedures to insure that:

1. We use employment and recruiting practices that do not discriminate against any person because of race, color, religion, sex, age, national origin, handicap or veteran status.
2. We administer all personnel actions such as promotions, demotions, transfers, layoffs, terminations, compensation, benefit programs, and educational opportunities in a non-discriminatory manner.
3. Our management group is aware of their responsibilities under this policy.

The Personnel Manager and Equal Employment Opportunity Officer for TELACU are responsible for implementing and monitoring our affirmative action plans. Also, it is understood that all employees are individually accountable for this policy in their business dealings.

TELACU honors Section 503 of the Rehabilitation Act of 1973, and the Vietnam Era Veterans Readjustment Assistance Act of 1974 (38 USC 2012). These Sections promote employment of qualified handicapped individuals, and qualified disabled and Vietnam-era veterans. Submission of this information is voluntary and will be kept confidential. However, some disclosure may be necessary to: (1) supervisors and managers; (2) safety personnel in emergency treatment situations; and, (3) government officials investigating compliance with the Act. Qualified persons under these Sections will be considered for our affirmative action program.

All TELACU affirmative action plans are available for review by applicants and employees from the Personnel Manager. To further effect this policy, we invite any employee inquiries or requests for counseling regarding affirmative action and equal job opportunities.

  
David C. Lizaraga  
Chief Executive Officer  
TELACU

92 2369053

10-01-92

**AFFIRMATIVE ACTION PLAN**  
*for the*  
**TELACU and CFHP Public/Private  
PARTNERSHIP PROGRAM**

**TABLE OF CONTENTS**

<u>SECTION</u>	<u>Page</u>
Equal Employment Policy Statement and Affirmative Action Commitment	i
Affirmative Action Plan	1
I. Designated Representatives	1
II. TELACU Status and Goals	2
III. Construction Goals and Procedure	3
IV. Promoting Equal Employment Opportunity and Affirmative Action	8
V. Policy and Procedure	13

(continued)

**92 2369053**

10-01-92



## TABLE OF CONTENTS

(continued)

<u>Exhibit</u>	<u>Description</u>
1	Management Workforce Profile
2	List of Corporate Officers and Board Members
3	Executive Order 11246
4	Workforce Profile
5	Resource Lists
6	CFAAC/Caltrans M/WBE Certified List
7	Job Advertisement Form
8	"New Hire" Activity Report
9	"Turnover" Analysis
10	Promotional Activity Report
11	Sexual Harassment Policy (Signed)
12	Complaint Resolution Procedure

10-01-92

**92 2369053**

### AFFIRMATIVE ACTION PLAN

WHEREAS, it is the intent of this Company to follow that stated Policy (see Equal Employment Policy Statement and Affirmative Action Commitment), and all applicable present and subsequent Federal and State rules, regulations and executive orders pertaining to equal employment opportunity and fair employment practices, and

WHEREAS, this Company recognizes the importance and necessity of firm administration of this AFFIRMATIVE ACTION PLAN ("Plan" or "Program").

THEREFORE, the following rules, regulations and directives are hereby restated and implemented:

#### I. DESIGNATED REPRESENTATIVES

The following Company representatives are charged with the responsibility of enforcing the provisions and intent of this Affirmative Action Plan.

##### A. EQUAL EMPLOYMENT OPPORTUNITY PROGRAM MANAGER

Dave Cardona is designated as the Equal Employment Opportunity Program Manager ("Program Manager" or "Program Officer"). It is his responsibility to oversee compliance with the rules, regulations and directives as outlined in this Plan.

The Program Officer's duties are:

- \* Review Program viability on a regular basis and undertake all measures necessary to implement these provisions. An annual review shall be conducted with UNACU's Chief Executive, David C. Lizaraga.
- \* Create additional affirmative action programs to creatively address identified deficiencies.
- \* Implement Federal and State affirmative action requirements enacted subsequent to this Program plan, if any.
- \* Institute new or revised internal rules, regulations and directives.

92 2369053

10-01-92

- \* Undertake corrective actions which may be necessary for existing infractions on an individual basis.
- \* Oversee all affirmative action communications, both internal and external.
- \* Implement a management reporting process, reviewed on an annual basis to measure affirmative action practices. Such reporting may include EEO-1 Report, Workforce Analysis, Promotion Activity, Hiring Tracking and Turnover Analysis.
- \* Coordinate with TELACU's development division to monitor general contractor compliance with the affirmative action goals.

**B. COMPANY PERSONNEL DEPARTMENT**

The company personnel department shall assist the Program Manager in the implementation of these provisions. Such duties include, but are not limited to, the dissemination of EEO information, administering employee complaints, overseeing general Program implementation and advising the Program Officer of potential compliance failures.

**C. EXECUTIVES AND MANAGERS**

Compliance will be personally enforced by all executives and managers who are authorized to hire, fire, supervise, promote, train or recommend such action regarding employee status. They diligently will effect these provisions in their individual capacities and make every reasonable effort to carry out the intent of this Program. As a matter of Company policy, every manager and supervisor is committed to and accountable for helping to implement the goals stated herein.

**II. TELACU STATUS AND GOALS**

Addressed in two parts, this discusses TELACU's equal employment opportunity status, both present and projected.

**A. CURRENT EQUAL EMPLOYMENT OPPORTUNITY STATUS**

TELACU's primary mandate as a community development corporation is the promotion of equal employment opportunities

**92 2369053**

for, and the economic advancement of, historically disenfranchised community residents. A dedication to this purpose is evidenced by a distinguished affirmative action record described below (also see attached as Exhibit 1, Management Workforce Profile).

- TELACU, the non-profit corporation, employs 40 people in its executive offices. Of this number, 31 employees are members of a minority group (i.e., are Hispanic, African-American or Asian), or a total of a 78% minority staff. Additionally, there are 15 minority managers out of 21, or a total of 72% minority managers.
- There are 17 females employed, or a total of 43%. There are 4 female managers out of 21, or a total of 19% females in company management.
- TELACU Affordable Housing, Inc. (TAH) is the real estate development arm for TELACU. Comprised of 5 employees, there are 2 African-Americans, 1 Hispanic and 1 female (comprised of 1 African-American and 2 Caucasians). The three company management positions are occupied by 1 African-American and 2 females. In summary, TAH is a combined 100% minority and female staff.

The list of corporate officers and board of directors for TELACU, Inc. is attached as Exhibit 2.

#### B. PROJECTED EEO STATUS

TELACU has exceeded the Century Freeway Housing Program Consent Decree goals of 65% minority and 10% female employment for its staff, as presented. As a matter of policy, TELACU will continue to promote the hiring and employee advancement of minorities and females. Continuance of a respectable affirmative action record is ensured by both its past performance and the stated goals inherent to TELACU as a community development corporation.

#### III. CONSTRUCTION GOALS AND PROCEDURE

This portion addresses the construction phase. "Section A" describes the general contractor goals as defined by the Consent Decree and provides various outreach methods. "Section B" supplies the Century Freeway Regional Business and Corridor Resident employment goals and outreach.

92 2369053

10-01-92

3

**A. PROJECT CONSTRUCTION AND ADMINISTRATION**

**1. USE OF FUNDS**

The Century Freeway Housing Program funds will be used by TELACU for two purposes. First, to acquire land and fund qualified pre-development costs. Second, to "take-out" the above-referenced loan through conversion into a permanent second trust deed, secured by the subject property and obligating the lower-income homebuyer. Construction financing will be provided by non-subsidized, conventional loan sources. Consequently, prevailing wages, as defined by Federal and State codes, will not be enforced due to the non-governmental funding of these construction costs as is authorized by the CFHP guidelines.

**2. EEO GOALS - CONSTRUCTION PHASE**

The projects will be constructed by a general contractor hired by TELACU on a contract basis. It is anticipated that each project ("Project"), as defined in TELACU's proposal, will have a different general contractor. The goals designated in the Consent Decree regarding equal employment opportunity for both management and construction staff during the actual construction phase are presented below. These Consent Decree goals will be included in the general construction contract, thereby committing the contractor to a good faith effort. It is understood that there are no intermediate goals and all goals stated are effective immediately.

**• MANAGEMENT LEVEL POSITIONS**

As designated by the Consent Decree, the general contractor's equal employment opportunity goals for management level positions within the corporation are: MINORITY - 5 to 10%, and FEMALE - 5 to 10%.

**• CONSTRUCTION**

Also as designated by the Consent Decree, the general contractor's EEO goals for Project-related construction work are: MINORITY PARTICIPATION - 6%, and FEMALE PARTICIPATION - 10%.

**3. CONSTRUCTION CONTRACT PROVISIONS**

The general contractor/TELACU construction contracts shall contain the following provisions as required by the Consent Decree and CFAAC:

**92 2369053**

10-01-92

- \* All general contractors and subcontractors utilized on CFHP projects by TELACU will agree to comply with the STANDARD FEDERAL EQUAL EMPLOYMENT OPPORTUNITY CONSTRUCTION CONTRACT SPECIFICATIONS as provided in Executive Order 11246. (See attached as Exhibit J.)
- \* Pursuant to the Consent Decree (see Part B, Item 5), such parties shall agree to employ their "best efforts" to meet the above-described "goals which shall include, but are not limited to, concrete and meaningful efforts to achieve, publicize or advertise job availability and the contractor's EEO policy through the news media, specifically including minority and female news media..." and to make diligent use of the services and contacts of CFAAC, Caltrans and other listed agencies.
- \* Pursuant to the Consent Decree (see Part B, Items 5 and 6), "(t)he bidder's responsiveness and the contractor's compliance with these requirements shall be based on its plans for the actual implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a),...and the 'Standard Federal Equal Employment Opportunity Construction Contract Specifications' (Executive Order 11246).  
6. A bidder's failure to establish a comprehensive affirmative action plan designed to meet these goals effectively will be grounds for finding the bid or proposal non-responsive."
- \* The general contractor shall reaffirm through contract provisions with TELACU its equal employment policy in all personnel actions.

#### 4. GENERAL CONTRACTOR'S AFFIRMATIVE ACTION PLAN

The general contractor shall create an Affirmative Action Plan for implementation of the above-described goals regarding TELACU Projects. Additionally, it shall designate a program officer responsible for the administration of the Plan.

The general contractor shall describe the internal and external dissemination of its Affirmative Action Plan. A copy of the letter sent to the subcontractors shall be attached to the general contractor's Plan.

92 2369053

10-01-92

The statement must be made in the general contractor's Plan that the subcontractors, whether or not they submit their own Affirmative Action Plan, are bound by this Plan and will implement good faith efforts to effect the goals described therein.

The general contractor's affirmative action program officer shall communicate periodically with TELACU's EEO Program Officer and/or designated members of TELACU's development team to describe efforts made to implement the general contractor's Plan. Moreover, such "outreaches" to minority, female and Corridor Residents (discussed below) shall be documented to effectively demonstrate to CFAAC and TELACU the good faith efforts which have been made. Also, construction workforce profiles will be required from all contractors, such form to be referenced in the general contractor's Plan (see attached Exhibit 4, for sample form.)

### 3. COMPLIANCE DURING CONSTRUCTION

Both the general contractor and subcontractors for any TELACU Project shall undertake good faith efforts to achieve the described goals. It is understood that in attempting to satisfy the affirmative action and equal employment opportunity goals, that the general contractor shall:

- Assist selected M/WBEs in becoming certified by CFAAC, pursuant to their guidelines and time restrictions, if such status has not been previously obtained.
- Hire qualified M/WBEs capable of completing the work pursuant to industry standards and in a timely fashion.
- During the subcontractor selection process, reserve the right to disqualify any bid submissions as being "non-responsive" if the price submitted is insufficient to complete the subject work in a "workman-like" manner pursuant to acceptable construction practices or the bid is otherwise incomplete so as to compromise the integrity of the Project.
- Require an EEO policy statement to be included in any contractor/subcontractor contracts regarding TELACU Projects.
- Implement and maintain adequate reporting systems regarding affirmative action and equal opportunity

**92 2369053**

10-01-92

information and outreach so as to satisfy CFAAC monitoring provisions.

- Require all subcontractors to complete monthly reports identifying the name, address, trade, pay, minority status, gender and Corridor Residence status of each Project employee.
- Cooperate with, and employ resources offered by, CFAAC in attempting to achieve the stated goals.
- Document all efforts taken in attempting to satisfy the goals (both affirmative action and EEO) and be able to demonstrate such efforts if required by TELACU or CFAAC. Require the subcontractor to do the same.

Subcontractors share an equal responsibility in demonstrating "good faith" efforts to satisfy the Project employment goals. Accordingly, deficiencies in goal attainment will result in the following timetables for compliance review:

- 1) 30 days -- informal notice from general contractor or TELACU, and if still noncomplying within that period then;
- 2) 45 days -- formal notice from general contractor or TELACU, and if still noncomplying within that period then;
- 3) Meeting with CFAAC, violating subcontractor, TELACU, and general contractor regarding remedies.

**B. CENTURY FREEWAY REGIONAL BUSINESS AND CORRIDOR RESIDENT EMPLOYMENT GOALS AND OUTREACH**

As a community development corporation, a primary focus of TELACU's efforts is to encourage economic advancement of area businesses in lower-income communities. Good faith efforts will therefore be taken to hire qualified Century Freeway regional businesses and corridor residents. Corridor employment goals encompass the following efforts:

- Use Corridor businesses list supplied by Caltrans to access pre-development services such as soils reports, environmental reports, appraisers, and real estate brokers, among other disciplines.
- Interface with area chambers of commerce, redevelopment agencies and local non-profit groups to identify additional development-related businesses.

92 2369053

10-01-92



- Encourage selected general contractors to hire qualified Corridor subcontractors and residents, whenever economically feasible. Supply the general contractors with resource lists such as those compiled by Caltrans. Emphasize the particular importance of hiring corridor residents in supervisory roles during project construction.

Whenever a conflict arises, please note that Corridor hiring efforts will be secondary to satisfying the women and minority business hiring goals described herein.

#### IV. PROMOTING EQUAL EMPLOYMENT OPPORTUNITIES AND AFFIRMATIVE ACTION

Implementation of these hiring goals depends, in part, on the effective dissemination of our equal employment and affirmative action policy. Historically aggressive in these efforts, TELACU will continue to communicate its goals both within the company and externally (see Sections A and B). An annual review process to assess EEO status is provided in Section C. Lastly, Section D describes the recruitment and promotion practices for both management and staff level positions.

##### A. INTERNAL COMMUNICATIONS AND PROGRAMS

Unless otherwise designated, the EEO Program Officer is responsible for overseeing the internal communication of TELACU's EEO policy and the promotion of such policy in the following manner:

- The EEO policy will be included in any TELACU policy manual distributed to employees and potential hires.
- The EEO policy will be reviewed with management personnel (including officers and executives) on an annual basis.
- The executive staff and management level personnel will be instructed to diligently pursue recruitment of qualified minorities, females and Corridor residents for employment. Upper-level staff will be held responsible for the continuance of TELACU's respectable affirmative action record.
- The EEO policy will be described during employment interviews to fully inform prospective minority, female and Corridor residents of TELACU's recruitment efforts.
- Assess the feasibility of providing a child care program to enable women and minorities equal access to jobs at TELACU's headquarters. Program concept should consider providing on-site care facilities.

92 2369053

10-01-92

- Continue the TELACU internship program which supplies summer jobs to East Los Angeles and Hispanic students at TELACU's headquarters.
- The EEO policy shall be prominently posted on a bulletin board which is accessible to all employees. Also, other Federally-required postings will continue to be displayed including:
  - Age Discrimination in Employment Act (as amended)
  - Equal Pay Act of 1963
  - Executive Order 11246 (as amended)
  - Rehabilitation Act of 1973
  - Title VII, 1964 Civil Rights Act
  - Vietnam Era Veterans' Readjustment Assistance Act

**B. EXTERNAL COMMUNICATIONS AND OUTREACH**

The Equal Employment Opportunity policy will also be communicated to companies and individuals for the purpose of satisfying the stated goals for the TELACU Projects referenced herein.

- Establish a list of minority and female organizations for recruitment purposes, making contact through meetings and correspondence. (See Exhibit 5 attached, for sample list.) A record of responses from these organizations will be kept and reviewed periodically.
- Access CFAAC/Caltrans resource lists, regarding certified minority and women owned businesses, and Corridor residents (See Exhibit 6 attached, for sample lists.)
- Maintain a file of minority and female applicants including such information as recruitment source, name, address, phone number, and the action taken.
- All job advertisements shall identify TELACU as an "EEO employer." A sample job description form which TELACU gives to employment recruiters and employment offices is attached as Exhibit 7 (both blank and completed) to demonstrate the prominent EEO identification.
- Identify on-the-job training programs for minorities and females available in the Project area, if any. Implement program(s) if economically feasible.

**92 2369053**

10-01-92

- Notify general contractors of the EEO policy and include such policy statement in Project contracts signed with TELACU. Also, require an EEO policy statement to be included in any contractor/subcontractor contracts relating to TELACU Projects.
- Inform all external job recruitment sources used (independent of TELACU's personnel department) of the EEO policy. Specify the need for qualified minority, female and Corridor resident employees.
- Continue and expand TELACU's college scholarship program, implemented to promote the economic advancement of area residents (a majority of whom reside in the Century Freeway Corridor). Note that TELACU has awarded over \$350,000 to East Los Angeles and Hispanic students thereby enabling lower-income students to attend college. A TELACU matching fund has been established with such respected institutions as the University of Southern California, University of California at Los Angeles, University of California at Irvine, California State University, Whittier College, Mount St. Mary's College, Loyola Marymount University, among others, to promote the increased attendance of Hispanic students and, ultimately, their professional advancement.
- Implement employment outreach to students, now graduated, who received TELACU college scholarships (described above) for appropriate TELACU positions.
- Provide continued technical and monetary support for organizations and non-profit groups that promote the training and employment of protected groups.

#### C. REVIEW OF EEO STATUS

##### I. REVIEW

As stated (see Section II.A.), TELACU has presently achieved the goals prescribed by the Century Freeway Housing Program Consent Decree. Thus, an annual review will be conducted by the EEO Program Officer to assess continued compliance through the following means.

Records shall be kept to monitor the progress and success of the Program regarding minority, female and Corridor residence employment. Such reports may include:

- **CURRENT WORKFORCE** (the CFAAC recommended format already submitted herewith) (mandatory)

92 2369053

10-01-92

- "NEW HIRE" ACTIVITY REPORT (form attached as Exhibit 8) (under consideration)
- "TURNOVER" ANALYSIS (form attached as Exhibit 9) (under consideration)
- PROMOTIONAL ACTIVITY REPORT (form attached as Exhibit 10) (under consideration)

## 2. DEFICIENCIES

An annual review will be conducted to assess the overall visibility of the Program, including (but not limited to) evaluation of employment practices, hiring procedures, effectiveness in communicating the Policy and Goals, and expansion and/or revision of community outreach efforts.

In that process, the EEO Program Officer shall identify any deficiencies in Program implementation and respond with suggested remedies after discussion with responsible executive staff. Such conclusions will then be presented to the Chief Executive Officer. The CEO will determine the appropriate remedy and direct its implementation by the executive staff, as monitored by the Program Officer.

## D. SELECTION AND REPLACEMENT OF EMPLOYEES

Decisions regarding selection and replacement of employees shall be based on merit and Company needs. As a matter of policy, TELACU is committed to equal opportunity employment which prohibits discrimination against minorities and females. In summary, all hiring decisions are made by objective standards based on the individual's qualifications and experience in relation to the job vacancy and furtherance of equal employment opportunity.

Encouraging economic advancement, TELACU believes in promoting employees from within whenever possible and has established a job-posting program to give all employees an equal opportunity to apply for positions for which they are interested and qualified. All employees of TELACU may apply for an employment opening regardless of age, race, sex, religion, or national origin. Such policy is also strictly applied to transfers, promotions and retentions. The means by which EEO objectives are continuously achieved and maintained on both management and staff levels is described as follows:

92 2369053

10-01-92

#### 1. MANAGEMENT RECRUITMENT AND PROMOTION

As a minority owned and operated community development corporation, TELACU aggressively promotes equal employment opportunities for minorities and women at the management level. This EEO policy is integral to the Company's business plan and is achieved through:

- The internal advancement of Company employees to management level positions is strongly encouraged and is key to the corporate policy of enabling economic achievement. Consequently, TELACU is distinguished by its high degree of minority promotions due to the minority-oriented composition of the Company.
- Employment referrals from minority organizations, governmental agencies, and particularly, non-profit groups, are aggressively pursued. Contact lists supplied by such groups are used.
- Minority and female referrals from TELACU employees are actively sought.
- Training of employees for job placement and advancement is accomplished through various means.
  - The policy encouraging employee promotions, by its nature, presupposes on-the-job training.
  - The continual expansion of TELACU services, along with company acquisitions, provides employees with numerous opportunities for increased responsibilities. Again, the policy of using TELACU employees encourages professional advancement.

#### 2. STAFF RECRUITMENT AND PROMOTION

The procedures described above for ensuring the continuous employment of minorities and females at management levels equally apply to recruitment and promotion of staff generally. Thus TELACU will continue to provide employment opportunities for protected groups. In addition to the above, staff positions are also filled through summer internships involving supervised training for the applicable tasks. Such positions, in turn, are potential opportunities for permanent employment after graduation. Male and female students are hired from the East Los Angeles and Hispanic communities.

92 2369053

10-01-92

## V. POLICY AND PROCEDURE

The corporate policy and procedure for specified areas is presented below.

### A. SEXUAL HARASSMENT POLICY

TELACU makes every effort to provide employees with a work environment free from all forms of harassment. This policy strictly prohibits the harassment of any employee and refers not only to supervisor-subordinate actions but also applies between co-workers.

"Harassment" includes verbal, physical and visual harassment, solicitation of sexual favors, unwelcomed sexual advances and creating or maintaining an intimidating or hostile work environment. Any employee who violates this policy is subject to discipline up to and including discharge.

Any incident, including work-related harassment by Company personnel or any other person, should be reported to the employee's supervisor, the Vice President of Employee Relations or the EEO Program Officer, whomever is deemed appropriate by the complaining party. Such executive will then investigate the matter and consult with the Chief Executive Officer regarding measures to be taken and proper parties to be involved in the dispute resolution process.

It is the responsibility of every manager and employee to conscientiously follow this policy. (See attached Exhibit 11 for signed version of the sexual harassment policy.) (See Section V.E.2. for the Sexual Harassment Grievance Procedure)

### B. PREGNANCY LEAVE POLICY

Maternity leave of absence will be granted upon written application and approval. Pursuant to California law, TELACU employees are entitled to a maximum maternity leave of 4 months, which includes the time before and after childbirth if desired. Accumulated paid sick leave and vacation time may be used during the granted maternity leave. If the employee is unable to return to work within the specified time due to medical reasons, a certificate from her physician will be required. Excluding days allotted for vacation and sick leave accrued, the maternity leave shall be a period without pay.

92 2369053

10-01-92

Employees on maternity leave of absence shall be reinstated to work in the following priority of position assignment: prior position; equivalent position for which qualified; and, lesser position for which qualified.

**C. FEDERAL SEX DISCRIMINATION GUIDELINES**

Compliance of personnel policies and practices with the Sex Discrimination Guidelines established through Federal regulation under 41 CFR 60-20 is provided as follows.

**1. RECRUITMENT AND ADVERTISEMENT (Section 60-20.2)**

- \* During the hiring process, TELACU will recruit employees of both sexes for all jobs.
- \* Advertisements in newspapers and other media for employment must not express a sex preference.

**2. JOB POLICIES AND PRACTICES (Section 60-20.3)**

- \* Written personnel policies shall expressly state that there shall be no discrimination against employees on the basis of sex.
- \* Employees of both sexes shall have an equal opportunity to any available job that she or he is qualified to perform.
- \* TELACU shall make no distinction based upon sex in employment opportunities, wages, hours, or other conditions of employment.
- \* There shall be no disparate treatment on the basis of marital status between females and males. Accordingly, TELACU shall not deny employment to women with young children unless it applies the same exclusionary policies for men.
- \* Childbearing shall be considered a justifiable reason for leave of absence. Accordingly, an employee requesting such leave shall not be penalized in her condition of employment because she requires time away from work for childbearing. (See Pregnancy Leave Policy, above, for further details.)

92 2369053

10-03-92

**3. DISCRIMINATORY WAGES AND CONDITIONS (Section 60-20.5)**

- \* TELACU's wage schedules shall not be related to or based on the sex of the employee.
- \* TELACU shall not discriminatorily restrict one sex to certain job classifications and will make all jobs available to all qualified employees in all classifications without regard to sex.

**4. AFFIRMATIVE ACTION (Section 60-20.6)**

- \* TELACU shall take affirmative action to recruit women to apply for those jobs where they have been previously excluded, if any, including management level positions.
- \* An important element of TELACU's affirmative action program shall be a commitment to include women candidates in any executive training program which may be established, both formal and informal.

**D. LAYOFF AND RECALL PROCEDURES**

**1. TERMINATION FOR BUSINESS OR ECONOMIC REASONS**

From time to time the Company may reduce the size of the work force by terminating employees for business, operational or economic reasons. This includes lack of work, restructuring the workforce, reorganizing a departmental unit or job elimination. Should the Company consider such terminations necessary, the Company will attempt to provide all affected employees with advance notice when practical. Employees affected by such reductions in force will be considered to have been "laid off." Laid off employees may be given a severance allowance.

**2. LAYOFF CRITERIA**

Employees generally will be laid off in the following order: (1) temporary employees; (2) employees during introductory period; (3) part-time employees; and (4) full-time employees.

No employee will be discriminated against on the basis of gender or minority status in the layoff decision process. Instead layoffs within the above employee categories will be based on the following factors at the Company's discretion: (1) the Company's business and operational

**92 2369053**

10-01-92



needs; (2) the individual employee's qualifications; (3) the employee's performance; and, (4) the employee's length of service.

### 3. RECALL

At the discretion of the Company, an employee may be recalled to work for six months after layoff to a vacancy in the last position he or she held with the Company or to a comparable position for which he or she is qualified. "Recall" means that laid off employees may be preferred for job openings over new applicants at the Company's sole discretion. Employees shall be recalled in the reverse order in which they were laid off, unless operational requirements dictate otherwise. In no event, however, will a recall decision be based on discriminatory practices involving gender or minority status.

## 2. GRIEVANCE PROCEDURE

The purpose of the "open door" policy is to encourage employees to raise their work-related concerns informally with their immediate supervisors or with another supervisor of their choice. TELACU expects confidential handling of all expressions of concern, investigations and resolutions. It is recognized, however, that in the course of investigation some dissemination of information to others may be appropriate for an effective resolution.

Specific procedures regarding employment discrimination and sexual harassment complaints are discussed below. Resolution procedures for complaints involving employment discrimination and sexual harassment will be prominently displayed in the TELACU workplace for the consideration of all employees and applicants.

### 1. EMPLOYMENT DISCRIMINATION

**INFORMAL PROCESS** - In matters of alleged employment discrimination, raised either by TELACU employees or applicants, the EEO Program Officer should be contacted. He will immediately commence investigation and take appropriate actions in conjunction with the Chief Executive Officer, if necessary, to rectify the discrimination. Efforts should be made to resolve the complaint within 10 days from notification. Also, the complainant may elect to use the **FORMAL RESOLUTION PROCESS** (described below) either:

92 2369053

10-01-92

- Immediately, and forego the INFORMAL PROCESS; or
- If an unsatisfactory resolution is reached during the INFORMAL PROCESS; or
- If no resolution is reached within ten days from date of notification during the INFORMAL PROCESS.

**FORMAL PROCESS** - The complaining party may elect to use the formal resolution process described in the attached Exhibit 12 as "Complaint Resolution Procedure."

If the complainant is not satisfied with the resolution reached during either the INFORMAL or FORMAL PROCESS regarding an alleged equal employment opportunity violation, a complaint can be filed with the EQUAL EMPLOYMENT OPPORTUNITY COMMISSION, the CENTURY FREEWAY AFFIRMATIVE ACTION COMMITTEE or the CENTURY FREEWAY WOMEN'S EMPLOYMENT PROGRAM, whichever is appropriate.

## 2. SEXUAL HARASSMENT

The personally sensitive nature of sexual harassment complaints is fully recognized. Thus, all employees and executive staff involved in the resolution process are ardently encouraged to maintain strict confidentiality.

**INFORMAL PROCESS** - The complaining employee may make her/his initial complaint to the immediate supervisor, the EEO Program Officer or the Vice President of Employee Relations, whomsoever is deemed appropriate under the circumstances. Such executive will immediately consult with the Chief Executive Officer to determine both the appropriate course of action and selection of parties to be included in the resolution process. The complainant may elect to use the FORMAL PROCESS, described below, if a resolution satisfactory to the complainant is not reached within five days from notification.

**FORMAL PROCESS** - The complaining party may elect to use this FORMAL PROCESS either immediately or if no satisfactory resolution is reached during the INFORMAL PROCESS.

**STEP ONE** - The complainant may contact the Vice President of Employee Relations or the EEO Program Officer, who will describe the dispute resolution procedure. Such executive will interview the complainant for all pertinent facts and immediately notify TELACU's Chief Executive Officer of the allegations, who will then designate an executive to conduct the interview and resolution process ("Designated Executive"). Also, the complainant will be told that a written complaint must be

92 2369053

10-01-92

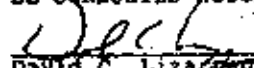
submitted to start the resolution process.

**STEP TWO** - The Designated Executive will interview the alleged harasser within three days of receiving the written complaint. Such party will be informed of the allegations, the resolution procedure and potential ramifications, and be given a copy of TELACU's Policy on Sexual Harassment. The alleged harasser will then be instructed to submit a written response within five days from the interview.

**STEP THREE** - The written complaint and response will then be reviewed together by the Chief Executive Officer, the Designated Executive and the complainant's supervisor, in a confidential meeting. Separate interviews with the complainant and the alleged harasser may also be conducted at this point. After a thorough consideration of the facts presented, a resolution will be decided. If harassment is established, the offender will be disciplined up to and including discharge. Such determination will be made on an individual basis and in proportion to the seriousness of the harassment. The resolution determination should be made within ten days from when the written complaint was received.

**STEP FOUR** - All involved parties shall be immediately informed of the resolution determination. If the complaining party is unsatisfied with the resolution, she/he can contact the Equal Employment Opportunity Commission, the Century Freeway Affirmative Action Committee or the Century Freeway Women's Employment Program.

**IN ALL INSTANCES, TELACU IS COMMITTED TO A QUICK AND FAIR RESOLUTION OF ANY COMPLAINTS INVOLVING SEXUAL HARASSMENT, AND SUCH RESOLUTION PROCESS WILL BE CONDUCTED ACCORDINGLY.**

  
\_\_\_\_\_  
David E. Lizaola  
Chief Executive Officer  
TELACU, Inc.

May 15, 1991  
\_\_\_\_\_  
Date

10-01-92

92 2369053

EXHIBIT 1

CORPORATE MANAGEMENT WORKFORCE PROFILE

Pursuant to the Consent Decree, the goals for minority and female participation for the contractors' management jobs for the total company at the corporate level, whether or not related to the projects covered by the Decree, shall be:

Minority management-level jobs: 5 - 10%

Female management-level jobs: 5 - 10%

Clerical, secretarial, accounting and bookkeeping help can only be counted when it can be proved they develop and set policy and perform other management functions.

Number of offices maintained by the company: 1

TITLE	FEMALES	MINORITIES	TOTAL
OFFICERS	3	9	13
SUPERVISORS/ MANAGERS	1	6	7
PROJECT MANAGERS			
DEPARTMENT MANAGERS			
OFFICE MANAGERS			
TOTALS:	4	15	20

% FEMALES: 19%      % MINORITIES: 72%

CONTRACTOR SIGNATURE

DATE

NAME OF COMPANY: The East Los Angeles Community Union (TELACU)

92 2369053

10-01-92



Standard Federal Equal Employment Opportunity  
Construction Contract Specifications  
(Executive Order 11246)

1. As used in these specifications:
  - A. "Covered area" means the geographical area described in the solicitation from which this contract resulted;
  - B. "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;
  - C. "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941;
  - D. "Minority" includes:
    - (i) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
    - (ii) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race);
    - (iii) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and
    - (iv) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).
2. Whenever the contractor, or any subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of \$10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.
3. If the contractor is participating (pursuant to 41 CFR 60-4.5) in a Set-aside Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those

10-01-92

92 2369053

EEO Construction Contract Specifications  
(Executive Order 11246 - continued)

trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Bowertown Plan. Each contractor or subcontractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other contractors or subcontractors toward a goal in an approved Plan does not excuse any covered contractor's or subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

4. The contractor shall implement the specific affirmative action standards provided in paragraphs 7 A through 9 of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered construction contractors performing construction work in geographical areas where they do not have a federal or federally assisted construction contract shall apply the minority and female goals established for the geographical area where the work is being performed. Goals are published periodically in the Federal Register in notice form, and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from federal procurement contracting officers. The contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.
5. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the contractor's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.
6. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the contractor during the training period, and the contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.

92 2369053

10-01-92

EEO Construction Contract Specifications  
(Executive Order 11246 - continued)

7. The contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:
- A. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the contractor's employees are assigned to work. The contractor, where possible, will assign two or more women to each construction project. The contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.
  - B. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.
  - C. Maintain a current file of the names, addresses and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the contractor by the union or, if referred, not employed by the contractor, this shall be documented in the file with the reason therefor, along with whatever additional actions the contractor may have taken.
  - D. Provide immediate written notification to the Director when the union or unions with which the contractor has a collective bargaining agreement has not referred to the contractor a minority person or woman sent by the contractor, or when the contractor has other information that the union referral process has impeded the contractor's efforts to meet its obligations.

92 2369053

10-01-92



EEO Construction Contract Specifications  
(Executive Order 11246 - continued)

- E. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the contractor's employment needs, especially those programs funded or approved by the Department of Labor. The contractor shall provide notice of these programs to the sources compiled under 7B above.
- F. Disseminate the contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.
- G. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions, including specific review of these items with on-site supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.
- H. Disseminate the contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the contractor's EEO policy with other contractors and subcontractors with whom the contractor does or anticipates doing business.
- I. Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students, and to minority and female recruitment and training organizations serving the contractor's recruitment area.

92 2369053

10-01-92

EEO Construction Contract Specifications  
(Executive Order 11246 - continued)

and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

- J. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of a contractor's work force.
- K. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.
- L. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.
- M. Ensure that seniority practices, job classifications, work assignments and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the contractor's obligations under these specifications are being carried out.
- N. Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.
- O. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.
- P. Conduct a review, at least annually, of all supervisors' adherence to and performance under the contractor's EEO policies and affirmative action obligations.
- 8. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (7 A through P). The efforts

92 2369053

10-01-92

820 Construction Contract Specifications  
(Executive Order 11246 - continued)

of a contractor association, joint contractor-union, contractor-community, or other similar group of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7 A through F of these specifications, provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the contractor's minority and female work force participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the contractor. The obligation to comply, however, is the contractor's and failure of such a group to fulfill an obligation shall not be a defense for the contractor's noncompliance.

9. A single goal for minorities and a separate single goal for women have been established. The contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the contractor has achieved its goals for women generally, the contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).
10. The contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.
11. The contractor shall not enter into any subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.
12. The contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.

92 2369053

10-01-92

2EO Construction Contract Specifications  
(Executive Order 11246 - continued)

13. The contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.
14. The contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government and to keep records. Records shall at least include for each employee the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g. mechanic, apprentice trainee, helper or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.
15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

92 2369053

10-01-92

WORK FORCE PROFILE

EXHIBIT 4

PROJECT/CONTRACT NO.: \_\_\_\_\_  
 PRIME CONTRACTOR/SUBCONTRACTOR: \_\_\_\_\_  
 BUSINESS: \_\_\_\_\_  
 CONTRACT AWARD DATE: \_\_\_\_\_  
 CONTRACTING SCHEDULE START DATE: \_\_\_\_\_

JOB CATEGORIES	TOTAL EMPLOYEES		TOTAL MINORITIES		BLACK	ASIAN	NATIVE AMERICAN	HISPANIC	CONTRIBUTOR RESIDENTS		APPRENTICES
	M	F	M	F					YES	NO	
OFFICIALS/MANAGERS											
PROFESSIONALS											
TECHNICAL											
OPERATORS											
LABORERS											
DRIVERS											
OPERATORS											
MECHANICAL											
ELECTRICAL											
PLUMBERS											
PAINTERS											
IRONWORKERS											
ROOFERS											
GLAZIERS											
WELDERS											
LABORERS - SKILL-RELATED											
LABORERS - UN-SKILL-RELATED											
INDIAL											

COMMENTS:

REGIONAL BUSINESS AND EMPLOYMENT GOALS--in addition to the commitment to utilize minority subcontractors and to provide training and job opportunities, the Bidder shall, in carrying out its bid and in carrying out its obligations in this contract, make best efforts to hire and utilize qualified minority persons and persons who register or have their principal place of business in the County of Fresno Contractor or Subcontractor.

1. To the extent that qualified persons residing in the County of Fresno are not available:

- For the reasonable needs of the Contractor or Subcontractor to employ minority or specially experienced individuals necessary to assure performance of the contract;
- For the obligation of the Contractor or Subcontractor to other employment to project or former employees of the County of Fresno or other qualified individuals, provided that in no event shall the number of non-resident persons employed under this contract exceed 10 percent of the total number of employees employed by each Contractor and Subcontractor on the project;
- To the extent that this provision may conflict with the ability to meet the other goals, these goals take precedence.

Prime/Subcontractor Signature

92 2369053

RESOURCE LIST

LOS ANGELES URBAN LEAGUE  
1450 MOUNT VERNON DRIVE  
LOS ANGELES, CA 90008  
213/229-9440

MINORITY CONTRACTOR'S ASSOC.  
3707 W. JEFFERSON BLVD.  
LOS ANGELES, CA 90230  
213/737-7952

WOMEN CONSTRUCTION OWNERS  
AND EXECUTIVE USA  
POST OFFICE BOX 81  
SOUTH PASADENA, CA 91030  
818/799-5241

CHAMBER OF COMMERCE  
330 E. QUEEN STREET  
INGLEWOOD, CA 90301  
213/677-1121

STATE EMPLOYMENT DEVELOPMENT DEPT.  
4546 WEST CENTURY BLVD.  
INGLEWOOD, CA 90301  
213/412-6100

STATE EMPLOYMENT DEVELOPMENT DEPT.  
823737 EAST 3RD STREET  
DOWNEY, CA 90241  
213/923-1237

STATE EMPLOYMENT DEVELOPMENT DEPT.  
1220 ENGRACIA AVE.  
TORRANCE, CA. 90507  
213/128-2611

CENTURY FREEWAY PRE-APPRENTICESHIP  
TRAINING PROJECT  
1219 NORTH ALAMEDA STREET, SUITE J  
COMPTON, CA 90222  
213/632-1644  
MS. BETTY SIMMONS, PROJECT ADMINISTRATOR

CENTURY FREEWAY EMPLOYMENT CENTER  
2610 INDUSTRY WAY, SUITE A  
LYNWOOD, CA 90222  
213/637-6580  
MR. JORGE C. CORHALEJO, EMPLOYMENT MGR.

LOS ANGELES TRADE TECHNICAL COLLEGE

LOS ANGELES SENTINEL NEWSPAPER  
LOS ANGELES WAVE NEWSPAPER  
LONG BEACH TELEGRAPH NEWSPAPER  
LA OPINION NEWSPAPER

NOTE: THE RESOURCE LIST WILL BE REVIEWED AND EVALUATED YEARLY.

10-01-92

92 2369053

# Century Freeway Agencies to Serve You . . .

Member, Council of State, Inc.

## Century Freeway Alternative Action Committee (CFRAC)

The J. L. Jones Foundation, CFRAC, serves as a conduit for business and professional participation in funding the Century Freeway and transportation planning.

With the collaboration of California State University, Los Angeles (CSULA) and the Los Angeles County Board of Supervisors, CFRAC is providing a wide range of services to the community. These services include:

- Providing information and technical assistance to the community.
- Providing information and technical assistance to the community.
- Providing information and technical assistance to the community.

## The CFRAC Employment Center

The CFRAC Employment Center provides a wide range of services to the community. These services include:

- Providing information and technical assistance to the community.
- Providing information and technical assistance to the community.
- Providing information and technical assistance to the community.

## California District 7 Civil

The California District 7 Civil Service Commission provides a wide range of services to the community. These services include:

- Providing information and technical assistance to the community.
- Providing information and technical assistance to the community.
- Providing information and technical assistance to the community.

APP Act  
City/Vis  
4808/8

## Century Freeway Alternative Action Committee (CFRAC)

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APP Act  
City/Vis  
4808/8

## Century Freeway Alternative Action Committee (CFRAC)

The J. L. Jones Foundation, CFRAC, serves as a conduit for business and professional participation in funding the Century Freeway and transportation planning.

With the collaboration of California State University, Los Angeles (CSULA) and the Los Angeles County Board of Supervisors, CFRAC is providing a wide range of services to the community. These services include:

- Providing information and technical assistance to the community.
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## The CFRAC Employment Center

The CFRAC Employment Center provides a wide range of services to the community. These services include:

- Providing information and technical assistance to the community.
- Providing information and technical assistance to the community.
- Providing information and technical assistance to the community.

## California District 7 Civil

The California District 7 Civil Service Commission provides a wide range of services to the community. These services include:

- Providing information and technical assistance to the community.
- Providing information and technical assistance to the community.
- Providing information and technical assistance to the community.

APP Act  
City/Vis  
4808/8

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APP Act  
City/Vis  
4808/8

92 2369053

74-10-01

**CENTURY FREEWAY CORRIDOR DESCRIPTION**

The area where the project is situated, the project corridor shall consist of the cities of Norwalk, Paramount, Downey, Lynwood, South Gate, Compton, Hawthorne, Inglewood, and El Segundo in their entirety; that portion of the City of Bellflower lying north of Alondra Blvd., that portion of the City of Gardena lying north of Rosecrans, those portions of the city of Los Angeles and Los Angeles County west of the Los Angeles River between Rosecrans Avenue on the South and Manchester - Firestone Blvd. on the north. For corridor limits in the area of the Los Angeles International Airport refer to the corridor map. When the designated boundary is a street, any property fronting on that street is included in the corridor.

**ZIP CODES & APPROXIMATE STREET ADDRESSES**

<u>ENTIRE CITIES:</u>	<u>ZIP CODES</u>	<u>PARTIAL CITIES</u>
Norwalk	90650	<u>Bellflower</u> North of <u>Alondra Bl</u>
Paramount	90723 Zip Code:	90706 N/S Streets 13200 - 1570
Downey	90240, 1, 2	East/West Streets-see map-may be below Alondra Blvd.
Lynwood	90262	<u>Gardena</u> -North of Rosecrans Avenue
South Gate	90280	
Compton	90220, 1, 2	Zip Codes: 90247 & 90249 N/S Streets 12800 to 14400
Hawthorne	90250	E/W Streets-see map-may be below Rosecrans Ave.
Inglewood (includes Lennox)	90301, 2, 3, 4, 5	<u>L.A. City &amp; County</u>
El Segundo	90245	Manchester/Firestone on the North (8600 So.) (86th St.)  Rosecrans on the South (14400 So.) (144th St.)  All of 90002, 90059, 90061  Zip Codes: Portions of 90003, 90044, 90047

**Zip Code**

<u>LIMITS</u>	<u>Airport Area</u> (L.A. City)	(Portions)
<u>NORTH</u>	Century Blvd. (180th St.)	(10000 So.)
<u>SOUTH</u>	116th St.	(11600 So.)
<u>EAST</u>	La Cienega	(5200 W.)
<u>WEST</u>	Sepulveda	(3300 W.)

**92 2369053**

10-01-92



- Green System and Park & Ride
- Greenhouse Ventilation System
- Fuel Storage Tank Area
- Signal Interchange Light System



I-105 FREEMWAY-TRANSITWAY



92 2369053

10-01-92

CITY OF LOS ANGELES  
 Department of Transportation  
 Street Improvement System Department

January 11, 1991

AFF Act - City/View  
 RPP p/P 1-009 I

Office Memorandum to  
 IT-01-92

EXHIBIT 6

CLIENT	NAME	ADDRESS	CITY	STATE	ZIP	PHONE	ADDRESS	STATE	ZIP	PHONE
A. B. J. & Sons, Inc. (A) (1)	JESSE CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (2)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (3)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (4)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (5)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (6)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (7)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (8)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (9)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (10)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (11)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (12)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (13)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (14)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (15)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (16)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (17)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (18)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (19)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (20)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (21)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (22)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (23)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (24)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (25)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (26)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (27)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (28)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (29)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	
A. B. J. & Sons, Inc. (A) (30)	MERRILL CARROLL	1204 E. PACIFIC WAY	LOS ANGELES	CA	90030	421-1131	55-515	90-3001	906	

92 2369053

10-01-92





CONTRACTOR	TYPE	ADDRESS	CITY	STATE	ZIP	PHONE	ADDRESS
CONTRACTOR: FURUKAWA ELECTRIC CO., INC. FURUKAWA ELECTRIC CO., INC. 1740 W. 10TH ST., SUITE 101 LOS ANGELES, CA 90004	CONTRACTOR: DANIEL J. GIBSON DANIEL J. GIBSON 710 W. 5TH ST. LOS ANGELES, CA 90013	1500 DANIEL ST. LOS ANGELES, CA 90015	LOS ANGELES	CA	90015	414-5500	1500 DANIEL ST., LOS ANGELES, CA 90015
CONTRACTOR: S&B ELECTRICAL INC. S&B ELECTRICAL INC. 10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411	CONTRACTOR: TONY'S ELECTRIC TONY'S ELECTRIC 1450 W. 11TH ST., SUITE 101 LOS ANGELES, CA 90004	415 W. 11TH ST., SUITE 101 LOS ANGELES, CA 90004	LOS ANGELES	CA	90004	414-5500	415 W. 11TH ST., SUITE 101, LOS ANGELES, CA 90004
CONTRACTOR: F&B ELECTRIC F&B ELECTRIC 2301 W. 11TH ST., SUITE 101 LOS ANGELES, CA 90004	CONTRACTOR: RICHARD S. CHANG RICHARD S. CHANG 415 W. 11TH ST., SUITE 101 LOS ANGELES, CA 90004	415 W. 11TH ST., SUITE 101 LOS ANGELES, CA 90004	LOS ANGELES	CA	90004	414-5500	415 W. 11TH ST., SUITE 101, LOS ANGELES, CA 90004
CONTRACTOR: G.C. ELECTRIC G.C. ELECTRIC 10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411	CONTRACTOR: JERRY MONTES JERRY MONTES 10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411	10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411	VAN NUYS	CA	91411	414-5500	10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411
CONTRACTOR: THE ELECTRICAL CO. THE ELECTRICAL CO. 10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411	CONTRACTOR: JERRY MONTES JERRY MONTES 10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411	10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411	VAN NUYS	CA	91411	414-5500	10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411
CONTRACTOR: THE ELECTRICAL CO. THE ELECTRICAL CO. 10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411	CONTRACTOR: JERRY MONTES JERRY MONTES 10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411	10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411	VAN NUYS	CA	91411	414-5500	10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411
CONTRACTOR: THE ELECTRICAL CO. THE ELECTRICAL CO. 10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411	CONTRACTOR: JERRY MONTES JERRY MONTES 10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411	10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411	VAN NUYS	CA	91411	414-5500	10437 CANTONMENT RD., SUITE 200 VAN NUYS, CA 91411

UTILITY SERVICE CONTRACTS LISTING  
Management Information System Database  
January 11, 1992

92 2369053

10-01-92









Registration Information System (Registration)

January 01, 1993

OWNER	NAME	ADDRESS	CITY	STATE	ZIP	TRACES	SDN (1)	TR
BOYD MANAGEMENT FERRIS DEVELOPMENT REPORT	PHASE 101 FERRIS INDUSTRIAL JOHN FERRIS	1011 N. PAVANER STREET 2200 WEST SERRAVALLO WAY 4000 LA BREA BLVD. #200 1000	LOS ANGELES GARDENA SAN DIEGO	CA CA CA	90008 90247 92102	200-110 971-049 121-118	90-2001 90-2002 90-2022	90-2001 90-2002 90-2022
A.L.S. DEVELOPMENT A.L.S. SANDOZ CONSTRUCTION & REPAIR	WILSON WILFIELD KIMBERLY G. SANDOZ	1101 N. PAVANER ST. 1012 WEST SERRAVALLO VINO CENTER 1001 S. 200 AVENUE	LOS ANGELES GARDENA HUNTSVILLE	CA CA CA	90008 90247 35894	100-100 971-049 121-118	90-2001 90-2002 90-2022	90-2001 90-2002 90-2022
A.L.S. SANDOZ CONSTRUCTION & REPAIR	DAVID YUDEN C. SANDOZ	2047 WILSON STREET, SUITE 87 111 E. 201A PASEO PASO	LOS ANGELES HUNTSVILLE	CA CA	90008 35894	121-118 121-118	90-2001 90-2022	90-2001 90-2022
LA BREA DEVELOPMENTS CO. LA BREA REALTY & CONSTRUCTION CO.	PERDUE LORRAE	1000 S. BENTLEY ST. apt 111 3015 SOUTH SERRAVALLO AVE	LOS ANGELES GARDENA	CA CA	90008 90247	111-110 121-118	90-2001 90-2022	90-2001 90-2022
LA BREA DEVELOPMENTS CO. LA BREA REALTY & CONSTRUCTION CO.	JOHN B. LAI KIMBERLY G. SANDOZ FRED SANDOZ KIMBERLY G. SANDOZ DR. E. SANDOZ	111 E. 201A PASEO PASO 1012 WEST SERRAVALLO VINO CENTER 1001 S. 200 AVENUE	LOS ANGELES GARDENA HUNTSVILLE	CA CA CA	90008 90247 35894	100-100 971-049 121-118	90-2001 90-2002 90-2022	90-2001 90-2002 90-2022
LA BREA DEVELOPMENTS CO. LA BREA REALTY & CONSTRUCTION CO.	PERDUE LORRAE	1000 S. BENTLEY ST. apt 111 3015 SOUTH SERRAVALLO AVE	LOS ANGELES GARDENA	CA CA	90008 90247	111-110 121-118	90-2001 90-2022	90-2001 90-2022
LA BREA DEVELOPMENTS CO. LA BREA REALTY & CONSTRUCTION CO.	JOHN B. LAI KIMBERLY G. SANDOZ FRED SANDOZ KIMBERLY G. SANDOZ DR. E. SANDOZ	111 E. 201A PASEO PASO 1012 WEST SERRAVALLO VINO CENTER 1001 S. 200 AVENUE	LOS ANGELES GARDENA HUNTSVILLE	CA CA CA	90008 90247 35894	100-100 971-049 121-118	90-2001 90-2002 90-2022	90-2001 90-2002 90-2022
LA BREA DEVELOPMENTS CO. LA BREA REALTY & CONSTRUCTION CO.	PERDUE LORRAE	1000 S. BENTLEY ST. apt 111 3015 SOUTH SERRAVALLO AVE	LOS ANGELES GARDENA	CA CA	90008 90247	111-110 121-118	90-2001 90-2022	90-2001 90-2022
LA BREA DEVELOPMENTS CO. LA BREA REALTY & CONSTRUCTION CO.	JOHN B. LAI KIMBERLY G. SANDOZ FRED SANDOZ KIMBERLY G. SANDOZ DR. E. SANDOZ	111 E. 201A PASEO PASO 1012 WEST SERRAVALLO VINO CENTER 1001 S. 200 AVENUE	LOS ANGELES GARDENA HUNTSVILLE	CA CA CA	90008 90247 35894	100-100 971-049 121-118	90-2001 90-2002 90-2022	90-2001 90-2002 90-2022

92 2369053

10-01-92



117

NAME	ADDRESS	CITY	STATE	ZIP	PHONE	TELETYPE	TELEX	TELEFAX
ROSE BIRDS	701 PATRICK ALBERT RD., SUITE 200	LOS ANGELES	CA	90049	(213) 751-2900			
STANLEY STEINBERG	2905 S. GARDEN BLVD., 4015 N. 111TH ST., LOS ANGELES, CALIF. 90024	LOS ANGELES	CA	90023	(213) 641-2500			
STANLEY STEINBERG	10700 PATRICK BLVD., P.O. BOX 8111	LOS ANGELES	CA	90046	(213) 912-5000			
STANLEY STEINBERG	641 N. HARTSHORN, 9178 LINDEN BLVD., P.O. BOX 2018	LOS ANGELES	CA	90028	(213) 878-9016			
STANLEY STEINBERG	14822 WASHINGTON BLVD., STE. 205	LOS ANGELES	CA	90044	(213) 751-2900			
STANLEY STEINBERG	848 EAST VANDERBILT AVENUE, 7110 PETER	HAWAII	HI	96722	(213) 641-2500			
STANLEY STEINBERG	5741 PETER ST., P.O. BOX 21102	HAWAII	HI	96722	(213) 641-2500			
STANLEY STEINBERG	200 N. ALHAMBRA AVE., 2602 W. 180TH AVE., STE. 207	LOS ANGELES	CA	90023	(213) 641-2500			
STANLEY STEINBERG	7854 LINDEN BLVD. WY. STE. 1, LOS ANGELES, CALIF.	LOS ANGELES	CA	90028	(213) 641-2500			
STANLEY STEINBERG	10125 W. 10TH ST., STE. 202	LOS ANGELES	CA	90024	(213) 641-2500			
STANLEY STEINBERG	7125 PAVANER RD., 1121 PAVANER ST., UNIT 4	PASADENA	CA	91723	(213) 641-2500			
STANLEY STEINBERG	2001 DANFORTH ST., SUITE 275	PASADENA	CA	91723	(213) 641-2500			
STANLEY STEINBERG	1521 STONEY STREET	LOS ANGELES	CA	90015	(213) 641-2500			
STANLEY STEINBERG	1197 BARD STREET	LOS ANGELES	CA	90015	(213) 641-2500			
STANLEY STEINBERG	515 O'FALL STREET, 602M	LOS ANGELES	CA	90012	(213) 641-2500			
STANLEY STEINBERG	15109 ALHAMBRA, 2670 HILSHIRE BLVD., 2010	LOS ANGELES	CA	90023	(213) 641-2500			
STANLEY STEINBERG	2301 GARDEN ST.	LOS ANGELES	CA	90023	(213) 641-2500			
STANLEY STEINBERG	1125 S. ALHAMBRA AVE.	LOS ANGELES	CA	90023	(213) 641-2500			
STANLEY STEINBERG	11200 WILSON AVENUE	LOS ANGELES	CA	90024	(213) 641-2500			
STANLEY STEINBERG	6128 W. 107TH STREET	LOS ANGELES	CA	90024	(213) 641-2500			
STANLEY STEINBERG	4111 WASHINGTON AVENUE	LOS ANGELES	CA	90022	(213) 641-2500			
STANLEY STEINBERG	4128 SUNN ST. N.E.	LOS ANGELES	CA	90013	(213) 641-2500			
STANLEY STEINBERG	4127 W. GARDEN STREET	LOS ANGELES	CA	90013	(213) 641-2500			
STANLEY STEINBERG	2800 ADAMS	LOS ANGELES	CA	90023	(213) 641-2500			
STANLEY STEINBERG	1200 N. 100TH	LOS ANGELES	CA	90024	(213) 641-2500			
STANLEY STEINBERG	4722 VESL STREET	LOS ANGELES	CA	90022	(213) 641-2500			
STANLEY STEINBERG	1400 NORTH WASHINGTON AVENUE	LOS ANGELES	CA	90022	(213) 641-2500			
STANLEY STEINBERG	1300 E. WASHINGTON AVENUE	LOS ANGELES	CA	90022	(213) 641-2500			
STANLEY STEINBERG	1220 N. 101TH AVE. W.	LOS ANGELES	CA	90024	(213) 641-2500			
STANLEY STEINBERG	6125 HILSHIRE	LOS ANGELES	CA	90023	(213) 641-2500			
STANLEY STEINBERG	7208 HILSHIRE STREET	LOS ANGELES	CA	90023	(213) 641-2500			
STANLEY STEINBERG	10437 ADAMS RD., 1170 GUY BLVD.	LOS ANGELES	CA	90024	(213) 641-2500			
STANLEY STEINBERG	101 N. WASHINGTON AVENUE	LOS ANGELES	CA	90022	(213) 641-2500			

LOS ANGELES TELETYPE UNIT

92 2369053

10-01-92



PROPERTY	NAME	ADDRESS	CITY	START YEAR	AREA	PERCENTAGE
STAIN STREET & 8TH, JIM & M STAIN & M	JIM SAUCAGE JIM SAUCAGE 11700 S. STAIN CITY	1224 E. HUNTINGTON 8TH STREET 7TH & 8TH	SANTA ANE	80900	4123	541,400
SHILOH CONSTRUCTION CO. 31. PATRICK MILLER 3000 HENRIETTA CONSTRUCTION CO. 300 HENRIETTA	SHILOH STONE PATRICK E. STREIBER PATRICK MILLER LON HENRIETTA ALBU SAUCAGE	1476 HENRIETTA RD. 3TH BRUNSWICK AVE. 1000 HENRIETTA AVE. 2001 HENRIETTA ST	SANTA ANE SANTA ANE SANTA ANE SANTA ANE	80902 80912 80913 80914	1213 1214 1215	36,113 1,000 1,000 1,000
SHILOH CONSTRUCTION CO. 31. PATRICK MILLER 3000 HENRIETTA CONSTRUCTION CO. 300 HENRIETTA	SHILOH STONE PATRICK E. STREIBER PATRICK MILLER LON HENRIETTA ALBU SAUCAGE	1476 HENRIETTA RD. 3TH BRUNSWICK AVE. 1000 HENRIETTA AVE. 2001 HENRIETTA ST	SANTA ANE SANTA ANE SANTA ANE SANTA ANE	80902 80912 80913 80914	1213 1214 1215	36,113 1,000 1,000 1,000
SHILOH CONSTRUCTION CO. 31. PATRICK MILLER 3000 HENRIETTA CONSTRUCTION CO. 300 HENRIETTA	SHILOH STONE PATRICK E. STREIBER PATRICK MILLER LON HENRIETTA ALBU SAUCAGE	1476 HENRIETTA RD. 3TH BRUNSWICK AVE. 1000 HENRIETTA AVE. 2001 HENRIETTA ST	SANTA ANE SANTA ANE SANTA ANE SANTA ANE	80902 80912 80913 80914	1213 1214 1215	36,113 1,000 1,000 1,000
SHILOH CONSTRUCTION CO. 31. PATRICK MILLER 3000 HENRIETTA CONSTRUCTION CO. 300 HENRIETTA	SHILOH STONE PATRICK E. STREIBER PATRICK MILLER LON HENRIETTA ALBU SAUCAGE	1476 HENRIETTA RD. 3TH BRUNSWICK AVE. 1000 HENRIETTA AVE. 2001 HENRIETTA ST	SANTA ANE SANTA ANE SANTA ANE SANTA ANE	80902 80912 80913 80914	1213 1214 1215	36,113 1,000 1,000 1,000

92 2369053



ADDENDUM TO EXHIBIT 6

REPORT FORM - 00120  
 SORTED BY: NAME

STATE OF CALIFORNIA  
 DEPARTMENT OF TRANSPORTATION, OFFICE OF CIVIL RIGHTS  
 DISADVANTAGED BUSINESSES (DB) AND WOMAN BUSINESS ENTERPRISES (WBE) LIST

04-09-89

IT IS THE LIST USER'S RESPONSIBILITY TO VERIFY ALL PERTINENT INFORMATION PRIOR TO BID OPENING. CALLERS IN NO WAY REPRESENTS OR IMPLIES THE DEGREE OF CAPABILITY THAT THE LISTERS OF WORK IDENTIFIED BY THE CERTIFIED SUPPLIERS CAN OR WILL BE PERFORMED. FIRMS APPEARING ON THE REPORT WITH A "CERT EXPIRES" DATE MORE THAN TWO MONTHS AND SHOULD BE CONSIDERED UNLICENSED UNLESS VERIFIED WITH THE OFFICE OF CIVIL RIGHTS IN SACRAMENTO. ADDITIONAL FIRMS MAY HAVE BEEN IDENTIFIED AFTER THE CREATION OF THIS REPORT.

A DISTRICT OWNER LISTING MAY BE RECEIVED AT THE OFFICE OF LOCAL ASSISTANCE IN EACH CALTRANS DISTRICT OFFICE.

COLUMN 1 COMPANY NAME AND ADDRESS

LINES 1-3 CONTACT PERSON AND PHONE NUMBER LIMITED TO ONE FOR EACH CERTIFIED DB/WBE.

LINE 6 RYMHC CATEGORY QUALIFYING DB/WBE TO BE CERTIFIED (SIA MINIMUM DB/WBE/SM/FP).

COLUMN 2 LICENSE NUMBER AS APPROPRIATE.

LINES 2-3 CERTIFICATION EXPIRATION DATE. MUST BE CERTIFIED ON DATE OF BID OPENING TO COUNT TOWARD GOALS.

LINES 4-6 INDICATES DISADVANTAGED BUSINESS (DISADV), WOMAN BUSINESS ENTERPRISE (FEMALE) OR DISADVANTAGED FEMALE (MS/FP)

- 1 DB/WBE MUST BE APPLIED TOWARD MEETING THE DISADVANTAGED GOAL.
  - 2 FEMALE MUST BE APPLIED TOWARD MEETING THE FEMALE GOAL.
  - 3 DISADV MAY BE APPLIED TOWARD MEETING EITHER GOAL, BUT NOT BOTH.
- THE ENTIRE EXPENDITURE TO A CERTIFIED MANUFACTURER (I.E., PRODUCTS COMES FROM RAW MATERIALS OR SUBSTANTIALLY ALIENS THEM BEFORE RESALE) COUNT TOWARD THE APPROPRIATE GOAL.
- ABS OF THE EXPENDITURE TO A CERTIFIED SUPPLIER (NOT A MANUFACTURER) WILL COUNT TOWARD THE APPROPRIATE GOAL.

COUNTRIES THE OWNER IS WILLING TO WORK IN. CP DESIGNATES CENTURY FREEMAN.

WE CODES FOR THE WORK CATEGORIES THE OWNER WISHES TO PURSUE. AT THE END OF THE REPORT IS A LIST TO INDICATE THE CODE NUMBERS TO WORK CATEGORY CODE NUMBERS TO WORK CATEGORY NAMES.

\*ION, OR ADDITIONAL DIRECTORIES MAY BE OBTAINED FROM THE OFFICE OF CIVIL RIGHTS AT (916) 445-2216.

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10-01-92

127

PREP  
 01-25-89

STATE OF CALIFORNIA  
 DEPARTMENT OF TRANSPORTATION  
 DISADVANTAGED BUSINESS (DBE) AND WOMEN BUSINESS (WBE) ENTERPRISE  
 COUNTY CODE LIST

NO.	COUNTY NAME	ABBR.	NO.	COUNTY NAME	ABBR.	NO.	COUNTY NAME	ABBR.
CF	CENTURY GREENWAY		20	PLACER	PLA	40	SAN COLE	SCO
01	ALAMEDA	ALA	21	MARIN	MRN	41	SAN FATEO	SFN
02	ALPINE	ALP	22	MARIPOSA	MPA	42	SANTA BARBARA	SBB
03	AMADOR	AMA	23	MENDOCINO	MDN	43	SANTA CLARA	SCL
04	BUTTE	BUT	24	MERCED	MR	44	SANTA CRUZ	SCR
05	CALAVERAS	CAV	25	MODOC	MOD	45	SHASTA	SNA
06	CALUSA	COV	26	MONO	MNO	46	SERRA	SIE
07	CONTRA COSTA	CC	27	POINTERET	POH	47	SISKIYOU	SIS
08	DEL NORTE	DN	28	NAPA	NAP	48	SOLANO	SOL
09	EL DORADO	ED	29	YERBA	YBY	49	SORONA	SOH
10	FRESNO	FRE	30	ORANGE	ORA	50	STANISLAUS	STA
11	GLENN	GLE	31	PLACER	PLA	51	SUTTER	SUT
12	HUMBOLDT	HUM	32	PLUMAS	PLU	52	TEHAMA	TEH
13	IMPERIAL	IMP	33	RIVERSIDE	RIV	53	TRINITY	TRT
14	INYO	INY	34	SACRAMENTO	SAC	54	TULARE	TUL
15	KERN	KER	35	SAN BENITO	SBT	55	TOLOMME	TOL
16	KINGS	KIW	36	SAN BERNARDINO	SBD	56	VENTURA	VEN
17	LAKE	LAK	37	SAN DIEGO	SD	57	YOLO	YOL
18	LASSER	LAS	38	SAN FRANCISCO	SF	58	YUBA	YUB
19	LOS ANGELES	LA	39	SAN JOAQUIN	SJ			

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MESSAGE  
DISADVANTAGED BUSINESS (DBE) AND WOMEN BUSINESS (WBE) EMPERORISE  
STATE OF CALIFORNIA  
DEPARTMENT OF TRANSPORTATION  
WORK CATEGORY CODE LIST

0384 STREET SWEPER

SECTION 01 - BUSINESS ADMINISTRATION

- 0100 MISC BUSINESS ADMINISTRATION
- 0101 ACCOUNTING SERVICES
- 0102 TAX SERVICES
- 0109 LEGAL SERVICES
- 0133 COMPUTER HARDWARE
- 0134 COMPUTER SOFTWARE
- 0135 COMPUTER SERVICES
- 0139 INSURANCE
- 0140 INSURANCE, COMMERCIAL & SOBRINO
- 0141 MANAGEMENT SERVICES
- 0142 CONSTRUCTION MANAGEMENT
- 0144 REAL ESTATE & RIGHT OF WAY
- 0147 REAL ESTATE LAW
- 0155 CLERICAL SERVICES AND OFFICE ADMINISTRATION
- 0198 PRINTING SERVICES

SECTION 04 - MISC EQUIPMENT

- 0400 EQUIPMENT RENTAL
- 0401 EQUIPMENT SALES & SERVICE
- 0402 SOUND, PAINTING, ENTERTAIN, MUSIC EQUIPMENT

SECTION 05 - MANUFACTURERS

- 0500 MISC MANUFACTURERS
- 0533 CHEMICALS
- 0539 ASPHALT
- 0535 STEEL
- 0548 PIPE
- 0506 ELECTRICAL
- 0509 RAIL CAR
- 0508 CONSTRUCTION MATERIALS

SECTION 02 - SECURITY

- 0200 SECURITY
- 0201 PRIVATE PATROL

SECTION 06 - SUPPLIES

- 0600 MISC SUPPLIES
- 0601 COMPUTER SUPPLIES
- 0612 SAFETY
- 0628 LANDSCAPING AND NURSERY
- 0624 PETROLEUM, OIL, (UBRICANTS)
- 0625 SAND AND GRAVEL
- 0633 CHEMICAL SUPPLIES
- 0639 ASPHALT

SECTION 03 - MAINTENANCE AND CLEAN UP

- 0300 JANITORIAL SERVICES
- 0301 MAINTENANCE
- 0303 CONSTRUCTION CLEAN UP

92 2369053

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STATE OF CALIFORNIA  
DEPARTMENT OF TRANSPORTATION  
DISADVANTAGED BUSINESS (DBE) ENTERPRISE  
WORK CATEGORY CODE LIST

PAGE 2

- 0449 PILING
  - 0451 CONCRETE & CEMENT
  - 0492 REINFORCING BAR
  - 0458 STEEL
  - 0457 LUMBER
  - 0450 PAPER
  - 0459 PAINT
  - 0670 PIPE
  - 0406 FENCING
  - 0405 GUARD RAILINGS & BARRIERS
  - 0495 PAVEMENT MARKERS
  - 0496 ELECTRICAL & SIGNALS
  - 0437 GLASS
  - 0408 APPLIANCES
  - 0409 RAILWAY SUPPLIES
  - 0497 BATTERIES
  - 0498 BUILDING MATERIAL
  - 0499 TOOLS
- 
- SECTION 07 - LEGAL RELATIONS AND RESPONSIBILITY
  - 0700 CONSTRUCTION STAKING
- 
- SECTION 18 - TRAFFIC CONTROL SYSTEM
  - 1200 CONSTRUCTION AREA SIGNS
  - 1201 TRAFFIC CONTROL SYSTEM
- 
- SECTION 15 - EXISTING HIGHWAY FACILITIES
  - 1522 RESURF. ADJUST HIGHWAY ITEMS
  - 1531 PLANE ASPHALT CONCRETE
  - 1575 REMOVE SANDPIT ITEM
  - 1588 MODIFY BRIDGE ITEM
- 
- SECTION 16 - CLEARING AND GRUBBING
  - 1481 CLEARING AND GRUBBING
- 
- SECTION 17 - WATERING
  - 1701 DEVELOP WATER SUPPLY
- 
- SECTION 18 - DUST PALLIATIVE
  - 1801 DUST PALLIATIVE
- 
- SECTION 19 - EARTHWORK
  - 1901 ROADWAY EXCAVATION
  - 1920 STRUCTURE EXCAVATION
  - 1925 SHAPED BEDDING
  - 1938 STRUCTURE BACKFILL
  - 1940 BITUMENS EXCAVATION
  - 1970 EMBANKMENT CONSTRUCTION
  - 1980 IMPORTED BORROW
- 
- SECTION 20 - EROSION CONTROL AND HIGHWAY PLANTING
  - 2000 HIGHWAY PLANTING

92 2369053

10-01-92

SECTION 22 - FINISHING ROADWAY	SECTION 22 - FINISHING ROADWAY
2201 FINISHING ROADWAY	2201 FINISHING ROADWAY
SECTION 24 - LIME TREATMENT	SECTION 24 - LIME TREATMENT
2401 LIME TREATMENT	2401 LIME TREATMENT
SECTION 25 - AGGREGATE SUBBASE	SECTION 25 - AGGREGATE SUBBASE
2501 AGGREGATE SUBBASE	2501 AGGREGATE SUBBASE
SECTION 26 - AGGREGATE BASE	SECTION 26 - AGGREGATE BASE
2602 AGGREGATE BASE	2602 AGGREGATE BASE
SECTION 27 - CEMENT TREATED BASE	SECTION 27 - CEMENT TREATED BASE
2700 CEMENT TREATED BASE	2700 CEMENT TREATED BASE
SECTION 28 - LEAN CONCRETE BASE	SECTION 28 - LEAN CONCRETE BASE
2800 CONCRETE BASE	2800 CONCRETE BASE
SECTION 36 - PENETRATION TREATMENT	SECTION 36 - PENETRATION TREATMENT
3600 PENETRATION TREATMENT & PRIME COAT	3600 PENETRATION TREATMENT
SECTION 37 - BITUMINOUS SEAL	SECTION 37 - BITUMINOUS SEAL
3701 SEAL COAT	3701 SEAL COAT
SECTION 39 - ASPHALT CONCRETE	SECTION 39 - ASPHALT CONCRETE
3901 ASPHALT CONCRETE	3901 ASPHALT CONCRETE
	SECTION 40 - PORTLAND CEMENT CONCRETE PAVEMENT
	4010 PORTLAND CEMENT & CONCRETE PAVEMENT
	4040 CLEAN & SEAL PAVEMENT JOINTS - ROOT & SEAL CRACKS
	SECTION 41 - PAVEMENT SUBSISTING & JACKING
	4101 PAVEMENT SUBSISTING & JACKING
	SECTION 42 - GROOVE AND GROUND PAVEMENT
	4201 GROOVE & GROUND PAVEMENT
	SECTION 49 - PILING
	4901 FURNISH & LAIYE PILING
	4906 CAST-IN-DRILLED-HOLE CONCRETE PILING
	SECTION 50 - PRESTRESSING CONCRETE
	5006 PRESTRESSING CONCRETE CAST-IN-PLACE CONCRETE
	SECTION 51 - CONCRETE STRUCTURE
	5106 CONCRETE STRUCTURES
	5105 MINOR CONCRETE STRUCTURE
	5116 CONCRETE SURFACE FINISH
	5111 CONCRETE OVERLAY - DRILL & BOND

00-05-00  
 DISADVANTAGED BUSINESS (DBE) AND WOMAN BUSINESS (WBE) ENTERPRISE  
 DEPARTMENT OF TRANSPORTATION  
 WORK CATEGORY CODE LIST

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STATE OF CALIFORNIA  
DEPARTMENT OF TRANSPORTATION  
DISADVANTAGED BUSINESS (DBE) ENTERPRISE  
WORK CATEGORY CODE (E1)

5120 FURNISH PRECAST CONCRETE DECK UNIT  
5124 ORGT PRECAST CONCRETE  
5135 CONCRETE BLOCK & MASONRY RETAINING WALL  
5136 REINFORCED CONCRETE CURB WALL  
5138 CONE CONCRETE - REPAIR BRIDGE DECK  
5180 SOUND WALL (MASONRY BLOCK - CONCRETE)  
5190 JOINT SEAL - WATER STOP

SECTION 59 - PAINTING  
5900 CLEAN AND PAINT STEEL  
SECTION 62 - RAILROAD  
6101 RAILROAD WORK  
SECTION 62 - ALTERNATIVE PIPE CULVERT  
6200 ALTERNATIVE PIPE CULVERT

SECTION 92 - REINFORCEMENT  
9201 REINFORCING STEEL

SECTION 61 - CAST-IN-PLACE CONCRETE PIPE  
6101 CAST-IN-PLACE CONCRETE PIPE

SECTION 53 - AIR-BLOWN MORTAR  
5301 AIR BLOWN MORTAR  
5310 PIPE LINING (CEMENT MORTAR)

SECTION 64 - ASBESTOS-CEMENT PIPE  
6401 ASBESTOS-CEMENT PIPE

SECTION 34 - WATERPROOFING  
3401 WATERPROOFING

SECTION 65 - REINFORCED CONCRETE PIPE  
6500 REINFORCE CONCRETE PIPE  
6550 JACKED REINFORCED CONCRETE PIPE  
6591 NON-REINFORCED CONCRETE PIPE

SECTION 55 - STEEL STRUCTURE  
5501 STEEL STRUCTURES  
5570 STEEL CURB WALL

SECTION 66 - CORRUGATED STEEL PIPE (CSP)  
6650 CORRUGATED METAL PIPE (CSP)  
6680 JACKED CORRUGATED STEEL PIPE

SECTION 56 - STONE  
5601 STON STRUCTURE  
5620 ROADSIDE STON

SECTION 67 - STRUCTURAL METAL PLATE PIPE, ARCH & PIPE ARCH  
6700 STRUCTURAL STEEL PLATE PIPE, ARCH AND PIPE ARCH

SECTION 57 - TIMBER STRUCTURE  
5701 LUMBER AND TIMBER

SECTION 68 - SUBSURFACE DRAIN  
6800 SUBSURFACE DRAIN

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SECTION 69 - DRAINAGE  
 6900 DRAINAGE

SECTION 70 - MISCELLANEOUS FACILITY  
 7000 PLASTIC PIPE  
 7006 CORRUGATED STEEL PIPE INLET & RISER  
 7020 CORRUGATED STEEL PIPE ENERGY DISSIPATOR  
 7035 WELDED STEEL PIPE  
 7061 SCHEDULED WELDED STEEL PIPE  
 7063 DEBRIS RACK-DRAINAGE GATE

SECTION 71 - SEWER  
 7112 REINFORCED CONCRETE SEWER PIPE  
 7140 CLAY SEWER PIPE  
 7146 ASBESTOS-CEMENT SEWER PIPE  
 7188 CAST IRON SEWER PIPE  
 7191 SEWER MANHOLE  
 7194 JUNCTION CHAMBER

SECTION 72 - SLOPE PROTECTION  
 7200 ROCK SLOPE PROTECTION

7301 CONCRETE CURB AND SIDEWALK - MISC

SECTION 74 - PUMPING PLANT EQUIPMENT  
 7405 DRAINAGE PUMPING EQUIPMENT  
 7410 PUMPING PLANT ELECTRICAL EQUIPMENT  
 7415 ENGINE GENERATOR SET

SECTION 75 - MISCELLANEOUS METAL  
 7500 MISC IRON & STEEL FRAME, COVER & GRATE  
 7505 MISC BRIDGE METAL - PUMPING PLANT METAL WORK

SECTION 76 - WELLS  
 7600 DEVELOP, TEST, DRILL, MAINTAIN WELLS

SECTION 80 - FENCE  
 8000 FENCING

SECTION 81 - MONUMENTS  
 8101 SURVEY OR HISTORICAL MONUMENT

SECTION 82 - MARKERS AND DELINEATORS  
 8201 OBJECT MARKER

SECTION 83 - RAILING AND BARRIERS  
 8320 METAL BEAM GUARD RAILING

STATE OF CALIFORNIA  
DEPARTMENT OF TRANSPORTATION  
DISADVANTAGED BUSINESS (DBS) AND WOMEN BUSINESS (WDB) ENTERPRISE  
FORM CATEGORY CODE LIST

PAGE 4

0330 METAL MARKING	8784 ARCHITECTURAL
2331 CONCRETE BARRIER	8785 DESIGN
2333 METAL BEAM BARRIER	8786 DESIGN BRIDGES
SECTION 84 - TRAFFIC STRIPES AND PAVEMENT MARKINGS	8787 FEASIBILITY STUDIES
4405 THERMOPLASTIC TRAFFIC STRIPE & MARKING	8788 ENGINEERING
8886 PAINTED TRAFFIC STRIPE & MARKING	4211 COMPUTER
SECTION 85 - PAVEMENT MARKER	8712 PUBLIC RELATIONS
4381 PAVEMENT MARKING	8716 ARCHITECTURAL ENGINEER
SECTION 86 - SIGNAL AND LIGHTING	8728 CIVIL ENGINEERING
8802 SIGNAL AND LIGHTING	8722 ENVIRONMENTAL ENGINEER
8893 SIGNAL	8739 SAFETY STUDIES
8894 LIGHTING	4742 MECHANICAL ENGINEERS
8895 MESSAGE SIGNS, LIGHTING & SIGN ILLUMINATION	8744 LANDSCAPE ARCHITECTS
8898 DETECTOR	SECTION 89 - MISCELLANEOUS RAIL CAR
8899 TRAFFIC COUNT STATION	8900 RAIL CAR SERVICES
8818 SPEED MONITORING STATION	8901 AIR CONDITIONING / SHEET METAL
8412 RAMP RETARDING SYSTEM	8902 HEATING
SECTION 87 - CONSULTANTS, ARCHITECTS & ENGINEERS	8903 ELECTRICAL
8789 CONSULTANT	8904 ORASS INSTALLATION
8781 BUSINESS ADMINISTRATION	8905 SEATS
8782 MANAGEMENT INFORMATION SYSTEMS	8906 AUTO SERVICE
8783 TRAFFIC ENGINEER	8907 MAINTENANCE
	8908 PERSONNEL TRANSPORTATION

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STATE OF CALIFORNIA  
DEPARTMENT OF TRANSPORTATION  
DISADVANTAGED BUSINESS (DBE) AND WOMEN BUSINESS (WBE) ENTERPRISE  
MRF CATEGORY CODE L131

PAGE 7

SECTION 07 - TRACKING  
9771 THICK BOARD  
9774 TRUCKER

SECTION 08 - BUILDING CONSTRUCTION

9801 BUILDING CONSTRUCTION  
9809 SMALL STRUCTURES  
9822 CARPENTRY  
9826 LAND SURVEYING  
9827 SMALL CONSTRUCTION  
9829 RETAINER WALLS  
9838 WALL COVERING  
9834 CABINETRY  
9835 LATHING  
9836 PLASTERING  
9837 ROOFING  
9838 CERAMIC TILE  
9839 CARPET AND DRAPES  
9840 FLOOR COVERING  
9842 MASONRY  
9846 ADDITIONS, ALTERATIONS OR REPAIRS  
9839 PLUMBING  
9832 EXTERMINATIONS  
9834 PAINTING STRUCTURES

SECTION 99 - MISCELLANEOUS SERVICES

9860 WATER METER & TEMP FACILITIES  
9862 RESIDENTIAL AIR CONDITIONING & SHEET METAL  
9864 SHOWER BOOMS & MIRROR INSTALLATION  
9866 HEATING SYSTEMS  
9868 INSULATION  
9872 SEWER CONNECTION  
9874 HARDWARE (ROUGH)  
9876 HARDWARE (FINISH)  
9878 SIDING, STUCCO, VENEER  
9901 MISC SERVICES - CALTRANS FACILITIES  
9902 FUEL SYSTEMS  
9947 ELEVATOR  
9980 REPAIRS  
9981 BUILDING MAINT  
9988 MOVING AND STORAGE

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10-01-92



## EMPLOYMENT OPPORTUNITY

5400 E. Olympic Blvd., Suite 300 Los Angeles, CA 90022

CONTACT: Personnel Office 213/721-1655

POSITION:

DATE:

92 2369053

*An Equal Opportunity - Affirmative Action Employer*

10-01-92



## ABOUT TELACU

TELACU (The East Los Angeles Community Union) has served as the primary catalyst for economic and social change in the Greater East Los Angeles area since 1968. TELACU is structured as a non-profit holding company operating for-profit business ventures and free community services. The primary objective of the corporation is to address unmet community needs as economic opportunities. The company's for-profit business ventures include Community Thrift and Loan Company; Eastland Leasing; South Coast Shingle Co.; Air Management; and TELACU Industrial Park. Community services include TELACU Transit Services; TELACU Weatherization Services; Domingos Alegres; Senior Citizen Programs; TELACU Scholarship Fund; and TELACU Youth Services.

## BENEFIT PACKAGE

TELACU's fringe benefit package includes liberal holiday and vacation pay, medical and life insurance policies.

## EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

As an equal opportunity / affirmative action employer, TELACU does not discriminate on the basis of race, color, religion, sex, or national origin. TELACU does not unlawfully discriminate on the basis of age, physical disability, mental disability, or veteran status. These guidelines apply equally in the corporation's recruitment, selection, assignment, promotion, discipline and training policies. U.S. citizenship or other authorization to work in the United States will be required within three (3) days of employment.



5400 E. Olympic Boulevard,  
Suite 300  
Los Angeles, CA 90022

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10-01-92



# EMPLOYMENT OPPORTUNITY

137

5400 E. Olympic Blvd., Suite 300 Los Angeles, CA 90022  
CONTACT: Personnel Office 213/721-1655

POSITION: ACCOUNTS PAYABLE/RECEIVABLE CLERK (Non-Exemp)

DATE: MAY 22, 1990

**DEPARTMENT:** TELACU CORPORATE OFFICE  
**REPORTS TO:** ACCOUNTS PAYABLE SUPERVISOR/FINANCE DPT.  
**POSITION DESCRIPTION:** Under direct supervision of Accounts Payable Supervisor. Primary responsibility is to assist Supervisor in the daily implementation of activities of data entry and recordkeeping and maintain and implement the activities of accounts receivables.

**DUTIES & RESPONSIBILITIES:** The duties and responsibilities are representative of those to be performed by the person occupying this position, and are not intended to be an inclusive list of all job duties and responsibilities.

Implements, coordinates and maintains a department of billing receivables and collection records; screens calls relating to all billing inquiries. Performs clerical accounting work, accounts payable and receivable and general accounting in connection with keeping, recording and verifying accurate information. Assembles, sorts and tabulates statistical data. Performs daily data entry of accounts payable/receivable for all subsidiaries. Makes calculations using the ten key. Prepares and maintains all paperwork for the filing and storage of invoice documentation, receivables and collection.

**QUALIFICATIONS:** Graduation from high school or its equivalent (GED). A general knowledge of statistical or accounts payable/receivable methods and procedures. Secretarial skills preferred. Type at a speed of 38 w.p.m. Knowledge of computerized data entry, 10 key, knowledge of wordprocessing (word perfect). Able to perform simple clerical financial record-keeping, follow oral and written directions. A self-motivated individual with strong organizational skills in maintaining files and records. Ability to work confidentially and effectively with all levels of personnel.

**EXPERIENCE:** Minimum of 2 years experience in the capacity of accounts payable/receivable clerk.

P.D: 5/21/90

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### **BENEFIT PACKAGE**

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### **EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER**

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Los Angeles, CA 90022

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10-01-92

**TELACU NEW HIRE ACTIVITY REPORT**

Operating Company \_\_\_\_\_

Operational Year \_\_\_\_\_

	Name	EEO	F/M	Position	Hire Date
1.	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____
5.	_____	_____	_____	_____	_____
6.	_____	_____	_____	_____	_____
7.	_____	_____	_____	_____	_____
8.	_____	_____	_____	_____	_____
9.	_____	_____	_____	_____	_____
10.	_____	_____	_____	_____	_____
11.	_____	_____	_____	_____	_____
12.	_____	_____	_____	_____	_____
13.	_____	_____	_____	_____	_____
14.	_____	_____	_____	_____	_____
15.	_____	_____	_____	_____	_____
16.	_____	_____	_____	_____	_____
17.	_____	_____	_____	_____	_____
18.	_____	_____	_____	_____	_____
19.	_____	_____	_____	_____	_____
20.	_____	_____	_____	_____	_____

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**TELACU TURNOVER ANALYSIS**

Operating Company \_\_\_\_\_  
Operational Year \_\_\_\_\_

	Name	EEO	P/M	Position	Term Date	Reason
1.	_____	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____	_____
5.	_____	_____	_____	_____	_____	_____
6.	_____	_____	_____	_____	_____	_____
7.	_____	_____	_____	_____	_____	_____
8.	_____	_____	_____	_____	_____	_____
9.	_____	_____	_____	_____	_____	_____
10.	_____	_____	_____	_____	_____	_____
11.	_____	_____	_____	_____	_____	_____
12.	_____	_____	_____	_____	_____	_____
13.	_____	_____	_____	_____	_____	_____
14.	_____	_____	_____	_____	_____	_____
15.	_____	_____	_____	_____	_____	_____
16.	_____	_____	_____	_____	_____	_____
17.	_____	_____	_____	_____	_____	_____
18.	_____	_____	_____	_____	_____	_____
19.	_____	_____	_____	_____	_____	_____
20.	_____	_____	_____	_____	_____	_____

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TELACU PROMOTIONAL ACTIVITY REPORT

Operating Company \_\_\_\_\_

Operational Year \_\_\_\_\_

	Name	EEO	F/M	Former Job	New Position
1.	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____
5.	_____	_____	_____	_____	_____
6.	_____	_____	_____	_____	_____
7.	_____	_____	_____	_____	_____
8.	_____	_____	_____	_____	_____
9.	_____	_____	_____	_____	_____
10.	_____	_____	_____	_____	_____
11.	_____	_____	_____	_____	_____
12.	_____	_____	_____	_____	_____
13.	_____	_____	_____	_____	_____
14.	_____	_____	_____	_____	_____
15.	_____	_____	_____	_____	_____
16.	_____	_____	_____	_____	_____
17.	_____	_____	_____	_____	_____
18.	_____	_____	_____	_____	_____
19.	_____	_____	_____	_____	_____
20.	_____	_____	_____	_____	_____

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10-01-92

EXHIBIT 11

POLICY

HARASSMENT FREE WORKPLACE

TELACU makes every effort to provide employees with a work environment free from all forms of harassment. This policy strictly prohibits the harassment of any employee and refers to both supervisor-subordinate actions and complaints between co-workers.

"Harassment" includes verbal, physical and visual harassment, solicitation of sexual favors, unwelcome sexual advances and creating or maintaining an intimidating or hostile work environment. Any employee who violates this policy is subject to discipline up to and including discharge.

Any incident, including work-related harassment by Company personnel or any other person, should be reported to the employee's supervisor, the Vice President of Employee Relations or the EEO Program Officer, whichever is deemed appropriate by the complaining party. Such executive will then investigate the matter and consult with the Chief Executive Officer regarding measures to be taken and proper parties to be involved in the dispute resolution process.

It is the responsibility of every manager and employee to conscientiously follow this policy.

RESOLUTION PROCEDURE

The personally sensitive nature of sexual harassment complaints is fully recognized. Thus, all employees and executive staff involved in the resolution process are ardently encouraged to maintain strict confidentiality.

The complaining party shall use the procedures described below:

**INFORMAL PROCESS** - The complaining employee may make her/his initial complaint to their immediate supervisor, the EEO Program Officer or the Vice President of Employee Relations, whichever is deemed appropriate under the circumstances. Such executive will immediately consult with the Chief Executive Officer to determine both the proper course of action and selection of parties to be included in the resolution process. The complainant may elect to use the **FORMAL PROCESS**, described below, if a resolution satisfactory to the complainant is not reached within five days from notification.

**FORMAL PROCESS** - The complaining party may elect to use this **FORMAL PROCESS** either immediately or if no satisfactory resolution is reached during the **INFORMAL PROCESS**.

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**STEP ONE** - The complainant may contact the Vice President of Employee Relations or the EEO Program Officer, who will describe the dispute resolution procedure. Such executive will interview the complainant for all pertinent facts and immediately notify TELACU's Chief Executive Officer of the allegations, who will then designate an executive to conduct the interview and resolution process ("Designated Executive"). Also, the complainant will be told that a written complaint must be submitted to start the resolution process.

**STEP TWO** - The Designated Executive will interview the alleged harasser within three days of receiving the written complaint. Such party will be informed of the allegations, the resolution procedure and potential ramifications, and be given a copy of TELACU's policy. The alleged harasser will then be instructed to submit a written response within five days from the interview.

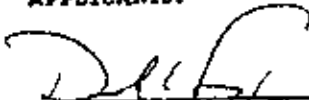
**STEP THREE** - The written complaint and response will then be reviewed together by the Chief Executive Officer, the Designated Executive and the complainant's supervisor, in a confidential meeting. Separate interviews with the complainant and the alleged harasser may also be conducted at this point. After a thorough consideration of the facts presented, a resolution will be decided.

If harassment is established, the offender will be disciplined up to and including discharge. Such determination will be made on an individual basis and in proportion to the seriousness of the harassment. The resolution determination should be made within ten days from when the written complaint was received.

**STEP FOUR** - All involved parties shall be immediately informed of the resolution determination. If the complaining party is unsatisfied with the resolution, she/he can contact the Equal Employment Opportunity Commission, the Century Freeway Affirmative Action Committee or the Century Freeway Women's Employment Program.

**IN ALL INSTANCES, TELACU IS COMMITTED TO A QUICK AND FAIR RESOLUTION OF ANY COMPLAINTS INVOLVING SEXUAL HARASSMENT.**

**THIS STATEMENT AND PROCEDURE WILL BE PROMINENTLY DISPLAYED IN THE TELACU WORKPLACE FOR THE CONSIDERATION OF ALL EMPLOYEES AND APPLICANTS.**

  
\_\_\_\_\_  
David C. Lizarsaga  
Chief Executive Officer  
TELACU

( May 15, 1991  
Date

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10-01-92



APP Act-CityView  
REV. 1-1-89  
Vice President Employee Relations  
Division Senior Vice President  
Executive Vice President  
President-CEO



Page 59 of 70  
EXHIBIT 12  
No. 11.8  
Date: January 1991  
SUPERSEDES:  
DISTRIBUTION:

**POLICY MEMO**

SUBJECT: COMPLAINT RESOLUTION PROCEDURE

**POLICY**

**COMPLAINT RESOLUTION PROCEDURE**

The purpose of the Complaint Resolution Procedure is to provide an effective means for employees to discuss complaints or problems with management and to receive a just and equitable resolution.

A complaint is defined as a statement by an employee concerning any condition of employment which he/she thinks is unjust or inequitable. This includes the right of an employee to appeal a supervisor's decision to a higher authority without fear of retaliation.

Complaint Resolution Procedure

Misunderstandings or conflicts can arise in any organization. To ensure effective working relations, it is important that such matters be resolved before serious problems develop. Most incidents resolve themselves naturally; however, should a situation persist that you believe is detrimental to you or TELACU, you should follow the procedure described herein for bringing your complaint to management's attention.

A. Step One

Discussion of the problem with your immediate supervisor is encouraged as a first step. If, however, you do not believe a discussion with your supervisor is appropriate, you may proceed directly to Step Two.

92 2369053

Vice President Employee Relations DIVISION SENIOR VICE PRESIDENT EXECUTIVE VICE PRESIDENT PRESIDENT-CEO		No. 11-8 Date: January 1991 SUPERSEDES: DISTRIBUTION:
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**POLICY MEMO**

SUBJECT: COMPLAINT RESOLUTION PROCEDURE

**B. Step Two**

If your problem is not resolved after discussion with your supervisor or if you feel discussion with your supervisor is inappropriate, you are encouraged to request a meeting with your department head. In an effort to resolve the problem, the department head will consider the facts, conduct an investigation and may also review the matter with a member of our Employee Relations Department. You will normally receive a response regarding your problem within five (5) working days of meeting with your department head.

**C. Step Three**

If you are not satisfied with your department head's decision and wish to pursue the problem or complaint further, you may prepare a written summary of your concerns and request that the matter be reviewed by a TELACU problem-solving committee. This committee is composed of the Vice President of Employee Relations, the head of your division and a third member of senior management from outside your division to be selected by the other two committee members.

The committee, after a full examination of the facts (which may include a review of the written summary of your statement, discussions with all individuals concerned and a further investigation, if necessary), will normally advise you of its decision within fifteen (15) working days. The decision of the committee shall be final.

TELACU does not tolerate any form of retaliation against employees availing themselves of this procedure. The procedure should not be construed, however, as preventing, limiting or delaying TELACU from taking disciplinary action against any individual, up to and including termination, in circumstances (such as those involving problems of overall performance, conduct, attitude or demeanor) where the Company deems disciplinary action appropriate.

You may request that a co-worker be present at any stage of this procedure.

**92 2369053**

ASSIGNMENT AND ACCEPTANCE  
OF  
RIGHTS AND OBLIGATIONS

This Assignment and Acceptance of Rights and Obligations (the "Assignment") is made by and between CITY VIEW TERRACES A CALIFORNIA LIMITED PARTNERSHIP ("Partnership") and The East Los Angeles Community Union, a California corporation ("TELACU").

RECITALS

WHEREAS, TELACU executed that certain Affirmative Action Plan (the "Plan") on May 15, 1991, which encompasses its obligations with respect to the subject matter thereof in conjunction with the development of residential housing (the "Project") under the Century Freeway Housing Program ("CFHP"); and

WHEREAS, TELACU negotiated that certain Development Agreement (the "Agreement") with the State of California, Department of Housing and Community Development on behalf of CFHP; and

WHEREAS, it was expeditious to create a limited partnership to develop the Project and to execute the Agreement and related loan documents on behalf of the Partnership rather than TELACU; and

WHEREAS, the Plan is an integral part of the Agreement and must become the obligation of the Partnership as successor-in-interest to TELACU under the Agreement,

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. TELACU assigns all right, title and interest it may have in the Plan to the Partnership in consideration of Partnership's assumptions of TELACU's obligations under the Agreement.

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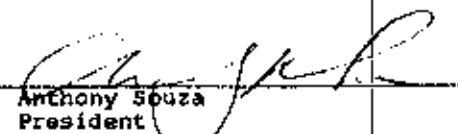
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2. Partnership accepts all duties and obligations of TELACU under the Plan in consideration of TELACU's transfer of its interests under the Agreement to Partnership.

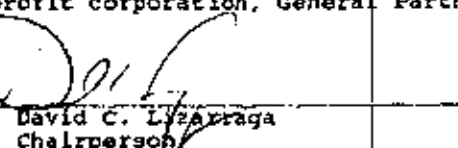
Executed this 23rd day of October, 1992, at Los Angeles, California.

CITY VIEW TERRACES A CALIFORNIA LIMITED PARTNERSHIP

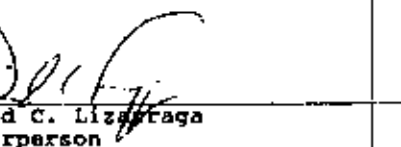
By: TELACU Affordable Housing, Inc., a California corporation, General Partner

By:   
Anthony Souza  
President

By: The East Los Angeles Community Union, a California nonprofit corporation, General Partner

By:   
David C. Lizarraga  
Chairperson

The East Los Angeles Community Union, a California nonprofit corporation

By:   
David C. Lizarraga  
Chairperson

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ATTACHMENT 10

CENTURY FREEWAY CORRIDOR DESCRIPTION

The Century Freeway Corridor consists of the cities of Norwalk, Paramount, Downey, Lynwood, South Gate, Compton, Hawthorne, Inglewood, and El Segundo in their entirety; that portion of the City of Bellflower generally lying north of Alondra Boulevard, that portion of the City of Gardena generally lying north of Rosecrans Avenue, and portions of the City of Los Angeles and Los Angeles County west of the Los Angeles River between Rosecrans Avenue on the South and Manchester/Firestone Boulevard on the north. When the designated boundary is a street, any property fronting on that street is included in the Corridor.

ENTIRE CITIES:

Norwalk  
Paramount  
Downey  
Lynwood  
South Gate  
Compton  
Hawthorne  
Inglewood (including Lennox)  
El Segundo

PARTIAL CITIES:

Bellflower (generally north of Alondra Boulevard)  
Gardena (generally north of Rosecrans Avenue)  
Los Angeles City and County (generally south of Manchester/Firestone and north of Rosecrans)

AIRPORT AREA: bounded by Century Boulevard on the north, 116th Street on the south, La Cienega on the east, and Sepulveda on the west.

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ATTACHMENT 11  
FORM OF LEGAL OPINION

California Department of Housing and  
Community Development  
111 North La Brea Avenue, Suite 500  
Inglewood, California 90301

Re: CFHP Development # RFP P/P 1-009 1

Ladies and Gentlemen:

The undersigned is counsel to CITY VIEW TERRACES A CALIFORNIA LIMITED PARTNERSHIP ("Developer"), which has been selected by the State of California, Department of Housing and Community Development ("HCD") as the Developer in conjunction with the development of 72 affordable homeownership units at 3711 Baldwin Avenue, Los Angeles, California (the "Project") to be financed under the Century Freeway Housing Program.

We have reviewed the Development Agreement, Deed of Trust with Assignment of Rents and Security Agreement ("Developer Deed of Trust") and Promissory Note ("Developer Note") (collectively the "Development Documents") by and/or between HCD and/or Developer and such other information and documents that we consider pertinent, and hereby render our opinion that:

1. Developer is a nonprofit corporation duly organized, validly existing and in good standing under California law.
2. Developer has the power and authority under its organizational documents and applicable law to own its property and to carry on its business as now being conducted.
3. Developer has full power and authority under its organizational documents and applicable law to execute and deliver to HCD the Development Documents and all other documents or instruments executed and delivered pursuant thereto, to accept the funds to be made available thereunder, and to perform and observe the terms and provisions thereof.

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4. Developer, by action or authority of its corporate general partners, has authority to execute the Development Documents and all other documents executed and delivered pursuant thereto, and all actions required pursuant to California State Law have been duly taken.

5. The Development Documents and all other related documents have been duly executed and delivered by Developer and constitute the legal, valid and enforceable obligations of Developer.

6. The execution of the Development Documents and any other related documents pertaining thereto will not conflict with or result in a breach of any statute, rule, regulation, judgment, decree or order of any court, board, commission, or agency, binding on Developer, or with any provision of the Developer documents to which Developer is a party, nor will they result in the creation or imposition of any lien upon any assets or property of Developer, other than liens established pursuant to said Development Documents.

7. To the actual knowledge of the undersigned without independent investigation or inquiry, Developer is not a party to any litigation, and no litigation is presently threatened, which, if adversely determined against Developer, would affect its ability to perform its obligations under the Development Documents.

Date

(Counsel for Developer)

ENCLOSURE

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ATTACHMENT 12

SCHEDULE OF PACKAGER FEES

TELACU ADMINISTRATIVE BUDGET

The portion of the overall administrative budget has been allocated to the City View projects based on the estimated CFHP dollars to be allocated to the project to the total budget resulting in the following:

CITY VIEW TERRACES-ADMINISTRATION BUDGET BASED ON USAGE OF 72 UNITS  
AT \$50,000/UNIT (\$3,600,000)

	Development Agreement	Construction	Total
Salaries	\$45,500	\$19,500	\$65,000
Consultants & Professionals	11,200	4,800	16,000
Overhead	15,400	6,600	22,000
Other	<u>3,500</u>	<u>1,500</u>	<u>5,000</u>
	\$75,600	\$32,400	\$108,000

We will request \$75,600 to be paid upon signing of the Development Agreement and \$32,400 to be paid quarterly over the construction period.

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**CITY VIEW TERRACES A CALIFORNIA LIMITED PARTNERSHIP**

The contractor or grant recipient named above hereby certifies compliance with Government Code Section 8353 in matters relating to providing a drug-free workplace. The above named contractor will:

1. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8353(a).
2. Establish a Drug-Free Awareness Program as required by Government Code Section 8353(b), to inform employees about all of the following:
  - (a) The dangers of drug abuse in the workplace.
  - (b) The person's or organization's policy of maintaining a drug-free workplace.
  - (c) Any available counselling, rehabilitation and employee assistance programs, and
  - (d) Penalties that may be imposed upon employees for drug abuse violations.
3. Provide as required by Government Code Section 8353(c) that every employee who works on the proposed contract or grant:
  - (a) Will receive a copy of the company's drug-free policy statement, and
  - (b) Will agree to abide by the terms of the company's statement as a condition of employment on the contract or grant.

**CERTIFICATION**

I, the official named below, hereby swear that I am duly authorized legally to bind the contractor or grant recipient to the above described certification. I am fully aware that this certification, executed on the date and in the county below, is made under penalty of perjury under the laws of the State of California.

<b>WITNESSED</b> Anthony P. Souza December 11, 1992 President, TELAMI Affordable Housing, Inc. General Partner 65 431 7603	<b>WITNESSED</b> David C. Lizurran Los Angeles Chairperson, The East Los Angeles Community Union, a California nonprofit corporation, General Partner <b>92 2369053</b>
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Section 8355.

(2) The contractor or grantee violates the certification by failing to carry out the requirements of subdivisions (a) to (c), inclusive, of Section 8355.

(b) The Department of General Services shall establish and maintain a list of individuals and organizations whose contracts or grants have been canceled due to failure to comply with this chapter. This list shall be updated monthly and published each month. No state agency shall award a contract or grant to a person or organization on the published list until that person or organization has complied with this chapter.

(c) Every state agency that directly awards grants without review by the Department of General Services shall immediately notify the department of any individual or organization that has an award canceled on the basis of violation of this chapter.

8357. This chapter shall not be construed to require any contractor or grantee to ensure that other businesses with which it subcontracts also provide drug-free workplaces.

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ATTACHMENT 14

INSURANCE REQUIREMENTS

DEVELOPER'S REQUIREMENTS

The Developer shall maintain the following policies of insurance during the term of the HCD Loan:

Liability Insurance. Developer shall, at Developer's own cost and expense, secure and maintain during the entire term of the HCD Loan, liability insurance insuring Developer, and each beneficiary under a deed of trust securing payment of any portion of the Development Costs, against loss or liability caused by or connected with the construction of the Project and Developer's occupation and use of the Project in amounts not less than:

(1) One Million Dollars (\$1,000,000) for injury to or death of one person and, subject to such limitation for the injury or death of one person, of not less than Five Million Dollars (\$5,000,000) for injury to or death of two or more persons as a result of any one accident or incident; and

(2) Five Hundred Thousand Dollars (\$500,000) for damage to or destruction of any property of others.

The foregoing amounts of coverage shall be increased (but not decreased) every five (5) years during the term of the HCD Loan to reflect increases in the cost of living during the preceding five (5) year period.

Fire and Casualty Insurance. Developer, at its sole cost and expense, shall keep the Project insured during the term of the HCD Loan against loss or damage by fire and against loss or damage by other risks now or hereafter embraced by the broad form of "Extended Coverage" endorsement available in the State of California, and against such other risks as are commonly insured by operators of similar improvements, in an amount not less than one hundred percent (100%) of its "full insurable value". For the purposes hereof, "full insurable value" shall mean the actual replacement cost of the improvements (exclusive of the cost of excavations, foundations and footings below the lowest basement floor). The amount of insurance shall be adjusted annually to reflect current replacement costs. A deductible of not more than \$2,500 per occurrence shall apply to losses by all perils.

07/10/92

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Specific Perils to Be Insured. The fire and casualty insurance shall, whether or not included in the standard extended coverage endorsement mentioned above, insure all of the Project, as well as any and all additions thereto, against loss or destruction by windstorm, cyclone, tornado, hail, explosion, riot, riot attending a strike, civil commotion, malicious mischief, vandalism, aircraft, fire, smoke damage, boiler and machinery damage and sprinkler leakage.

If Developer commits, permits, or causes the conduct of any activity or the bringing or operation of any equipment on or about the Project which creates an increased risk which activity or operation can be separately insured, Developer shall procure and maintain in force, during such activity or operation, insurance, if available, sufficient to cover the risks represented thereby. Developer shall procure and maintain in force other insurance, in amounts from time to time reasonably required by HCD, against other insurable risks, if and to the extent such risks are commonly insured against by other owners of premises similarly situated and containing comparable improvements.

Builder's Risk. During construction, or demolition, or reconstruction, insurance required hereunder shall include "all risks" builders' risk insurance, with course of construction, vandalism, and malicious mischief clauses attached insuring the Project and all materials and equipment delivered to the site of the Project for their full insurable value, except in the event Developer demonstrates to HCD'S reasonable satisfaction that the contractor for such work carries such "all risks" builder's risk insurance.

Earthquake. Developer shall carry earthquake coverage if the project is within 50 feet of an Alquist-Priolo Special Studies Zone.

Worker's Compensation. Workers' Compensation and Employer's Liability Insurance shall be carried covering any person working on the Project who is employed by Developer or the general contractor.

#### BUYER'S REQUIREMENTS

Mortgage Insurance. Mortgage insurance or such other form of guarantee or credit enhancement as may be determined by HCD prior to permanent financing of the Development to be necessary to ensure the affordability of the units of the Development as required in the Regulatory Agreement and to protect and preserve HCD's investment in the Development.

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92 2369053

CONDOMINIUM ASSOCIATION MASTER POLICY REQUIREMENTS

The Association shall maintain the following policies of insurance:

**Fire and Casualty Insurance.** The Association shall obtain and maintain in force a master or blanket policy of fire insurance for the full insurable value of all of the improvements within the Development. Such policy and any endorsements thereon shall be in the form and content, for such term and in such company as may be satisfactory to a majority of the different Mortgagees who hold mortgages on Condominiums in the Development; and, if more than one Mortgagee has a loan of record against the Development, or any part thereof, such policy and endorsements shall meet the maximum standards of the various Mortgagees represented in the Development. Such policy shall contain extended coverage and replacement cost endorsements, if available, and may also contain vandalism and malicious mischief coverage, special form endorsement, stipulated amount clause, and a determinable cash adjustment clause, or a similar clause to permit cash settlement covering full value of the improvements in the event of partial destruction and a decision not to rebuild. Such policy shall be in such amounts as shall be determined from time to time by the Board, shall name as insured the Association, the Owners and Declarant, so long as Declarant is the owner of any of the Condominiums and all Mortgagees as their respective interests may appear, and may contain a loss payable endorsement in favor of the Trustee described in this Declaration.

(1) Except as provided in this Subparagraph (1), no Owner can separately insure his Condominium or any part of it against loss by fire or other casualty covered by any insurance carrier under Subparagraph (1) hereof. If any Owner violates this provision, any diminution in insurance proceeds otherwise payable pursuant to the provisions of Subparagraph (2) hereof, that results from the existence of such other insurance will be chargeable to the Owner who acquired other insurance, and the Owner will be liable to the Association to the extent of any such diminution. An Owner can insure his personal property against loss. In addition, any improvements made by an Owner to the real property within their Condominium may be separately insured by the Owner, but the insurance is to be limited to the type and nature of coverage commonly known as tenant's insurance. All such insurance that is individually carried must contain a waiver of subrogation rights by the carrier as to other Owners, the Association and Declarant.

(2) All insurance proceeds payable under Subparagraph (1) and (2) above, and subject to the rights of the Mortgagees under Subparagraph (3), shall be paid to a trustee, to be held and expended for the benefit of the Owners, Mortgagees and others, as

07/28/92

92 2369053

their respective interests shall appear. Said trustee shall be a commercial bank, or branch thereof, located in the City which has agreed in writing to accept such trust. In the event repair or reconstruction is authorized, the Board shall have the duty to contract for such work as provided for herein.

(3) With respect to insurance coverage under Subparagraph (1) and (2), above, any Mortgagee shall have the option to apply insurance proceeds payable thereunder to such Mortgagor in reduction of the obligation secured by the Mortgage of such Mortgagee.

Liability Insurance. A policy or policies of comprehensive public liability insurance insuring the Association, Board, Owners, Declarant, HCD and any appointed manager, against any liability to the public or to the Owners incident to the use of, or resulting from any accident or intentional act occurring in or above any Unit, or the Common Area. The minimum limits of such insurance shall be determined by the Board and established to provide such coverage and protection as is customarily carried by prudent owners of similar property in the County in which the project is situated. The Board shall review the limits and coverage of such insurance at least every year and shall increase or adjust the same, if necessary, to provide adequate coverage and protection to the Association, Board, Owners, Declarant, HCD and any appointed manager. Such policy or policies shall provide cross liability endorsements or severability of interest endorsements insuring each insured against the liability of each other insured.

(1) An Owner may carry such personal liability insurance as he/she may desire; provided, however, that any such policy shall include a waiver of subrogation clause.

Worker's Compensation Insurance. To the extent necessary to comply with all applicable laws of the State of California or the regulations of any governmental body or authority having jurisdiction over the Property.

Fidelity Bond. Covering members of the Board, Officers and employees of the Association and employees of any Management Agent, whether or not such persons are compensated for their services, naming the Association as the insured and written in an amount equal to at least one-hundred and fifty percent (150%) of the Association's annual assessments plus reserves.

(1) Nothing in this subsection (1) shall restrict or prohibit the Board from maintaining such additional policies of insurance as it, in its absolute discretion, shall deem reasonable and necessary.

07/10/92

92 2369053

163

(2) Any insurance acquired by the Board may be taken in the name of the Board as trustee, for the use and benefit of the Board and all Owners. Premiums for all insurance obtained by the Board of Directors shall be a common expense and paid as a part of the regular assessment pursuant to the Association's Articles. All insurance policies shall be reviewed at least annually by the Board of Directors in order to ascertain whether the coverage contained in the policies is sufficient to make any necessary repairs or replacement of the property which may have been damaged or destroyed. The Board is hereby appointed attorney-in-fact by each Owner to negotiate and agree upon the value and extent of any loss under the above policy or policies carried hereof. The Board is granted full right and authority to compromise and settle any claim or enforce any claim by legal action or otherwise and to execute release in favor of any insurer.

ALL POLICIES MUST INCLUDE THE FOLLOWING:

Named Insured: The East Los Angeles Community Union, a California nonprofit corporation

Additional Insured: HCD and its officers, agents, employees and servants must be named as additional insured.

Cancellation Clause: HCD must be notified 30 days prior to cancellation of the insurance policy.

HCD Notification: HCD must be notified prior to cancellation or lapse of coverage or in the event of any claim.

HCD should be identified on all insurance documents as follows:

The Department of Housing and Community Development  
Century Freeway Housing Program  
111 N. La Brea Avenue, Suite 500  
Inglewood, California 90301  
Attention: Executive Director

07/10/92

92 2369053



MARKETING PLAN  
for  
CITY VIEW TERRACE TOWNHOMES

3711 Baldwin Avenue  
Los Angeles, California

prepared by  
Jane Brummelkamp  
Telacu Affordable Housing

10/01/92

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City - Cityview  
 RFP P/P 1-009 1

I. MARKET PROFILE

A. Target Market (Buyer Profile)

By examining the demographics of a 5 mile radius around the project location, and based on the typical buyer profile of an urban infill condominium development, we believe the Buyer profile of this project to be as follows:

1. Household description

Although condominiums are often purchased by singles as well as couples and families, the CFHP incorporates household size restrictions which excludes single buyers from purchasing a two or three bedroom condominium in this development. The following typical buyer groups will be targeted for this development:

- A. Couples
- B. Groups of singles
- C. Couples w/ young children
- D. Single parents w/ children
- E. Two families

2. Income Range

In order to qualify to utilize the CFHP second trust deed financing, the household income can not exceed 120% of LA County Median Income. We believe, based on the Buyer profile of other similar condominium developments, that the typical Buyer will only have the minimum 5% downpayment. Thus, the household yearly income to qualify for this program, combined with a first trust deed of 7.34%, will be a minimum of approximately \$35,000 to a maximum of approximately \$51,000 (assuming the Buyer has little or no debt).

3. Major employment areas

The City View project is within a 5 mile radius to the following major employment areas which will be targeted in the marketing efforts:

- A. USC Medical Center
- B. Broadway Center
- C. LA County Courthouse & City Hall
- D. Downtown LA Financial district

4. Ethnic make-up: The surrounding area is approximately 75% Hispanic 24 % Asian, and less than 1% caucasian and black each

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10/01/92

B. Product Type

1. 2 bedroom single level, common stairway access from tandem garage
2. 2 bedroom single level w/ loft, common stairway access from tandem garage
3. 2 bedroom + den or dining room/ 2.5 bath townhome style, direct access from tuck under garage
4. 3 bedroom/ 2.5 bath, townhome style, direct access from tuck under garage (Market Rate)

- C. Financing: Several pre-arranged financing options will be offered to Buyers. In most cases, it will be necessary to combine a below market first trust deed program with the CFHP second trust deeds, in order to reach affordability levels. A typical example of this combined financing is as follows:

The following sources of financing will be utilized, as well as any programs offered in the future that are compatible with the CFHP. All First Trust Deed and CFHP Second Trust Deed loan documentation, requirements and restrictions must be approved by all agencies involved (ie., FNMA, CFHP, mortgage insurers).

1. First Trust Deeds

- A. Mortgage Revenue Bonds, 7.34%, 30 yr. fixed  
A commitment has been purchased which will be substantial to initiate most first trust deeds. The Bond loans will be approved by FNMA, and underwritten according to FNMA guidelines.
- B. FNMA Conventional fixed rate loans
- C. FNMA Community Homebuyer fixed rate loans

2. Second Trust Deeds: CHFP Second Trust Deeds

The second trust deeds will subordinate to the Buyer's first trust deed. The second trust deed documentation will be submitted to FNMA for approval. In the event that these second trust deeds will be insured by a private mortgage insurer, it is recommended that those PMI companies compatible with the FNMA Community Homebuyer Program, such as GE, CHIF, MGIC, etc., be used.

3. Other forms of assistance compatible with first and

3

10/01/92

92 2369053

second trust deeds

- A. FNMA 3/2: Buyer puts 3% down with a 2% gift or grant from family, non-profit or employer
  - B. Assistance toward Buyer's closing costs to be paid by Developer (up to 3% of the sales price), or as a gift or grant by family, non-profit or employer.
4. Due to the adequacy of the range of FNMA approved financing, the Developer intends to process FNMA project approval. The Developer does not intend to process project approval through VA and FHA.
- II. PRESALE PHASE: Once the pink report is in place and construction has begun, the presale phase will begin. Advertising at this phase will be done through a Community Outreach program, on-site signs, newspaper advertising, PR coverage, and Seminar publicity. The purpose of the Presale Phase is to inform prospective Buyers about the project, to educate them through to Homeownership Seminar and to then generate an interest list of potential Buyers who meet the basic financing eligibility requirements. The presale effort will include the following:

A. Community Outreach

1. Several Employers and Organizations will be contacted in order to arrange a project presentation. The following list is an example of the groups which will be contacted:

USC County Hospital  
Downtown LA Government Agencies  
Downtown Los Angeles Banks  
LA Unified School District  
Post Offices  
Citiview Hospital  
At&t  
Pacific Bell  
Cal State LA  
Transportation companies  
Police Dept.  
Fire Dept.  
Chambers of Commerce in surrounding areas  
Rotary Clubs in surrounding areas  
East Los Angeles Jaycees

2. A presentation will be given at the place of

4

92 2369053

10/01/92

Employment, Organization or at the Telacu office (for the general public). The presentation will include the following:

- 1) Information on CFHP
  - A) History, why it is offered
  - B) Financing mechanics, requirements, restrictions
- 2) Explanation of Homebuying Process
  1. Prequalification
  2. Attend Homeownership seminar
  3. Preview project
  4. Reserve unit location
  5. Apply for loan
  6. Sign purchase contract once white report is available and construction is completed
  7. Escrow and move-in procedures
- 3) Project Information
  - A) Location
  - B) Site Plan
  - C) Floor Plans
  - D) Amenities
- 4) Sign-up for interest list and Homeownership Seminars
  1. Take names, phone numbers and addresses
  2. Give prospective Buyers a pre-qualification worksheet to fill out and send back to Telacu sales department
  3. Distribute list of upcoming Homeownership Seminars
  4. Obtain sign-ups to attend Homeownership Seminars

**B. Homeownership Seminars**

Homeownership seminars will be advertised and offered regularly to certify prospective buyers for the CFHP and FNMA financing. The seminars will last approximately 4 hrs. Seminars will be offered directly by Telacu, as well as by other Organizations and Lenders using the FNMA approved Community Homebuyers Program. In the event that Buyers attend a Community Homebuyer Seminar offered by an organization other than Telacu, a supplemental homestudy program will be given to the Buyer to make sure

C.

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10/01/92

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numbers will be contacted by Sales & Marketing Director. An appointment will be set for Buyers to meet at the Telacu office to discuss the reservation process. During the meeting, the site plan, floor plans and other visual aids will be used to assist Buyer in determining desired location. Once the Buyer selects a unit, a \$500 deposit will be taken with a completed DRE reservation form and Receipt for Preliminary Subdivision Report. The \$500 reservation deposit will be sent to the escrow company within one business day of the Sellers signature on the reservation form.

Within appropriate time frame from anticipated unit completion, and close of escrow, Buyer will convert reservation to a purchase contract, and make formal loan application to Lender and CFHP (see Attachment 1, Sales Procedures).

E. Staffing

The Sales & Marketing Director will coordinate all presale efforts. Sales presentations and seminars to be staffed by Sales & Marketing Director and other members of Development Team. Outside professionals in related fields such as financing, escrow, home inspection, home maintenance and credit counseling etc. will be recruited as Seminar speakers.

III. PRE- GRAND OPENING PREPARATION

A. On-site Sales Office and Model Complex

1. Selection: A sales office and model complex will be carefully selected for easy access and traffic control.
2. Construction: Adaptations will be made during construction to accommodate office & model use, and to provide security.
3. Interior Design: The sales office and model will be professionally decorated in a style attractive and appropriate for the target market.
4. Exterior Design: Special landscaping, potted plants, temporary fencing, and outdoor furnishings will be selected as necessary to enhance to appeal and facilitate traffic flow and security through model complex.
5. Security: Security provisions including alarm systems, traffic control and security guards to be

7

10/01/92

92 2369053

planned and implemented once on-site sales begin.

**B. Project Signage**

1. **On-Site:** A plan for sales signs, direction signs, flags and banners will be developed including the following:
  - A. Site sign, to be designed and placed by a professional sign company, along most visible street frontage.
  - B. Flags and banners to be used as appropriate
  - C. Sales Office, Model, visitor parking, and project directional signs, to be designed and placed, in a uniform manner, by a professional sign company.
2. **Off-Site Signs:** An off-site signage plan will be developed to include:
  - A. Trailer signs placed on major intersections as approved by local City sign ordinances
  - B. Permanent billboard sign, if location near project is available
  - C. Bootleg signs placed around location to direct traffic from major intersections and streets, to project

**C. Sales Brochure & Printed Materials**

1. Develop project theme
  2. Work with artist to design logo, style and architectural renderings and incorporate into brochure
  3. Design and produce other collateral sales materials as needed including flyers, direct mailers, correspondence post cards and stationary
- D. Advertising:** Advertising media will be selected based on effectiveness and affordability. A detailed advertising plan including the following will be established and, as necessary, will be modified during the sales period:
1. **Newspaper Advertising:** Ad layouts will be designed and an advertising plan will be developed including

**92 2369053**

10/01/92

placement in the following newspapers as response warrants:

- A. Los Angeles Times
  - B. La Opinion
  - C. LA Sentinel
  - D. Chinese Daily News
  - E. Other newspapers to be selected as appropriate to target market
2. Newspaper editorials and public interest stories
  3. Announcements in workplace through use of flyers, articles in company newsletters, payroll staffers etc.
  4. Radio announcements to be scheduled as necessary and affordable
  5. Direct mailing to specific groups such as:
    - A. Apartment dwellers deemed to be in target market
    - B. Chamber of Commerce members and other local business owners
    - C. City or County affordable housing interest lists (if available)
    - D. Other professionally compiled mailing lists sorted by occupation, residence, income level etc.
- E. Special Events
1. Ongoing Homeownership Seminars scheduled as discussed in II. PRESALES b. Seminars (a requirement to obtain Century Freeway financing)
  2. Plan Grand Opening reception to include Lenders, Government affiliates, local politicians, local business owners, Prospective Buyers on interest and reservation lists, seminar attendees, participants in the development and building process etc.
  3. Plan neighborhood reception to give neighbors opportunity to tour project, have opportunity to buy, and give incentive to refer friends
  4. Plan evening mixers with local businesses and community groups after project is complete

92 2369053

10/01/92



F. Sales staff

1. Develop all sales, escrow tracking and move-in procedures
2. Recruit and train licensed sales agents and sales host/hostesses as needed, and appropriate for target market (bi-lingual preferred). Involve Sales Agent in Presale process as much as possible.

IV. SALES PHASE: Once the first phase construction is complete, the model complex and sales offices are completely decorated and equiped, and the white report is in place, sales will begin as follows.

- A. Grand Opening Event
- B. Begin regular open house hours daily, hours to be determined as traffic warrants.
- C. Sales Agent to meet with Buyers on reservations to convert to sales contracts.
- D. Sales Agent to begin selling units after thoroughly discussing all issues covered in presale phase presentation, to each Buyer.
- E. All elements of marketing plan including advertising plan, signaga plan and special events to be implemented.
- F. Homeownership Seminars to continue on a regular basis.
- G. All sales procedures to be implemented by Sales Agent and sonitored by Sales and Marketing Director. (see Attachment 1, Sale/Escrow Procedure).
- H. Traffic reports and sales reports to be reviewed weekly by Sales Agent and Sale & Marketing Director, and advertising readjusted appropriately.
- I. Escrow tracking to be done by Sales Agent and monitored by Sales & Marketing Director.
- J. Move-ins to be coordinated by Sales Agent, Sales & Marketing Director and Customer Service Representative. Customer Service Representative to give Buyer a home maintenance instruction booklet, and a Builder Home Warranty.

92 2369053

10/01/92

ATTACHMENT 1  
SALE/ESCROW PROCEDURE

- 1) Buyer to attend presentation or discuss financing programs and project with Sales Agent.
- 2) Buyer to complete financing eligibility form which will contain the following information:
  - Buyers' income
  - copy of last two year Federal tax returns
  - household size
  - amount of savings
  - authorization to run credit report
  - credit information and history
- 3) Sales Agent to review financing eligibility form to assess Buyer eligibility. Sales Agent to run credit report through standard credit reporting agency.
- 4) Sales Agent to thoroughly discuss financing, project information, homebuying process and homeowner association documents with Buyer.
- 5) Eligible Buyer to make a reservation on a particular unit (if during reservation phase), or enter into a purchase contract (if during sales phase).
- 6) Buyer to read DRE subdivision report (white report) and sign receipt. Buyer to receive copies of contract and all homeowner association documents.
- 7) Buyer to attend Homeownership Seminar.
- 8) Buyer to make formal loan application to first trust deed Lender. Lender to begin loan processing (approximately 45 days)
- 9) Sales Agent to prepare Buyer Affordability Worksheet and submit to HCD. HCD to approve Buyer's second trust deed subject to loan commitment from first trust deed Lender. (Buyer's Homeownership Seminar certificate to be a condition of funding if required by Lender and HCD.)
- 10) Formal loan approval to be communicated to Escrow, HCD, Buyer and Sales Agent.
- 11) Loan Documents to be prepared by Lender and Escrow.

92 2369053

10/01/92

- 12) Escrow to prepare, review and explain all documentation to Buyer.
- 13) Buyer to have walk-thru of condominium with Customer Service Representative.
- 14) Buyer to submit final check to escrow
- 15) Escrow to receive first trust deed funding
- 16) Escrow to prepare closing statement and have Deeds recorded.
- 17) Buyer to move-in. Customer Service representative to provide Buyer with a home maintenance instruction booklet, and copy of Builder's Warranty.

10/01/92

92 2369053

ATTACHMENT 2  
 MARKETING TIMELINE

PRESALE PHASE

	AUG 1992	SEPT	OCT	NOV	DEC	JAN 1993	FEB	MAR
DRE Processing	x	-----pink-----						
Prepare brochure	x	-----presale-----						-----final
Select Lenders	x	-----x						
Prepare presentation	x	-----x						
Contact Employers		x	-----x					
Begin presale advertising			x	-----x				
Begin presentations			x	-----x				
Develop interest list			x	-----x				
Begin Homownership Seminars				x	-----x			
Obtain Pre-qual of financing eligibility				x	-----x			
Assign Reservation priority #'s					x	-----x		
Begin model design			x	-----x				
Begin advertising plan						x	-----x	
Begin signage plan							x	-----x
Finalize sales procedures						x	-----x	
Finalize escrow procedures						x	-----x	

PRESALE AND RESERVATION PHASE

	MAR 1993	APRIL	MAY	JUNE	JULY	AUG
Continue all of the above						
Begin taking reservations		x	-----x			
Hire and train sales agents					x	-----x
Finalize model, advertising plan and signage plans						x
Develop Customer Service progra					x	-----x

SELLING PHASE

	SEPT 1993	OCT	NOV	DEC	JAN 1994	FEB	MAR	APR	MAY
Complete models	x	-----x							
Complete construction		x	-----x						
Begin advertising	x	-----x							
Grand opening		x	-----x						
Open models & office		x	-----x						
Open sale escrows			x	-----x					
Begin closing escrows				x	-----x				
Close last CFHP escrow									(June) x

92 2369053

10/01/92

ATTACHMENT 16

BUYER AFFORDABILITY WORKSHEET

PHASE I:

2-BDRM UNIT "A" Moderate INCOME BAND  
\$42,300 MEDIAN INCOME 95% OF MEDIAN INCOME

\$150,000 PROPERTY SALES PRICE

1.	TOTAL MONTHLY GROSS INCOME:	\$ 3,360
2.	LESS FEDERAL INCOME TAXES	\$ < 340 >
3.	TOTAL MONTHLY NET	\$ 3,020
4.	CONSENT DECREE ALLOWABLE HOUSING EXPENSES (15% OF LINE 3)	\$ 1,057
5.	FNMA ALLOWABLE HOUSING EXPENSES (11% OF MONTHLY GROSS INCOME FROM LINE 1)	\$ 1,108
6.	MAXIMUM MONTHLY HOUSING EXPENSE (Choose the lesser of line 4. or 5.)	\$ 1,057
7.	OTHER MONTHLY HOUSING EXPENSES:	
	a. Homeowner Insurance	\$ 12
	b. Homeowner Association (HOA) Dues	\$ 125
	c. Property taxes	\$ 156
	d. Mortgage Insurance:	\$ 42
	e. Maintenance and Repair	\$ 25
	f. Utilities	\$ 58
	TOTAL MONTHLY HOUSING EXPENSES:	\$ 418
8.	AMOUNT AVAILABLE FOR DEBT SERVICE:	\$ 639
9.	DOWN PAYMENT	\$ 7,500
10.	CFHP SECOND LOAN	\$ 50,000
11.	OTHER LOANS (IF ANY)	\$ 92,500
12.	SALES PRICE (Total of 9, 10 and 11)	\$150,000

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2-BDRM UNIT "B" Moderate INCOME BAND  
\$42,300 MEDIAN INCOME 106% OF MEDIAN INCOME

\$163,000 PROPERTY SALES PRICE

1.	TOTAL MONTHLY GROSS INCOME:	\$ 3,720
2.	LESS FEDERAL INCOME TAXES	\$ < 384 >
3.	TOTAL MONTHLY NET	\$ 3,336
4.	CONSENT DECREE ALLOWABLE HOUSING EXPENSES (35% OF LINE 3)	\$ 1,164
5.	FNMA ALLOWABLE HOUSING EXPENSES (33% OF MONTHLY GROSS INCOME FROM LINE 1)	\$ 1,228
6.	MAXIMUM MONTHLY HOUSING EXPENSE (Choose the lesser of line 4. or 5.)	\$ 1,164
7.	OTHER MONTHLY HOUSING EXPENSES:	
	a. Homeowner Insurance	\$ 12
	b. Homeowner Association (HOA) Dues	\$ 125
	c. Property Taxes	\$ 170
	d. Mortgage Insurance:	\$ 48
	e. Maintenance and Repair	\$ 25
	f. Utilities	\$ 58
	TOTAL MONTHLY HOUSING EXPENSES:	\$ 438
8.	AMOUNT AVAILABLE FOR DEBT SERVICE:	\$ 726
9.	DOWN PAYMENT	\$ 8,150
10.	CFHP SECOND LOAN	\$ 50,000
11.	OTHER LOANS (IF ANY)	\$104,850
12.	SALES PRICE (Total of 9, 10 and 11)	\$163,000

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2-BDRM UNIT "C"  
\$42,300 MEDIAN INCOME

Moderate INCOME BAND  
109% OF MEDIAN INCOME

\$168,000 PROPERTY SALES PRICE

1.	TOTAL MONTHLY GROSS INCOME:	\$ 3,840
2.	LESS FEDERAL INCOME TAXES	\$ < 412 >
3.	TOTAL MONTHLY NET	\$ 3,428
4.	CONSENT DECREE ALLOWABLE HOUSING EXPENSES (35% OF LINE 3)	\$ 1,200
5.	FNMA ALLOWABLE HOUSING EXPENSES (33% OF MONTHLY GROSS INCOME FROM LINE 1)	\$ 1,267
6.	MAXIMUM MONTHLY HOUSING EXPENSE (Choose the lesser of line 4. or 5.)	\$ 1,200
7.	OTHER MONTHLY HOUSING EXPENSES:	
	a. Homeowner Insurance	\$ 12
	b. Homeowner Association (HOA) Dues	\$ 125
	c. Property Taxes	\$ 175
	d. Mortgage Insurance:	\$ 50
	e. Maintenance and Repair	\$ 25
	f. Utilities	\$ 58
	TOTAL MONTHLY HOUSING EXPENSES:	\$ 445
8.	AMOUNT AVAILABLE FOR DEBT SERVICE:	\$ 755
9.	DOWN PAYMENT	\$ 8,400
10.	CFHP SECOND LOAN	\$ 50,000
11.	OTHER LOANS (IF ANY)	\$109,600
12.	SALES PRICE (Total of 9, 10 and 11)	\$168,000

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2-BDRM UNIT "D"  
\$42,300 MEDIAN INCOME

Moderate INCOME BAND  
133% OF MEDIAN INCOME

\$173,000 PROPERTY SALES PRICE

1.	TOTAL MONTHLY GROSS INCOME:	\$ 4,000
2.	LESS FEDERAL INCOME TAXES	\$ <u>416.2</u>
3.	TOTAL MONTHLY NET	\$ 3,584
4.	CONSENT DECREE ALLOWABLE HOUSING EXPENSES (35% OF LINE 3)	\$ 1,247
5.	FNMA ALLOWABLE HOUSING EXPENSES (13% OF MONTHLY GROSS INCOME FROM LINE 1)	\$ 1,320
6.	MAXIMUM MONTHLY HOUSING EXPENSE (Choose the lesser of line 4. or 5.)	\$ 1,247
7.	OTHER MONTHLY HOUSING EXPENSES:	
	a. Homeowner Insurance	\$ 12
	b. Homeowner Association (HOA) Dues	\$ 125
	c. Property Taxes	\$ 180
	d. Mortgage Insurance:	\$ 52
	e. Maintenance and Repair	\$ 25
	f. Utilities	\$ <u>58</u>
	TOTAL MONTHLY HOUSING EXPENSES:	\$ 452
8.	AMOUNT AVAILABLE FOR DEBT SERVICE:	\$ 795
9.	DOWN PAYMENT	\$ 8,650
10.	CFHP SECOND LOAN	\$ 50,000
11.	OTHER LOANS (IF ANY)	\$114,350
12.	SALES PRICE (Total of 9, 10 and 11)	\$173,000

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PHASE II:

2-BDRM UNIT "A" Moderate INCOME BAND  
\$42,300 MEDIAN INCOME 100% OF MEDIAN INCOME

\$155,000 PROPERTY SALES PRICE

1.	TOTAL MONTHLY GROSS INCOME:	\$ 3,820
2.	LESS FEDERAL INCOME TAXES	\$ < 364 >
3.	TOTAL MONTHLY NET	\$ 3,156
4.	CONSENT DECREE ALLOWABLE HOUSING EXPENSES (35% OF LINE 3)	\$ 1,105
5.	FNMA ALLOWABLE HOUSING EXPENSES (33% OF MONTHLY GROSS INCOME FROM LINE 1)	\$ 1,161
6.	MAXIMUM MONTHLY HOUSING EXPENSE (Choose the lesser of line 4. or 5.)	\$ 1,105
7.	OTHER MONTHLY HOUSING EXPENSES:	
	a. Homeowner Insurance	\$ 12
	b. Homeowner Association (HOA) Dues	\$ 125
	c. Property Taxes	\$ 161
	d. Mortgage Insurance:	\$ 45
	e. Maintenance and Repair	\$ 25
	f. Utilities	\$ 58
	TOTAL MONTHLY HOUSING EXPENSES:	\$ 426
8.	AMOUNT AVAILABLE FOR DEBT SERVICE:	\$ 679
9.	DOWN PAYMENT	\$ 7,750
10.	CFHP SECOND LOAN	\$ 50,000
11.	OTHER LOANS (IF ANY)	\$ 97,250
12.	SALES PRICE (Total of 9, 10 and 11)	\$155,000

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2-BDRM UNIT "B"  
\$42,000 MEDIAN INCOME

Moderate INCOME BAND  
109% OF MEDIAN INCOME

\$168,000 PROPERTY SALES PRICE

1.	TOTAL MONTHLY GROSS INCOME:	\$ 3,840
2.	LESS FEDERAL INCOME TAXES	\$ < 412 >
3.	TOTAL MONTHLY NET	\$ 3,428
4.	CONSENT DECREE ALLOWABLE HOUSING EXPENSES (35% OF LINE 3)	\$ 1,200
5.	FNMA ALLOWABLE HOUSING EXPENSES (33% OF MONTHLY GROSS INCOME FROM LINE 1)	\$ 1,267
6.	MAXIMUM MONTHLY HOUSING EXPENSE (Choose the lesser of line 4. or 5.)	\$ 1,200
7.	OTHER MONTHLY HOUSING EXPENSES:	
	a. Homeowner Insurance	\$ 12
	b. Homeowner Association (HOA) Dues	\$ 125
	c. Property Taxes	\$ 175
	d. Mortgage Insurance:	\$ 50
	e. Maintenance and Repair	\$ 25
	f. Utilities	\$ 58
	TOTAL MONTHLY HOUSING EXPENSES:	\$ 445
8.	AMOUNT AVAILABLE FOR DEBT SERVICE:	\$ 755
9.	DOWN PAYMENT	\$ 8,400
10.	CFHP SECOND LOAN	\$ 50,000
11.	OTHER LOANS (IF ANY)	\$109,600
12.	SALES PRICE (Total of 9, 10 and 11)	\$168,000

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92 2369053

2-BDRM UNIT "C"  
\$42,300 MEDIAN INCOME

Moderate INCOME BAND  
112% OF MEDIAN INCOME

\$172,000 PROPERTY SALES PRICE

1.	TOTAL MONTHLY GROSS INCOME:	\$ 3,960
2.	LESS FEDERAL INCOME TAXES	<del>\$ 430.2</del>
3.	TOTAL MONTHLY NET	\$ 3,530
4.	CONSENT DECREE ALLOWABLE HOUSING EXPENSES (35% OF LINE 3)	\$ 1,236
5.	FNMA ALLOWABLE HOUSING EXPENSES (33% OF MONTHLY GROSS INCOME FROM LINE 1)	\$ 1,307
6.	MAXIMUM MONTHLY HOUSING EXPENSE (Choose the lesser of line 4. or 5.)	\$ 1,236
7.	OTHER MONTHLY HOUSING EXPENSES:	
	a. Homeowner Insurance	\$ 12
	b. Homeowner Association (HOA) Dues	\$ 125
	c. Property Taxes	\$ 179
	d. Mortgage Insurance:	\$ 52
	e. Maintenance and Repair	\$ 25
	f. Utilities	\$ 58
	TOTAL MONTHLY HOUSING EXPENSES:	\$ 451
8.	AMOUNT AVAILABLE FOR DEBT SERVICE:	\$ 785
9.	DOWN PAYMENT	\$ 8,600
10.	CFHP SECOND LOAN	\$ 50,000
11.	OTHER LOANS (IF ANY)	\$113,400
12.	SALES PRICE (Total of 9, 10 and 11)	\$172,000

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2-BDRM UNIT "D"  
\$42,300 MEDIAN INCOME

Moderate INCOME BAND  
117% OF MEDIAN INCOME

\$177,000 PROPERTY SALES PRICE

1.	TOTAL MONTHLY GROSS INCOME:	\$ 4,120
2.	LESS FEDERAL INCOME TAXES	\$ <u>452</u>
3.	TOTAL MONTHLY NET	\$ 3,661
4.	CONSENT DECREE ALLOWABLE HOUSING EXPENSES (15% OF LINE 3)	\$ 1,281
5.	FNMA ALLOWABLE HOUSING EXPENSES (33% OF MONTHLY GROSS INCOME FROM LINE 1)	\$ 1,360
6.	MAXIMUM MONTHLY HOUSING EXPENSE (Choose the lesser of line 4, or 5.)	\$ 1,281
7.	OTHER MONTHLY HOUSING EXPENSES:	
	a. Homeowner Insurance	\$ 12
	b. Homeowner Association (HOA) Dues	\$ 125
	c. Property Taxes	\$ 184
	d. Mortgage Insurance:	\$ 25
	e. Maintenance and Repair	\$ 58
	f. Utilities	\$ 58
	TOTAL MONTHLY HOUSING EXPENSES:	\$ 458
8.	AMOUNT AVAILABLE FOR DEBT SERVICE:	\$ 823
9.	DOWN PAYMENT	\$ 8,850
10.	CFHP SECOND LOAN	\$ 50,000
11.	OTHER LOANS (IF ANY)	\$118,150
12.	SALES PRICE (Total of 9, 10 and 11)	\$177,000

10/11/92

92 2369053

ATTACHMENT 17

BUYER PROMISSORY NOTE

NOTICE

THIS DOCUMENT CONTAINS RESTRICTIONS  
LIMITING THE USE AND OCCUPANCY OF THIS PROPERTY  
TO PERSONS AND FAMILIES OF LOW AND MODERATE INCOME  
AND  
CONTAINS PROVISIONS  
PROHIBITING UNAUTHORIZED TRANSFERS AND ENCUMBRANCES

\$ \_\_\_\_\_, 19\_\_\_\_  
Inglewood, California

FOR VALUE RECEIVED, the undersigned \_\_\_\_\_  
("Buyer") hereby promises to pay to the order of the State of  
California, Department of Housing and Community Development  
("HCD"), the principal amount of \_\_\_\_\_ dollars  
(\$ \_\_\_\_\_) with simple interest at the rate of three percent  
(3%) per annum on the unpaid principal balance from the date of  
this Note until paid. The obligation of Buyer with respect to this  
Note is secured by that certain deed of trust entitled "Buyer Deed  
of Trust with Assignment of Rents, Security Agreement and Fixture  
Filing," Loan No. \_\_\_\_\_ (the "Deed of Trust") and executed  
by Buyer concurrently herewith.

1. Buyer's Obligation. This Note evidences the obligation  
of Buyer to HCD for the repayment of funds (the "Loan") loaned to  
finance the purchase of that certain real property (the "Property")  
described in the Deed of Trust.

2. Occupancy. Buyer shall occupy the Property as Buyer's  
principal place of residence during the term of this Note.

3. Prohibition on Transfer; Assumption. Buyer shall not  
make any lease, sale, assignment, conveyance or transfer of the  
Property except as permitted hereunder. No transfer of this Loan  
will be permitted, and no successor in interest to Buyer will be  
permitted to assume Buyer's Loan secured by the Deed of Trust  
except in the following circumstances:

02/01/92

92 2369053

- (a) The transfer results from the death of a Buyer and the transfer is to the surviving co-Buyer;
- (b) A transfer by a Buyer to his or her spouse when the spouse becomes by such transfer a co-owner of the Property;
- (c) A transfer by a Buyer to any person who becomes a co-owner and occupant of the Property provided that Buyer retains at least a thirty-three percent (33%) interest in the Property and the co-owner agrees to become a borrower under this Note;
- (d) A transfer of the Property resulting from a decree of dissolution of the marriage or legal separation or from a property settlement agreement incident to such a decree which requires Buyer to continue to make payments on the promissory note to a primary permanent lender ("First Note") and by which a spouse who is already a Buyer becomes the sole owner of the Property;
- (e) A transfer by Buyer to an *inter vivos* trust of which Buyer is the sole beneficiary;
- (f) A transfer between co-Buyers; or
- (g) A transfer to another qualified buyer pursuant to the Right to Purchase Agreement executed by Buyer concurrently herewith.

"Transfer" as used in this Note or the Deed of Trust means: any transfer of title to the Property, whether voluntary or involuntary; rental, sale or refinancing of the Property; judicial sale on execution, trustee's sale, or other legal process of foreclosure of the Property (regardless of whether initiated by Lender).

"Sale" means any sale of the Property, including entering into any installment sale contract giving the purchaser or a third party a right to possess the Property or any portion of the Property before transfer of title.

"Rental" means any lease or other agreement, verbal or written, regarding use of the Property or any portion thereof by a person other than Buyer for consideration of any kind.

4. Repayment of Loan Principal and Interest. Buyer shall repay to HCD the principal, interest, and any other amounts due under this Note on the earliest of the following occurrences:

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92 2369053

- (a) When the First Note becomes all due and payable;
- (b) When the First Note is paid in full and the deed trust securing the First Note is reconveyed;
- (c) When the First Note is refinanced and a new deed of trust is recorded or assigned for the benefit of a new primary permanent lender;
- (d) When the Property is sold or otherwise transferred, voluntarily or involuntarily, under circumstances where the Loan cannot be assumed by the transferee.

5. Acceleration of Payment. The principal amount of this loan, together with any accrued but unpaid interest thereon, shall become immediately due and payable upon occurrence of any of the following events:

- (a) In the event of a default ("Event of Default") under the terms of this Note, the Deed of Trust, or the Right to Purchase Agreement;
- (b) In the event that Buyer shall cease to occupy the Property as Buyer's principal place of residence; or
- (c) In the event of any sale, transfer (voluntary or involuntary), lease, rental or encumbrance of the Property in violation of this Note.

6. Place and Manner of Payment. All amounts due and payable under this Note are payable in lawful money of the United States at at the following address (or at such other place as MCD may hereafter designate to Buyer in writing):

Century Freeway Housing Program  
111 N. La Brea Avenue, Suite 500  
Inglewood, CA 90301  
Attn: Executive Director

7. Application of Payments. All payments received on account of this Note shall be first applied to accrued interest and the remainder shall be applied to the reduction of principal.

8. Default and Acceleration. All covenants, conditions and agreements contained in the Deed of Trust and the Right to Purchase Agreement are hereby made a part of this Note. Buyer agrees that

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the unpaid balance of the then principal amount of this Note, together with all accrued interest thereon and charges owing, shall automatically become immediately due and payable, and thereafter until paid bear interest at the rate of ten percent (10%) per annum upon occurrence of any of the following:

- (a) Failure of Buyer to make any payment hereunder as and when due;
- (b) Failure of Buyer to perform or observe any other term or provision of this Note; or
- (c) An Event of Default or any other default under the Deed of Trust or the Right to Purchase Agreement.

9. Personal Liability of Buyer. In the event of the occurrence of an Event of Default or any other default under the Deed of Trust, Right to Purchase Agreement, or hereunder, Buyer shall not be personally liable therefor and HCD's sole remedy in the event of such an Event of Default or default shall be limited to judicial foreclosure of the property described in this Note or the exercise of power of sale or other rights granted under the Deed of Trust or any other instrument given to secure the indebtedness recited above, but shall not include the right to proceed directly against Buyer or the right to obtain a deficiency judgment after foreclosure; however, nothing contained in this paragraph shall:

- (a) limit or be construed to limit or impair the enforcement of any of the rights and remedies of HCD under this Note, the Deed of Trust or any other security, against the Property and/or any other security so mortgaged and/or pledged;
- (b) prevent or be construed to prevent HCD from obtaining an injunction, order for specific performance or other applicable remedy against Buyer to comply with the terms of this Note, the Deed of Trust or the Right to Purchase Agreement regarding occupancy or affordability of the Property; or
- (c) release Buyer from personal liability arising from any of the following: (i) fraud or any intentional and material misrepresentation made in or in connection with this Note or any document evidencing, securing or pertaining to the secured debt evidenced by this Note; (ii) the failure to apply insurance proceeds or condemnation awards which may come into the possession of

07/00/92

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Buyer (to the full extent of such proceeds or awards) in the manner required by this Note, the Deed of Trust or the Right to Purchase Agreement; and (iii) waste of the Property encumbered by the Deed of Trust.

10. Waiver of Presentment. Buyer waives presentment for payment, demand, protest, and notice of dishonor and of protest, the benefits of all waivable exemptions, and all defenses and pleas on the ground of any extension or extensions of time of payment or of any due date under this Note, in whole or in part, whether before or after maturity and with or without notice.

11. Notices. Except as may be otherwise specifically provided herein, any approval, notice, direction, consent, request or other action by HCD shall be in writing and may be communicated to Buyer at the address of the Property, or at such other place as Buyer shall designate to HCD in writing.

12. Prepayment. Buyer shall have the right to prepay the obligation evidenced by this Note at any time without penalty, but the covenants and restrictions of the Right to Purchase Agreement shall bind the Property for the full term thereof.

13. Governing Law; Venue. This Note shall be construed in accordance with and governed by the laws of the State of California. Any action to enforce or interpret its terms shall be brought in the county where the Property is located in a court of competent jurisdiction.

14. Severability. If any provision of this Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

15. Time. Time is of the essence in this Note.

16. Amendment. This Note may not be changed or terminated orally; except as provided in Paragraph 11 above, it may be amended only by written agreement signed by both HCD and Buyer.

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17. Fees, Expenses and Costs of Collection. If this Note is not paid when due, whether upon maturity or by acceleration, Buyer promises to pay all costs of collection including, without limitation, reasonable attorneys' fees, and all expenses in connection with the protection or realization of the Property securing the obligations evidenced by this Note, incurred by HCD or the holder hereof on account of such collection, whether or not suit is filed. Such costs and expenses shall include, without limitation, all costs, attorneys' fees and expenses incurred by HCD or the holder hereof in connection with any insolvency, bankruptcy, reorganization, arrangement or other similar proceeding involving Buyer, which in any way affect the exercise by HCD or holder hereof of its rights and remedies under this Note or under the Deed of Trust or other agreement securing Buyer's obligations under this Note. Such costs and expenses shall also include attorneys' fees and costs incurred in enforcing any judgment in a legal action pursuant to this paragraph. This entitlement to post-judgment attorneys' fees is intended to be severable from the other provisions from this note, to survive any judgment and is not deemed merged into the judgment.

18. No Waiver by HCD. No waiver of any breach, default, Event of Default, or failure of condition under the terms of this Note, the Deed of Trust or the Right to Purchase Agreement shall thereby be implied from any failure of HCD to take, or any delay by HCD in taking, action with respect to such breach, default, Event of Default or failure or from any previous waiver of any similar or unrelated breach, default, Event of Default or failure; and a waiver of any term of the Note, Deed of Trust, Right to Purchase Agreement or any obligations secured thereby must be made in writing and shall be limited to the express written terms of such waiver.

19. Successors and Assigns. The promises and agreements herein contained shall bind and inure to the benefit of, as applicable, the respective heirs, executors, administrators, successors and assigns of the parties.

Executed at \_\_\_\_\_, California.

\_\_\_\_\_  
Buyer

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**ATTACHMENT 18**  
**BUYER DEED OF TRUST**

*Free Recording Requested Pursuant to Government Code §27381*

When Recorded Mail To: )  
 )  
State of California )  
Department of Housing and )  
Community Development )  
111 N. La Brea, Suite 500 )  
Inglewood, CA 90301 )  
 )  
Attn: Chief, Housing Finance )

*Space Above This Line for Recorder's Use*

**NOTICE**

**THIS DOCUMENT CONTAINS RESTRICTIONS  
LIMITING THE USE AND OCCUPANCY OF THIS PROPERTY  
TO PERSONS AND FAMILIES OF LOW AND MODERATE INCOME  
AND  
CONTAINS PROVISIONS  
PROHIBITING UNAUTHORIZED TRANSFERS AND ENCUMBRANCES**

THIS DEED OF TRUST is made on \_\_\_\_\_, 19\_\_\_\_, by  
\_\_\_\_\_  
("Trustor"), \_\_\_\_\_ ("Buyer" or  
("Trustee") a \_\_\_\_\_ corporation whose business address  
is \_\_\_\_\_ in favor of the State of  
California, Department of Housing and Community Development,  
Century Freeway Housing Program ("Lender") or its Assignee.

**1. Trust**

Buyer, in consideration of the indebtedness herein recited and the trust herein created, hereby irrevocably grants, transfers and assigns to Trustee in trust, with power of sale and right of entry and possession, all of Buyer's right, title and interest now held or hereafter acquired in and to the following: (a) all of that

07/10/92

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certain real property (the "Property") located in the County of \_\_\_\_\_, State of California, described in Exhibit A attached hereto which is incorporated by reference herein; and (b) all buildings, improvements and fixtures now or hereafter erected thereon, and all appurtenances, easements, and articles of property now or hereafter affixed to, placed upon or used in connection with the Property, together with all additions to, substitutions for, changes in or replacements of the whole or any part of said articles of property (all of which real and personal property are sometimes referred to as the "Property"), all of which are hereby pledged and assigned, transferred, and set over onto Trustee, and for purposes of this Deed of Trust declared to be part of the realty; provided, however, that furniture and other personal property of Buyer now or hereafter situated on the Property are not intended to be included as part of the Property.

2. Payment of Principal, Interest and Charges

Buyer will promptly pay when due the principal, simple interest and other charges and fees as applicable as provided in the Buyer Promissory Note (the "Note") which is secured by this Deed of Trust. Except as otherwise provided, all payments received by Lender under the Note will be applied by Lender first to interest payable on the Note and then to outstanding principal of the Note.

1. Payment Due

Payment of all sums under the Note secured by this Deed of Trust are due in the event of the earlier of: (a) the promissory note secured by a deed of trust in favor of a lender other than Lender becomes all due and payable, whether by acceleration or otherwise; (b) any note under subparagraph (a) immediately above is paid in full; (c) any note under subparagraph (a) immediately above is refinanced, except as approved by HCD for the sole purpose of lowering Buyer's interest cost and monthly payment; (d) the Property is sold or transferred, voluntarily or involuntarily, except as approved by HCD to another qualified buyer; or (e) Buyer no longer occupies the Property as his or her exclusive residence.

BUYER HEREBY ABSOLUTELY, UNCONDITIONALLY AND IRREVOCABLY ASSIGNS to Lender all rents, royalties, issues, accounts and profits of or relating to the Property. This assignment is absolute, primary and direct and is not intended to be a separate or secondary pledge or other form of additional security, and no further act or step is or shall be required of Lender to perfect this assignment. This assignment shall not impose upon Lender any duty to cause the Property to produce rents, nor shall Lender be deemed to be a mortgagee in possession by reason thereof for any purpose. The right of Lender to all rents, royalties, issues,

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accounts and profits of, or relating to the Property, are subordinate to the rights of the holder of prior recorded deeds of trust or deeds of trust to which this Deed of Trust is specifically subordinate.

THE ABOVE GRANT, TRANSFER AND ASSIGNMENTS ARE FOR THE PURPOSE OF SECURING:

4. Payment of indebtedness evidenced by that certain Buyer Promissory Note dated \_\_\_\_\_, 19\_\_\_\_, (the "Note") in the face amount of \_\_\_\_\_ dollars (\$ \_\_\_\_\_), together with simple interest on such indebtedness according to the terms of the Note and any and all amendments, modifications, extensions or renewals thereof. Failure to pay sums due under the Note shall constitute an Event of Default hereunder.

5. Performance and satisfaction of each and every covenant, agreement, term and condition to be performed or satisfied by Trustor and contained in this Deed of Trust or in that certain Right to Purchase Agreement (the "RTPA") of even date herewith between Trustor and Lender. Buyer's failure to perform or satisfy its obligations under this Deed of Trust or the RTPA shall constitute an Event of Default hereunder.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR COVENANTS AND AGREES THAT:

6. Trustor will make all payments under the Note at the times and in the manner provided therein;

7. Trustor will not permit or suffer the use of any of the Property for any purpose other than the use for which the same was intended at the time this Deed of Trust was executed, namely a single-family residential dwelling occupied by Buyer, and that any disposition of the Property will be governed by the RTPA.

8. Upon the occurrence of any Event of Default under the RTPA or hereunder, Lender, at its option, may declare the whole of the indebtedness secured hereby to be due and payable; that Beneficiary shall be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession and protect the Property described herein and operate same and collect the rents, profits and income therefrom.

9. Trustor will insure the improvements now existing or hereafter erected on the Property against loss by fire and such other hazards, casualties, and contingencies as may be reasonably required by the Lender under the RTPA and as evidenced by standard

07/18/92

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fire and extended coverage insurance policies. Such policies shall be endorsed with standard mortgage clauses with loss payable to Lender in addition to Trustor and shall be deposited with Lender. Lender shall have the right to pay fire and other property insurance premiums when due should Trustor fail to make any required premium payments. All such payments made by the Beneficiary shall be added to the principal sum secured hereby.

10. Trustor will pay, at least ten (10) days prior to delinquency, any taxes and assessments affecting said Property, both general and special, fines, penalties, levies and charges of every type or nature levied upon or assessed against any part of the Property.

11. Trustor will maintain the Property in good condition and repair, not remove or demolish any buildings thereon (except for any partial demolition occurring in connection with rehabilitation). Trustor will complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged, or destroyed thereon to the extent that insurance proceeds are available therefor and pay when due all claims for labor performed and materials furnished therefor. Trustor will comply with all laws affecting the Property or requiring any alterations or improvements to be made thereon. Trustor will not commit or permit waste thereof, nor commit, suffer or permit any act upon the Property in violation of law and/or covenants, conditions and/or restrictions affecting the Property, nor permit or suffer any material alteration of or addition to the buildings or improvements hereafter constructed in or upon said Property without the consent of Lender.

12. Trustor will appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Lender or Trustee, and pay all costs and expenses, including costs of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Lender or Trustee may appear.

13. Should Trustor fail to make any payment or do any act as herein provided, Lender or Trustee, but without obligation to do so and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof. Lender or Trustee, being authorized to enter upon the Property for such purposes, may commence, appear in and/or defend any action or proceeding purporting to affect the security hereof or the rights or powers of Lender or Trustee. Lender or Trustee may pay, purchase, contest, or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto, and, in exercising any such powers, may pay

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necessary expenses, employ counsel, and pay reasonable attorneys' fees.

14. Trustor shall pay immediately and without demand all sums expended by Lender or Trustee under authority of this Deed of Trust, with interest from date of expenditure at the rate specified in the Note.

15. Trustor will not voluntarily create, suffer, or permit to be created against the Property subject to this Deed of Trust any lien or liens except as authorized by Lender and will keep and maintain the Property free from the claims of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on the Property.

16. Improvements made or to be made upon the Property covered by the Deed of Trust, and all plans and specifications, comply or will comply upon completion with all municipal ordinances and regulations and all other regulations made or promulgated, now or hereafter, by lawful authority, and with the rules of the applicable fire rating or inspection organization, bureau, association or office.

17. Upon the occurrence of any Event of Default hereunder, or under the Right to Purchase Agreement, Lender, at its option, may declare the whole of the indebtedness secured hereby to be due and payable, and shall be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession and protect the Property described herein and operate the same and collect any rents, profits and income therefrom.

IT IS MUTUALLY AGREED THAT:

18. Should the Property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner, Lender shall be entitled, subject to the rights of the holder of any senior deeds of trust, to all of Trustor's interest in compensation, awards, and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage. All such compensation, awards, damages, rights of action and proceeds, including the proceeds of any policies of fire and other insurance affecting said Property, are hereby assigned to Lender subject to the rights of the holders of senior deeds of trust. After deducting therefrom all its expenses, including attorneys' fees, and if Trustor is not in default, Lender shall apply all such proceeds to restoring the Property, or in the event

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of Trustor's default or in the event Trustor determines not to rebuild, Lender shall retain the proceeds to the extent of the amount of principal and interest due under the Note. Any balance of such proceeds still remaining shall be disbursed by Lender to the Trustor.

19. This Deed of Trust shall be subordinate to the Right to Purchase Agreement. Lender acknowledges that Trustor intends to obtain loans from an institutional lender and/or other agencies for permanent financing of the Property. Lender may subordinate this Deed of Trust to deeds of trust securing such loans if HCD, in its sole discretion, determines that such subordination is necessary for closing the Permanent Loan and will not adversely impact the long-term affordability of the Property or the likelihood of repayment of the Buyer Note.

20. If Trustor shall fail to perform any covenant or agreement in this Deed of Trust or the RTPA and such failure continues beyond any applicable cure period, Lender may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale, and of written notice of default and of election to cause the real property described in Exhibit "A" attached hereto to be sold at public auction, which notice Trustee shall cause to be duly filed for record in accordance with California law and Lender may foreclose this Deed of Trust; provided, however, that Trustor shall not be deemed to have committed an Event of Default hereunder for failure to make any payment when due until thirty (30) days after Trustor's receipt of notice of such failure from Lender, and further provided that Trustor shall not be deemed to have committed an Event of Default hereunder for failure to perform any covenant or agreement contained herein until thirty (30) days after Trustor's receipt of notice of such failure from Lender or if such failure cannot reasonably be cured within such thirty- (30-) day period, Trustor shall not be deemed to have committed an Event of Default if Trustor commences such cure within said thirty- (30-) day period and diligently prosecutes such cure to completion, but in no event more than ninety (90) days from the date of Lender's notice. Lender shall also deposit with Trustee this Deed of Trust, the RTPA, the Note and all documents evidencing expenditures secured hereby.

21. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell the real property described on

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Exhibit "A" attached hereto at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine at public auction to the highest bidder for cash lawful money of the United States payable at time of sale. Trustee may postpone sale of all or any portion of said Property by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser its Deed conveying Trustor's fee or leasehold estate, as the case may be, in such real property so sold, but without any covenant or warranty, express or implied. The recitals in the Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Lender, may purchase at the sale. The Trustee shall apply the proceeds of sale to payment of (1) the expenses of such sale, together with the reasonable expenses of this trust including therein reasonable Trustee's fees or attorneys' fees for conducting the sale, and the actual cost of publishing, recording, mailing and posting notice of the sale; (2) the cost of any search and/or other evidence of title procedure in connection with such sale and revenue stamps on Trustee's Deed; (3) all sums expended under the terms hereof, not then repaid, with accrued interest at the rate specified in said Note; (4) all other sums then secured hereby; and (5) the remainder, if any, to the person or persons legally entitled thereto.

22. Lender may from time to time substitute a successor or successors to any Trustee named herein or acting hereunder to execute this Trust. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers, and duties conferred upon any Trustee herein named or acting hereunder. Each such appointment and substitution shall be made by written instrument executed by Lender, containing reference to this Deed of Trust and its place of record, which, when duly recorded in the proper office of the county or counties in which the Property is situated, shall be conclusive proof of proper appointment of the successor trustee.

23. Upon written request of Lender stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and the Note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the Property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".

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24. The trust created hereby is irrevocable by Trustor.

25. Trustor will be in default (each an "Event of Default") under this Deed of Trust if:

(a) Trustor fails to make any payment required by the Note, and does not cure that failure within thirty (30) days after receipt of written notice from Lender; or

(b) Trustor fails to perform any other covenant contained in this Deed of Trust or the RTPA, following notice and an opportunity to cure as provided in paragraph 20 above;

(c) There occurs an Event of Default under this Deed of Trust or the RTPA. The right to notice and cure provided in paragraph 20 above shall not entitle Trustor to a second right to notice and cure additional to such right provided in the RTPA or herein respectively; or

(d) Any other event occurs which, under the Note, the RTPA, or any other agreement of the Trustor relating to the Loan, constitutes a default following notice and opportunity to cure as provided therein by the Trustor or gives Lender the right to accelerate the maturity of any part of the indebtedness secured by this Deed of Trust.

27. Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made public record as provided by law. Except as otherwise provided by law, the Trustee is not obligated to notify any party hereto of pending sale under this Deed of Trust or of any action or proceeding in which Trustor, Lender, or Trustee shall be a party unless brought by Trustee.

28. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term "Lender" shall include not only the original Lender hereunder but also any future owner, holder or beneficiary, including pledgees, of the Note secured hereby. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular includes the plural.

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29. Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to it at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the day and year set forth above.

"TRUSTOR"

\_\_\_\_\_

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EXHIBIT A

Legal Description of Site

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ATTACHMENT 12

RIGHT TO PURCHASE AGREEMENT

*Fee Recording Requested Pursuant to Government Code §27361*

When Recorded Mail To: )  
 )  
 State of California )  
 Department of Housing and )  
 Community Development )  
 111 N. La Brea, Suite 500 )  
 Inglewood, CA 90301 )  
 Attn: Chief, Housing Finance )

*Space Above This Line for Recorder's Use*

NOTICE

**THIS DOCUMENT CONTAINS RESTRICTIONS  
 LIMITING THE USE AND OCCUPANCY OF THIS PROPERTY  
 TO PERSONS AND FAMILIES OF LOW AND MODERATE INCOME  
 AND  
 CONTAINS PROVISIONS  
 PROHIBITING UNAUTHORIZED TRANSFERS AND ENCUMBRANCES**

RIGHT TO PURCHASE AGREEMENT

This Right to Purchase Agreement ("RTPA") is made as of \_\_\_\_\_,  
 19\_\_\_\_, by and between \_\_\_\_\_ ("Buyer"), and  
 the State of California, Department of Housing and Community  
 Development ("HCD").

RECITALS

WHEREAS, under authority of the Amended Final Consent Decree in  
Keith v. Volpe (U.S. District Court, Central District of  
 California, Civil No. 72-155-HP) (the "Consent Decree"), HCD  
 administers the Century Freeway Housing Program which provides  
 financing for development of single-family homeownership housing  
 for persons and families of low and moderate income upon favorable  
 and below-market terms and conditions; and

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WHEREAS, Buyer desires to purchase the real property (the "Property") at \_\_\_\_\_, California, described more particularly in Exhibit A attached hereto, developed pursuant to the Century Freeway Housing Program and financed upon advantageous, below-market terms and conditions, for the total purchase price of \_\_\_\_\_ (\$ \_\_\_\_\_); and

WHEREAS, HCD desires to preserve long-term affordability of the Property upon sale, transfer or other change in ownership by means of the provisions of this RTPA, based on \_\_\_\_\_ County median income which as of the date hereof is \_\_\_\_\_ dollars (\$ \_\_\_\_\_) per year,

NOW, THEREFORE, in consideration of the mutual covenants contained in this RTPA and in the Buyer Promissory Note (the "Note") and the Buyer Deed of Trust ("Deed of Trust") executed of even date herewith, Buyer and HCD agree as follows:

1. Restrictions on Use and Occupancy of the Property

a. As of the date hereof, Buyer must be a person or persons whose income does not exceed one hundred twenty percent (120%) of the median income for the county in which the Property is located, based on the most recent county median income figures published by the United States Department of Housing and Community Development.

b. Buyer must occupy the Property as his or her exclusive principal residence during the term of this RTPA.

c. This RTPA shall create and become a covenant running with the land encumbering the Property for a period ending thirty (30) years from the date hereof.

2. Definitions

For purposes of this RTPA:

"Buyer" means the person or persons indicated herein as purchaser of the Property and means any subsequent owner-of-record or successor-in-interest to Buyer, whether holding title through voluntary action or involuntarily by operation of law.

"HCD" means the State of California, Department of Housing and Community Development or its designee for administration of its Right to Purchase under this RTPA. HCD shall notify Buyer of the identity and address of its designee in writing.

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"Notice" means notice of an event described herein given by Buyer to HCD which allows HCD to exercise its Right to Purchase.

"Permitted Transfer means:

- (1) A transfer resulting from the death of a Buyer and the transfer is to the surviving co-Buyer;
- (2) A transfer by a Buyer to his or her spouse when the spouse becomes a co-owner by such transfer;
- (3) A transfer by a Buyer to any person who becomes a co-owner and occupant of the Property provided that Buyer retains at least a thirty-three percent (33%) interest in the Property and the co-owner agrees to become a borrower under the Note;
- (4) A transfer of the Property resulting from a decree of dissolution of marriage or legal separation or from a property settlement agreement incident to such a decree which requires Buyer to continue to make payments on the promissory note to a primary permanent lender and by which a spouse who is already a Buyer becomes the sole owner of the Property;
- (5) A transfer by Buyer to an *inter vivos* trust of which Buyer is the sole beneficiary; or
- (6) A transfer between co-Buyers.

"Rental" means any lease or other agreement, verbal or written, regarding use of the Property or any portion thereof by a person other than Buyer for consideration of any kind.

"Sale" means any sale of the Property, including entering into any installment sale contract, written or verbal, recorded or unrecorded, purporting to give the purchaser or a third party a right to possess the Property or any portion of the Property before transfer of title.

"Transfer" means: any conveyance or transfer of title to the Property, whether voluntary or involuntary; rental, sale or refinancing of the Property; judicial sale on execution, trustee's sale, or other legal process of foreclosure of the Property (regardless of whether initiated by a lender).

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### 3. Right to Purchase

Buyer hereby grants to HCD the preemptive right to purchase the Property (the "Right to Purchase") at the price calculated pursuant to paragraph 4 hereof and under the following terms and conditions:

a. Buyer shall notify HCD of his or her intent to sell or transfer the Property ("Notice"). HCD may exercise its Right to Purchase (the "Acceptance") by notifying Buyer of its Acceptance within sixty (60) days of actual receipt of the Notice. The Acceptance shall be effective as of the date of its mailing, first-class postage prepaid. The Acceptance shall specify a date not more than one hundred twenty (120) days from the date thereof on which purchase of the Property by HCD or its assignee shall occur unless extended by written agreement of the parties. Buyer's Notice shall constitute an offer to sell the Property, and HCD's Acceptance shall constitute acceptance of such offer upon the terms and conditions provided in this RTPA.

In the event that Buyer provides Notice and HCD fails to exercise its Right to Purchase in a timely manner, or if HCD fails to deposit the Right to Purchase Price in a timely manner and Buyer has done all acts and provided all documents necessary to convey the Property to HCD, Buyer shall be free to sell the Property in an arms-length transaction at its market value free of the lien of this RTPA. The proceeds of such sale shall be distributed as provided in paragraph 8 below except that no deduction shall be made for fix-up costs.

b. Occurrence of any of the following events shall constitute an Event of Default and shall give HCD the right to exercise its Right to Purchase at any time after discovery of an Event of Default (after expiration of any applicable cure period):

- 1) Buyer enters into an agreement for the sale or rental of the Property except as authorized hereunder or otherwise authorized in writing by HCD;
- 2) A transfer of the Property occurs, other than a Permitted Transfer as defined below;
- 3) Buyer ceases to occupy the Property as his or her primary residence for a continuous period of more than six (6) months;
- 4) A notice of default pursuant to § 2924b of the California Code of Civil Procedure under any deed

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of trust or lien encumbering the Property is recorded and Buyer fails to cure such default within thirty (30) days from the date of such notice of default:

- 5) A complaint is filed for judicial foreclosure of any deed of trust or a lien encumbering the Property;
- 6) Any Event of Default occurs under the Note, Deed of Trust, or this RTPA;
- 7) Any encumbrance is recorded against the Property, other than one approved in writing by HCD; or
- 8) Buyer fails to notify HCD of any of the above within ten (10) days of its occurrence.

In the event of occurrence of any of the Events of Default listed above, HCD may at any time thereafter exercise its Right to Purchase by mailing to Buyer an Acceptance, first-class postage prepaid, which shall be effective as of the date of its mailing. The Acceptance shall specify a date not more than one hundred twenty (120) days from the date thereof on which purchase of the Property by HCD or its assignee shall occur unless extended by written agreement of the parties. Occurrence of the Event of Default shall constitute an offer to sell the Property, and HCD's Acceptance shall constitute acceptance of such offer upon the terms and conditions provided in this RTPA.

HCD shall cause to be recorded in the county in which the Property is located a request for any Notice of Default and any Notice of Sale under any deed of trust with power of sale encumbering the Property pursuant to § 2924(b) of the California Civil Code. If Buyer fails to give HCD Notice and transfers the Property to a new owner-of-record, such transfer shall constitute an Event of Default. If the Property is sold at Trustee's sale or transferred by deed in lieu of foreclosure, the new owner-of-record shall take title subject to this RTPA. HCD's Acceptance at any time subsequent to discovery of such Event of Default shall be binding upon such owner-of-record. HCD shall have the right to acquire the Property from the new owner-of-record for an amount equal to the lesser of the price paid to Buyer in an arms-length transaction or the amount determined under paragraph 4 above.

c. Within fifteen (15) days after mailing the Acceptance to Buyer, HCD shall open escrow for purchase of the Property; escrow shall be closed as soon as practicable thereafter.

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Failure by HCD to open or close escrow shall not relieve Buyer of its obligations hereunder unless HCD fails to deposit funds in the amount of the Right to Purchase Purchase Price in escrow within one hundred twenty (120) days of the date of the Acceptance and Buyer has done all acts and provided all documents necessary to convey the Property to HCD.

If HCD fails to open escrow as provided above or fails to fund the escrow within one hundred twenty (120) days from the date of the Acceptance, HCD may not assert its Right to Purchase and Buyer shall be entitled to sell the Property subject to the Right to Purchase Price provisions of paragraph 4 below. HCD's failure to fund an escrow for the purchase of the Property pursuant to this RTPA shall in no way impair or affect HCD's right to accelerate the Note and foreclose on the Deed of Trust.

d. Except as specifically provided above, HCD's election not to exercise its Right to Purchase shall not constitute a waiver of its right to do so subsequently or bar HCD from taking other legal or equitable action to enforce this RTPA.

e. HCD may designate another governmental agency or other entity to exercise its rights hereunder ("Designee") and may assign its Right to Purchase to purchase the Property to another eligible purchaser who assumes the obligations and accepts the restrictions of this RTPA ("Assignee").

f. This Right to Purchase shall terminate on the later of:

- 1) thirty (30) years from the date of this RTPA,
- 2) the date on which the Note is paid in full by Buyer or a subsequent purchaser, or
- 3) the date the Deed of Trust is reconveyed to Buyer or the then owner-of-record of the Property.

4. Right to Purchase Price

[THIS PARAGRAPH MAY BE ALTERED TO REFLECT CONDITIONS OF RESALE WHICH MAY BE NECESSITATED BY FEDERAL TAX LAW IN THE EVENT THAT THE BUYER'S LOAN IS PARTIALLY FINANCED WITH THE PROCEEDS OF MORTGAGE REVENUE BONDS EXEMPT FROM FEDERAL INCOME TAX]

The purchase price of the Property to be paid by HCD if the Right to Purchase is exercised (the "Right to Purchase Price") shall be the sum of:

- a. the original purchase price paid by Buyer; plus

07/10/02

**92 2369053**

b. an amount determined by applying to the original purchase price of the Property (less the amount of HCD financing) the percentage increase in the county median income from the date of Buyer's purchase of the Property until the date of Notice (or until the date of discovery of an Event of Default if Buyer failed to give Notice) based on figures supplied by the United States Department of Housing and Urban Development; plus

c. the value of capital improvements to the Property made with the prior written approval of HCD.

The Right to Purchase Purchase Price shall not exceed the fair market value of the Property on the date of the Acceptance.

Buyer and HCD agree that the method of calculating the Right to Purchase Purchase Price as set forth above is fair and reflects a reasonable projection of the fair market value of the Property at the time of exercise of the Right to Purchase.

A sample calculation of a hypothetical Right to Purchase Price is included in Exhibit B hereto.

5. Buyer's Equity: Effect of Curing Default

In the event that net proceeds of any sale or transfer of the Property are less than the amount of all liens, taxes, penalties, fees, charges, etc., Buyer's or the then owner-of-record's equity shall be zero (0) and HCD shall have no obligation, financial or otherwise to Buyer or the then owner-of-record for any loss sustained.

If Buyer or the then owner-of-record cures any default and/or redeems the Property before title vests in HCD pursuant to exercise of its Right to Purchase, this RTPA shall continue in full force and effect.

6. Destruction: Partial Damage: Eminent Domain

In the event the Property is destroyed or taken by action of eminent domain, or in the event insurance proceeds are not used to rebuild a partially damaged Property, insurance or condemnation proceeds shall be distributed as under paragraph 4 above.

7. HCD Remedies: Event of Default

HCD may seek legal or equitable remedies to enforce this RTPA, including, but not limited to, money damages or specific performance.

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If Buyer shall fail to perform any covenant or agreement contained herein or in the Deed of Trust ("Event of Default") and such failure continues beyond any applicable cure period, HCD may declare all sums secured by the Deed of Trust immediately due and payable by delivering to the Trustee a written declaration of default and demand for sale, and written notice of default and of election to cause the real property described in Exhibit "A" attached hereto to be sold at public auction, which notice Trustee shall cause to be duly filed for record in accordance with California law and Buyer may foreclose the Deed of Trust; provided, however, that Buyer shall not be deemed to have committed an Event of Default hereunder for failure to make any payment when due until thirty (30) days after Buyer's receipt of notice of such failure from HCD, and further provided that Buyer shall not be deemed to have committed an Event of Default hereunder for failure to perform any covenant or agreement contained herein until thirty (30) days after HCD's mailing of notice of such failure to Buyer, first class postage prepaid, or if such failure cannot reasonably be cured within such thirty- (30-) day period, Buyer shall not be deemed to have committed an Event of Default if Buyer commences such cure within said thirty- (30-) day period and diligently prosecutes such cure to completion, but in no event more than ninety (90) days from the date of HCD's mailing of such notice to Buyer. HCD shall have deposited with the Trustee the Deed of Trust, this RTPA, the Note and all documents evidencing expenditures secured thereby.

Should Buyer or any subsequent owner-of-record default under or fail to comply with the terms, conditions or restrictions imposed by this RTPA (also an "Event of Default"), and if by reason of any Event of Default it becomes impossible or, in HCD's sole discretion, economically infeasible to recover title to and/or possession of the Property by exercising the Right to Purchase, HCD shall be entitled to recover from Buyer or a subsequent owner-of-record the difference between the Right to Purchase Purchase Price and the fair market value of the Property at the time of discovery of such Event of Default, plus six percent (6%) simple interest on such amount from the date thereof.

8. Escrow; Funding; Distribution of Proceeds

Within fifteen (15) days of the date of its Acceptance, HCD shall open escrow for purchase of the Property. Escrow shall close within one hundred twenty (120) days of the date of the Acceptance unless extended by written agreement of HCD and Buyer.

Buyer shall pay the transfer tax and all costs and expenses associated with clearing title and preparing, acknowledging, and delivering the grant deed to HCD or its Assignee, and all recording costs, the escrow fee and the title insurance policy premium.

07/30/02

92 2369053

Real property taxes and homeowners' association dues and assessments, if any, on the Property shall be prorated as of the close of escrow.

HCD shall have the right to make reasonable inspections of the Property prior to close of escrow to determine what repairs, if any, are necessary to bring the Property into compliance with applicable codes. Buyer shall pay all costs of repairs necessary to bring the Property into compliance ("Fix-up Costs") as of the close of escrow; if the Property is not in full compliance at the scheduled close of escrow, the escrow holder shall deduct the Fix-up Costs from funds otherwise payable to Buyer and pay the same amount directly to the provider of services or materials to make such repairs or to HCD or its Assignee.

HCD or its Assignee shall deposit the full amount of the Right to Purchase Price into escrow; proceeds shall be distributed at the close of escrow in the following order:

- a. The unpaid balance of any indebtedness secured by a deed of trust (including the HCD Deed of Trust), lien or encumbrance on the Property (and, if more than one, in accordance with their respective priorities of recording) which was recorded prior to this RTPA (or subsequently if recorded with the prior written consent of HCD), including any costs, penalties and charges incurred as a result of Buyer's default under such deed of trust, lien or encumbrance;
- b. Current real estate taxes and any homeowners' association dues or assessments, prorated as of the date of close of escrow;
- c. All escrow, title and closing costs, except for costs customarily paid by the party acquiring the Property;
- d. Fix-up Costs as applicable;
- e. An administrative fee to HCD equal to three percent (3%) of the Right to Purchase Price;
- f. The unpaid balance at close of escrow of any other deeds of trust, liens or encumbrances in order of recording, including any costs, penalties and charges incurred as a result of Buyer's default under such deed of trust, lien or encumbrance;
- g. Any remaining funds, after payment of the above amounts, to Buyer.

07/11/02

92 2369053

9. Condition of Title: Title Insurance

At the close of escrow Buyer shall obtain from a title insurer acceptable to HCD a CLTA standard form policy of title insurance insuring fee title vested in HCD or its Assignee in the amount of the Right to Purchase Purchase Price and subject only to the following exceptions:

- a. Nondelinquent real property taxes and assessments;
- b. Exceptions existing at the time of the sale to Buyer; and
- c. Any other exceptions consented to in writing by HCD.

10. Further Documents

HCD and Buyer will, whenever and as often as requested, execute, acknowledge and deliver such further instruments and documents as may be necessary in order to carry out the intent and purpose of this Agreement. If HCD's Right to Purchase has expired or will not be exercised, HCD shall, upon written request of Buyer, execute a certificate or other document confirming that it has no further right to exercise the Right to Purchase.

11. Notice

Communications to either HCD or Buyer shall be delivered to the following addresses unless changed in writing by either party notwithstanding paragraph 17 below:

To HCD:

State of California Department of Housing  
and Community Development  
Century Freeway Housing Program  
500 N. La Brea, Suite 500  
Inglewood, CA 90301  
Attn: Executive Director

To Buyer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

12. Liability

HCD shall not be liable to Buyer nor become obligated to Buyer in any manner by reason of any assignment of this RTPA, nor shall HCD be in any way obligated or liable to Buyer for any failure of

07/10/92

92 2369053

its Designee or Assignee to consummate a purchase of the Property or to comply with the terms of any agreement for purchase or sale of the Property.

13. Legal Costs

In any action brought to enforce or interpret the provisions of this RTPA, the prevailing party shall be entitled to all legal costs incurred including reasonable attorneys' fees.

14. Severability

If any provision or application of this RTPA is held invalid by a court of law, such invalidity, at the option of HCD, shall not affect other provisions or applications of this RTPA which can be given effect without the invalid provision or application, and to this end the provisions of this RTPA are severable.

15. Amendment

No amendment of this RTPA shall be effective unless made in writing signed by HCD or its Designee and Buyer.

16. Waiver

No waiver of any provision of this RTPA shall be deemed effective unless contained in a writing signed by the party against whom the waiver is sought to be enforced. A waiver of one breach

or failure to perform shall not be deemed a waiver of any subsequent breach or failure to perform.

07/10/92

92 2369053

17. **Nondiscrimination**

HCD agrees that it will not discriminate in the sale or purchase of the Property after the making of a bona fide offer by a qualified Buyer or new purchaser, or refuse to negotiate for the sale or purchase of the Property or otherwise make unavailable or deny the Property to any person because of race, color, religion, sex, sexual orientation, national origin or any other factor prohibited by law.

IN WITNESS WHEREOF, the parties hereto have executed this Right to Purchase Agreement as of the date first written above.

Buyer:

\_\_\_\_\_ (name) \_\_\_\_\_

/s/ \_\_\_\_\_

HCD:

State of California Department of Housing and Community Development

By: \_\_\_\_\_  
G. Allan Kingston, Executive Director  
Century Freeway Housing Program

07/30/92

92 2369053



**Exhibit A**  
**Legal Description**

07/06/02

**92 2369053**

4

# 8

Recorded at the request of and  
mail to:

Civic Engineering Corporation  
(Name)

7141 Valjean Avenue  
(Address)

Van Nuys, Ca 91406

RECORDED FILED IN OFFICIAL RECORDS  
RECORDER'S OFFICE  
LOS ANGELES COUNTY  
CALIFORNIA  
41 MIN. 3 P.M. APR 15 1993  
PAST

Space above this line for Recorder's use

FEE \$14 V  
4

GENERAL COVENANT AND AGREEMENT

The undersigned hereby certify (I am) (we are) the owners of the hereinafter  
legally described real property located in the City of Los Angeles, County of  
Los Angeles, State of California, described as follows:

Tentative Tract No. 50770, Loc(s) \_\_\_\_\_;

Job Address 3707 - 3711 Baldwin Street

That in consideration of the approval of Tentative Tract No. 50770  
by the Advisory Agency, I (we) do hereby promise, covenant and agree to  
and with the City of Los Angeles and the Advisory Agency of said City  
that to the extent of our interest, I (we) agree to the following:

SEE ATTACHED EXHIBIT "A"

This covenant and agreement shall run with the land and shall be binding  
upon any future owners, encumbrancers, their successors, heirs or assigns  
and shall continue in effect until the Advisory Agency of the City of  
Los Angeles approves its termination.

Dated this 18th day of February, 1993

Name of Owner CITY VIEW TERRACES, A CALIFORNIA LIMITED PARTNERSHIP

Signature Anthony P. Souza Signature [Signature]  
President Secretary

CP-6770 (9/90)

Recorded at the request of and  
mail to:

Civic Engineering Corporation  
(Name)

7141 Valican Avenue  
(Address)

Van Nuys, CA 91406

RECORDED IN OFFICIAL RECORDS  
RECORDER'S OFFICE  
LOS ANGELES COUNTY  
CALIFORNIA  
21 MIN. 3 P.M. APR 15 1993

Space above this line for Recorder's use

FEE \$14 V  
4

**GENERAL COVENANT AND AGREEMENT**

The undersigned hereby certify (I am) (we are) the owners of the hereinafter  
legally described real property located in the City of Los Angeles, County of  
Los Angeles, State of California, described as follows:

Tentative Tract No. 50770, Lot(s) \_\_\_\_\_:

Job Address 3707 - 3711 Baldwin Street

That in consideration of the approval of Tentative Tract No. 50770  
by the Advisory Agency, I (we) do hereby promise, covenant and agree to  
and with the City of Los Angeles and the Advisory Agency of said City  
that to the extent of our interest, I (we) agree to the following:

SEE ATTACHED EXHIBIT "A"

**ALL-PURPOSE ACKNOWLEDGMENT**

State of CA  
County of Los Angeles

On 2-18-93 before me, Yvonne Lee

personally appeared Anthony P. Sava & Carl Casarato

personally known to me - OR -  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 ac-  
knowledged to me that he/she/they executed  
the same in his/her/his authorized  
capacity(ies), and that by his/her/his  
signature(s) on the instrument the person(s),  
or the entity upon behalf of which the person(s)  
acted, executed the instrument.

Witness my hand and official seal.



Yvonne Lee  
Notary Public

**CAPACITY CLAIMED BY SIGNER**

- INDIVIDUAL(S)
- CORPORATE OFFICER(S) \_\_\_\_\_
- PARTNER(S)
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- SUBSCRIBING WITNESS
- GUARDIAN/CONSERVATOR
- OTHER: \_\_\_\_\_

**SIGNER IS REPRESENTING:**  
NAME OF PERSON OR ENTITY

ATTENTION NOTARY: Although the information requested below is OPTIONAL, it constitutes important information of this certificate to unauthorized document  
THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:  
Title or Type of Document General Covenant & Agreement  
Number of Pages 2 Date of Document 2/18/93  
Signer(s) Other Than Named Above \_\_\_\_\_

Tentative Tract No. 44772

Condition No(s). 50-1

District Map \_\_\_\_\_

EXISTING LEGAL DESCRIPTION  
METES AND BOUNDS DESCRIPTION  
ATTACHED OR: PARK TRACT  
Tract Number \_\_\_\_\_, Block 11, Lot 11  
As filed in Book 6, Pages 446-449, of Misc.  
Records, Records of Los Angeles County.

\_\_\_\_\_ For Department Use Only \_\_\_\_\_

Approved for Recording City Planning Department by L. Salazar  
Date 03/16/93

Attach appropriate individual, partnership or corporation Notary Public Acknowledgement here:

**INSTRUCTIONS FOR FILING COVENANT AND AGREEMENT FORMS**

1. Fill out four copies of covenant and agreement forms or five copies if you need one immediately.
2. Have signatures notarized.
3. Submit completed forms to the Department of City Planning for approval and signature.
4. Record forms with the Los Angeles County Registrar-Recorder located at:  
Room 5, Hall of Records  
227 North Broadway  
Los Angeles, California 90012
5. Return recorded forms to:  
Department of City Planning  
Room 685, City Hall  
200 North Spring Street  
Los Angeles, California 90012

(One form is kept by the County Recorder and will be returned to you at a later date.)

Land Use Administration Division  
Room 685, City Hall  
Telephone: 488-6171

CP-6770 (5/98)

**EXHIBIT 'A'**

- a. Limit the proposed development to a maximum of 106 dwelling units.
- b. Provide a minimum of 2 covered off-street parking spaces per dwelling unit, plus 1/2 guest parking spaces per dwelling unit, which shall be readily accessible, conveniently located and specifically reserved for guest parking.
- c. Tandem parking spaces, if any, shall be assigned and reserved at the ratio of one dwelling unit for each set of tandem spaces.
- d. Guest Parking. If guest parking spaces are gated, a voice response system shall be installed at the gate. Directions to guest parking spaces shall be clearly posted. Tandem parking spaces shall not be used for guest parking.
- e. To mitigate the unavoidable loss of desirable trees on the site, the subdivider shall replace all trees that require removal and are 12 inches or more in diameter (18 trees) on a 1:1 basis with a minimum of 24 inch box trees in parkway and/or on the site, to the satisfaction of the Street Tree Division of the Bureau of Street Maintenance and the Advisory Agency prior to the issuance of a certificate of occupancy. The Street Tree Division shall be notified of the commencement of grading operations not less than 10 days in advance.
- f. That the 5 palm trees located on site be boxed, preserved and offered free of charge to a nursery. Evidence of this offer and acceptance shall be provided prior to issuance of a certificate of occupancy.
- g. That the subdivider considers the use of natural gas and/or solar energy and consult with the Department of Water and Power and Southern California Gas Company regarding feasible energy conservation measures.
- h. That a solar access report shall be submitted to the satisfaction of the Advisory Agency prior to obtaining a building permit.  
  
That summary of the solar report approved by the Advisory Agency be submitted to the State Department of Real Estate (will be submitted by the Advisory Agency).  
  
That a summary of the solar report will be provided to purchasers of the proposed subdivision.
- i. The design and location of all security gates shall be reviewed to the satisfaction of the Advisory Agency, Department of Transportation and the Fire Department prior to recordation of the final map. Gates shall be designed to automatically open should there be a power failure in the area, so that Fire Department personnel will have immediate access through the gate systems.
- j. That soil sampling and analysis be conducted during mass grading to determine soil contamination levels and any corrective measures shall be promptly completed, if required, to the satisfaction of the Grading Division of the Department of Building and Safety.

#9

93 1660853

Department of Recreation and Parks  
Room 1290, City Hall East  
300 North Main Street  
Los Angeles, Ca. 90012

FEE \$17 0  
5

SPACE ABOVE FOR RECORDER

The undersigned hereby certify that (I am)(we are) the owners of the hereinafter legally described real property located in the City of Los Angeles, County of Los Angeles, State of California:

Lot 13, Block "B" of Park Tract

(Legal Description)

as filed in Book 6, Page(s) 434 & 435, as per map(s) recorded in the Office of the County Recorder, which property is located at and commonly known as

3707-3711 Baldwin Street

(Street Address)

That in consideration of the approval of TRACT No. 50779 by the City Council, (I)(we) do hereby promise, covenant and agree to and with said City of Los Angeles, City Council, and Department of Recreation and Parks that:

SEE ATTACHED EXHIBIT "A"

RECORDED FILED IN OFFICIAL RECORDS  
RECORDER'S OFFICE  
LOS ANGELES COUNTY  
CALIFORNIA  
21 MIN. 3 PM AUG 25 1993

This covenant and agreement shall run with the land and is made for the benefit of the future residents thereof, and it shall be binding upon any future owners encumbrancers, their successors, heirs or assigns and shall continue in effect until the City Council of the City of Los Angeles approves its termination.

Dated this 19 day of August, 1993.

Name of Owner: City View Terraces, A California Limited Partnership  
(Type or Print)

BY: Telacu Affordable Housing, Inc. BY: The East Los Angeles Comm. Union  
A California Corporation California Non-Profit Corp.

By: (Signature) Anthony Souza, President (Signature) David C. Lizarraga,  
Chairperson

Attach appropriate individual, partnership, or corporation Notary Jurat here:

RECORDER'S MEMO:  
POOR RECORD IS DUE TO  
QUALITY OF ORIGINAL DOCUMENT

Approved for recording by Alonj Carruclinal 8/24/93  
(Department of Recreation and Parks)

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

NA 6163

State of Calif.  
 County of Los Angeles } **93 1660853**  
 On 8-19-93 before me, Yvonne Leas  
DATE NAME, TITLE OF OFFICER - I.E., STATE DEPT., NOTARY PUBLIC  
 personally appeared Anthony Soria and David Liang  
NAME(S) OF SIGNER(S)

personally known to me - OR -  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.



WITNESS my hand and official seal.

Yvonne Leas  
SIGNATURE OF NOTARY

**OPTIONAL SECTION**

**CAPACITY CLAIMED BY SIGNER**

Though state law does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

- INDIVIDUAL
- CORPORATE OFFICER(S)  
TITLE(S) VP, DC
- PARTNER(S)  LIMITED  GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: \_\_\_\_\_

**SIGNER IS REPRESENTING:**

NAME OF PERSON(S) OR ENTITY(ES)  
 \_\_\_\_\_  
 \_\_\_\_\_

**THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:**

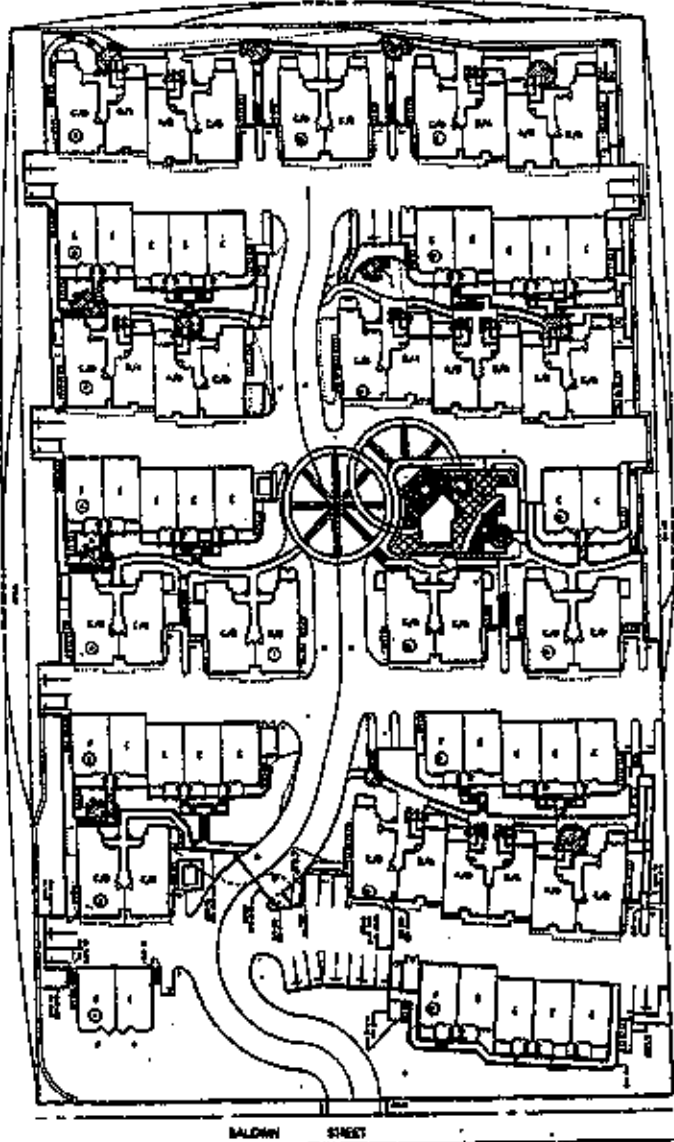
Though the data requested here is not required by law, it could prevent needless reexamination of this form.

**OPTIONAL SECTION**  
 TITLE OR TYPE OF DOCUMENT Contract of agreement  
 NUMBER OF PAGES 1 DATE OF DOCUMENT 8-19-93  
 SIGNER(S) OTHER THAN NAMED ABOVE \_\_\_\_\_



3





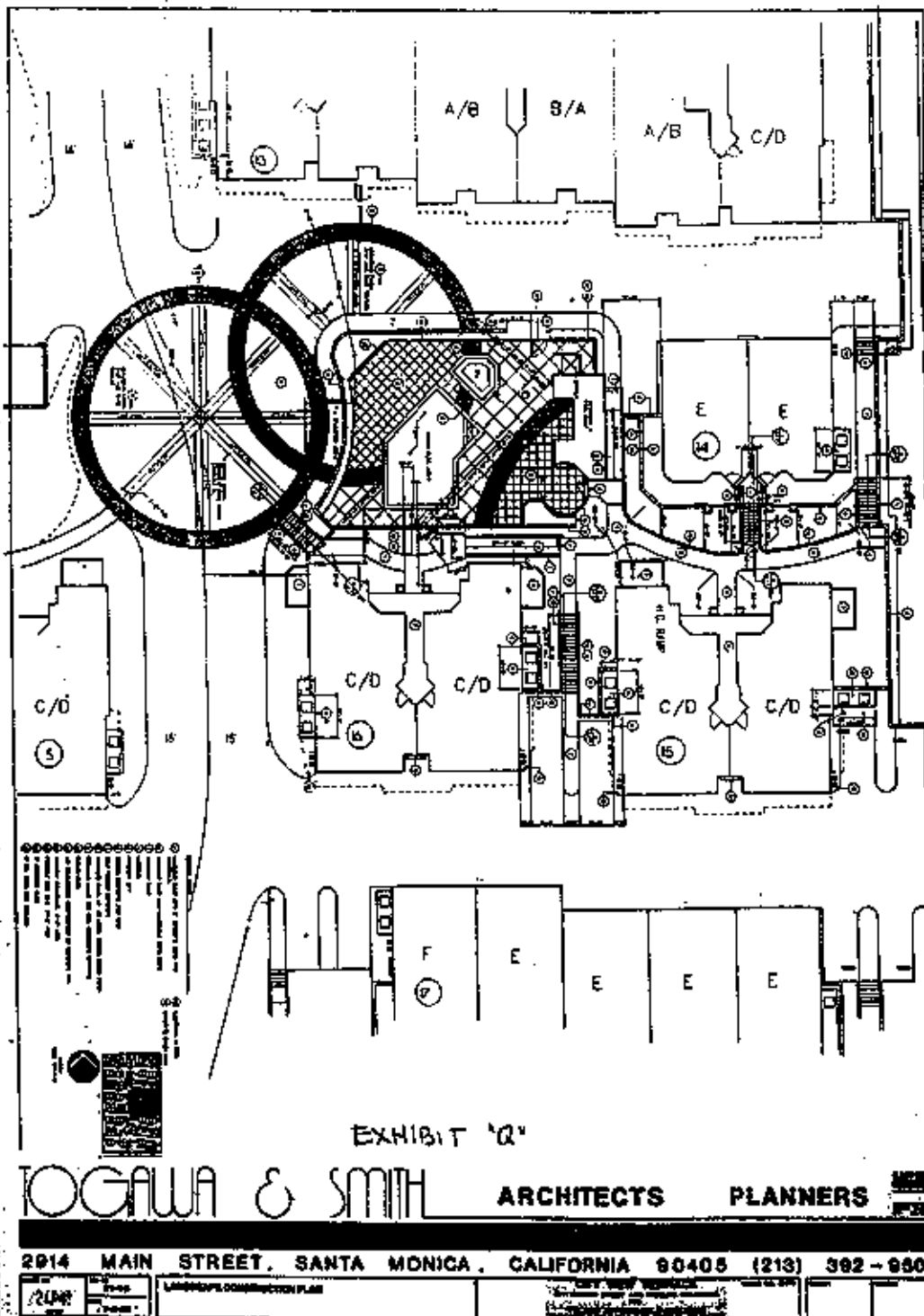
**EXHIBIT "Q"**

**TOGAWA & SMITH ARCHITECTS PLANNERS**

2014 MAIN STREET, SANTA MONICA, CALIFORNIA 90405 (213) 992-980

NO.	DATE	DESCRIPTION	BY	CHECKED
1	10/1/83	REVISED PLAN		

**93 1660853**



93 1660853

WHEN RECORDED MAIL TO:

CIVIC ENGINEERING CORPORATION 93 2370005  
7141 VALJEAN AVENUE  
VAN NUYS, CA 91406

SHEET 1 OF 24 SHEETS

#11

CONDOMINIUM PLAN

LEGAL DESCRIPTION:

LOT 1 OF TRACT NO. 58779, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA PER MAP FILED IN BOOK 1202 PAGES 3 AND 4 OF MAPS, RECORDS OF LOS ANGELES COUNTY.

OWNERS STATEMENT:

WE, THE UNDERSIGNED, BEING THE RECORD OWNERS OF THE LAND INCLUDED WITHIN THIS PROJECT OR THE RECORD HOLDERS OF SECURITY INTEREST THEREIN, HEREBY CONSENT TO THE RECORDING OF THE WITHIN CONDOMINIUM PLAN PURSUANT TO SECTION 783 OF THE CALIFORNIA CIVIC CODE.

CITY VIEW TERRACES

A California Limited Partnership, Owner

BY: TELACU AFFORDABLE HOUSING, INC  
A California Corporation, General Partner

BY: THE EAST LOS ANGELES COMMUNITY UNION  
A California Non-Profit Corporation (General Partner)

*[Signature]*  
Anchony P. Souza

President

*[Signature]*  
David C. Lizarraza

Chairperson

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES )SS

ON \_\_\_\_\_, 1993, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED \_\_\_\_\_ AN \_\_\_\_\_ PERSONALLY KNOWN TO ME (OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE) TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME IN THEIR AUTHORIZED CAPACITIES, AND THAT BY THEIR SIGNATURES ON THE INSTRUMENT THE PERSONS, OR THE ENTITY UPON BEHALF OF WHICH THE PERSONS ACTED, EXECUTED THE INSTRUMENT.

WITNESS MY HAND AND OFFICIAL SEAL

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

On Nov 22, 1993 before me, Meredolyn Ann Stallworth

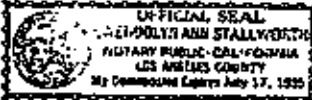
DATE

NAME, TITLE OF OFFICER, E.G. "JANE DOE NOTARY PUBLIC"

personally appeared David C. Lizarraza

NAME(S) OF SIGNER(S)

personally known to me - OR -  proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) I have 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.



WITNESS my hand and official seal.

*[Signature]*  
Meredolyn Ann Stallworth  
NOTARY PUBLIC

OPTIONAL SECTION

CAPACITY CLAIMED BY SIGNER

Though this section does not require the Notary to inquire as to the facts stated, the Notary may, at his/her discretion, inquire as to the facts stated.

- INDIVIDUAL
- CORPORATE OFFICER(S)
  - PRESIDENT
  - PARTNER(S)
  - LIMITED GENERAL
- ATTORNEY IN FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER \_\_\_\_\_

SIGNER IS REPRESENTING:

NAME OF PERSON OR ENTITY:  
The East Los Angeles Community Union

OPTIONAL SECTION

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:

TITLE OR TYPE OF DOCUMENT \_\_\_\_\_

NUMBER OF PAGES \_\_\_\_\_

DATE OF DOCUMENT \_\_\_\_\_

SIGNER(S) OTHER THAN NAMED ABOVE \_\_\_\_\_

Though the data requested here is not required by law, it could prevent fraudulent misstatements of the facts.

DEC 03 1993

WHEN RECORDED MAIL TO:

CIVIC ENGINEERING CORPORATION 93 2370005  
7141 VALJEAN AVENUE  
VAN NUYS, CA 91406

SHEET 1 OF 24 SHEETS

CONDOMINIUM PLAN

LEGAL DESCRIPTION:

LOT 1 OF TRACT NO. 50779, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA PER MAP FILED IN BOOK 1202 PAGES 3 AND 4 OF MAPS, RECORDS OF LOS ANGELES COUNTY

OWNERS STATEMENT:

WE, THE UNDERSIGNED, BEING THE RECORD OWNERS OF THE LAND INCLUDED WITHIN THIS PROJECT OR THE RECORD HOLDERS OF SECURITY INTEREST THEREIN, HEREBY CONSENT TO THE RECORDING OF THE WITHIN CONDOMINIUM PLAN PURSUANT TO SECTION 783 OF THE CALIFORNIA CIVIC CODE

CITY VIEW TERRACES  
A California Limited Partnership, Owner  
BY: TELACU AFFORDABLE HOUSING, INC  
A California Corporation, General Partner

BY: THE EAST LOS ANGELES COMMUNITY UNION  
A California Non-Profit Corporation (General Partner)

*[Signature]* President      *[Signature]* Chairperson  
Anthony P. Souza      David C. Liarraga

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES 188

ON \_\_\_\_\_, 1993, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED \_\_\_\_\_ AN \_\_\_\_\_ PERSONALLY KNOWN TO ME (OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE) TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME IN THEIR AUTHORIZED CAPACITIES, AND THAT BY THEIR SIGNATURES ON THE INSTRUMENT THE PERSONS, OR THE ENTITY UPON BEHALF OF WHICH THE PERSONS ACTED, EXECUTED THE INSTRUMENT

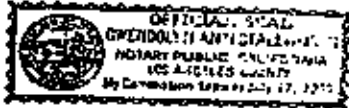
WITNESS MY HAND AND OFFICIAL SEAL.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California } 93 2370005  
County of Los Angeles

On Nov 22, 1993 before me, David Lynn Ann Stallworth  
DATE NAME AND OFFICE TITLE OF NOTARY PUBLIC  
personally appeared Anthony P. Souza  
NAME AND SIGNATURE OF SIGNER(S)

personally known to me - OR -  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.



WITNESS my hand and official seal

*[Signature]*  
SIGNATURE OF NOTARY

OPTIONAL SECTION

CAPACITY CLAIMED BY SIGNER

Though spaces don't require the entry of it in this data below, doing so may prove valuable to persons relying on the document

- INDIVIDUAL
- CORPORATE OFFICER(S)  
President
- PARTNER(S)  LIMITED GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN-CONSERVATOR
- OTHER \_\_\_\_\_

SIGNER IS REPRESENTING:

NAME OF PERSON OR ENTITY BY  
TELACU Affordable Housing, Inc.

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT.

OPTIONAL SECTION

TITLE OR TYPE OF DOCUMENT \_\_\_\_\_

NUMBER OF PAGES \_\_\_\_\_ DATE OF DOCUMENT \_\_\_\_\_

SIGNER(S) OTHER THAN NAMED ABOVE \_\_\_\_\_

Though the data requested here is not required by law, it could prevent instrument attachment of this form.

NORTH AMERICAN TITLE COMPANY  
Case # 52,873,262

DEC 03 1993

TRACT NO. 50779  
CONDOMINIUM PLAN

SHEET 2 OF 24 SHEETS

CONDOMINIUM PLAN

LEGAL DESCRIPTION:

LOT 1 OF TRACT NO. 50779, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA PER MAP FILED IN BOOK 1202 PAGES 3 AND 4 OF MAPS, RECORDS OF LOS ANGELES COUNTY.

OWNERS STATEMENT:

WE, THE UNDERSIGNED, BEING THE RECORD OWNERS OF THE LAND INCLUDED WITHIN THIS PROJECT OR THE RECORD HOLDERS OF SECURITY INTEREST THEREIN, HEREBY CONSENT TO THE RECORDING OF THE WITHIN CONDOMINIUM PLAN PURSUANT TO SECTION 1351(E) OF THE CALIFORNIA CIVIC CODE.

NORTH AMERICAN TITLE COMPANY, A CALIFORNIA CORPORATION,

TRUSTEE UNDER A DEED OF TRUST RECORDED DECEMBER 17, 1992, AS INSTRUMENT NO. 92-2369050, OF OFFICIAL RECORDS, RECORDS OF LOS ANGELES COUNTY

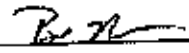
  
\_\_\_\_\_  
Steven Marshall, Vice President

  
\_\_\_\_\_  
Christine M. English, Vice President

STATE OF CALIFORNIA  
COUNTY OF ~~LOS ANGELES~~ ) SS  
ORANGE

ON 11/22/93, 1993, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED STEVEN MARSHALL AND CHRISTINE M. ENGLISH PERSONALLY KNOWN TO ME (OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE) TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME IN THEIR AUTHORIZED CAPACITIES, AND THAT BY THEIR SIGNATURES ON THE INSTRUMENT THE PERSONS, OR THE ENTITY UPON BEHALF OF WHICH THE PERSONS ACTED, EXECUTED THE INSTRUMENT.

WITNESS MY HAND AND OFFICIAL SEAL

  
\_\_\_\_\_  
NOTARY PUBLIC

NAME HILL NELSON  
COUNTY OF ~~LOS ANGELES~~ ORANGE  
MY COMMISSION EXPIRES: 12-17-93



93 2370005

VO 11-24

DEC 03 1993

TRACT NO. 50779  
CONDOMINIUM PLAN

SHEET 3 OF 24 SHEETS

CONDOMINIUM PLAN

LEGAL DESCRIPTION:

LOT 1 OF TRACT NO. 50779, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA PER MAP FILED IN BOOK 1202 PAGES 3 AND 4 OF MAPS, RECORDS OF LOS ANGELES COUNTY

OWNERS STATEMENT:

WE, THE UNDERSIGNED, BEING THE RECORD OWNERS OF THE LAND INCLUDED WITHIN THIS PROJECT OR THE RECORD HOLDERS OF SECURITY INTEREST THEREIN, HEREBY CONSENT TO THE RECORDING OF THE WITHIN CONDOMINIUM PLAN PURSUANT TO SECTION 783 OF THE CALIFORNIA CIVIC CODE.

FIRST INTERSTATE BANK OF CALIFORNIA, A California Corporation, Beneficiary,

UNDER DEED OF TRUST RECORDED DECEMBER 17, 1992, AS INSTRUMENT NO. 92-2369049, OF OFFICIAL RECORDS, RECORDS OF LOS ANGELES COUNTY.

Eileen M. Smith President  
Brenda Ross Dulan Secretary  
Assistant Vice President

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES } 55

ON Nov 18, 1993, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED Eileen M. Smith AND Brenda Ross Dulan PERSONALLY KNOWN TO ME (OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE) TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THEY EXECUTED THE SAME IN THEIR AUTHORIZED CAPACITIES, AND THAT BY THEIR SIGNATURES ON THE INSTRUMENT THE PERSONS, OR THE ENTITY UPON BEHALF OF WHICH THE PERSONS ACTED, EXECUTED THE INSTRUMENT.

WITNESS MY HAND AND OFFICIAL SEAL

Rhonda Rowlands  
NOTARY PUBLIC

NAME Rhonda Rowlands  
COUNTY OF LOS ANGELES  
MY COMMISSION EXPIRES: 10/8/94



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DEC 03 1993

**ACT NO. 50779  
CONDOMINIUM PLAN**

SHEET 4 OF 24 SHEETS

**NOTES AND DEFINITIONS**

1. This condominium project is composed of Association Property, Common Area, and 27 Units.
2. The Association Property of this project is the land and real property, including all improvements constructed thereon, within Module "A" described herein, and located within the boundary lines of Lot 1 of Tract No. 50779 in the City of Los Angeles, County of Los Angeles, State of California, as partition recorded in Book 1202, Pages 3 and 4 of Maps, in the office of the County Registrar of said County, except therefrom those portions shown and defined herein as Units.
3. Module "A" as designated on this plan is a three dimensional airspace, the lateral boundaries of which are the lateral boundaries of the property delineated herein. The upper vertical boundary of Module "A" shall extend indefinitely downward.  
 Module "B" as designated on this plan is a three dimensional airspace, the lateral boundaries of which are the lateral boundaries of the property delineated herein. The lower vertical boundary of Module "B" shall be an elevation of 493.0 feet. The upper vertical boundary of Module "B" shall extend indefinitely upward.  
 Module "C" as designated on this plan is a three dimensional airspace, the lateral boundaries of which are the lateral boundaries of the property delineated herein.  
 Common Area shall mean Module "B" as shown on this plan. The lateral boundaries of the common area shall be the lateral boundaries of the property delineated in the "Legal Description". The lower vertical boundary of the common area shall be the upper vertical boundary of the association property. The upper vertical boundary of the Common Area shall extend indefinitely upward.
4. The following are not part of a unit: bearing walls, columns, vertical supports, beams, joists, horizontal beams, balcony railings, pipes, ducts, flues, chutes, conduits, vents, and other utility installations, wherever located, except the offsets thereof when located within the unit, and except any surface used thereon as forming a part of an element of a unit.
5. The units of this project are numbered 1101 through 1108, 1201 through 1202, 1301 through 1312, 1401 and 1402, all inclusive. A unit consists of all those elements bearing an identical number designation. The number designation of an element coincides with the number of that unit of which it is a part. Whenever reference is made to any of said units, it shall be construed that reference is made to the unit as a whole and to each and all of its component elements.
6. This plan and the dimensions shown hereon are intended to conform to Civil Code Section 1371 which requires diagrammatic floor plans of the building built or to be built thereon in sufficient detail to identify each unit, its relative location and approximate dimensions. The dimensions shown hereon are not intended to be sufficiently accurate to use for computation of floor area or volume values in any and all of the units.
7. These diagrammatic plans intentionally omit detailed information of internal partitioning within individual units. Likewise, such details as protrusions of vents, beams, columns, window casings, rounded ceilings, and other such features are not intended to be reflected on this plan.
8. Each of those areas shown on this plan bearing the letter designation "A" is an element of a unit consisting of dwelling areas. The lateral boundaries of each such element are the interior surfaces of the perimeter walls, windows, and doors thereof at the limits indicated on the respective portions thereof. The lower vertical boundary of each such element is the interior surface of the floor thereof at the elevation as shown on the plan herein. The upper vertical boundary is the interior surface of the ceiling thereof at the elevation as shown on the plan herein. Each such element includes the respective portions of the building and improvements lying within said boundaries (except as stated in Note 4 above), the airspace so encompassed, and the surfaces so described.
9. Each of those areas shown on this plan bearing the letter designation "G" is an element of a unit consisting of garage areas (G). The lateral and vertical boundaries of each such element are the exterior surfaces of the perimeter walls, windows and doors of the adjacent building structure, where such surfaces adjoin such element, and the interior surfaces of the perimeter walls, floors and ceilings of each such element where such surfaces exist. Otherwise, the lateral and vertical boundaries of each such element are vertical and horizontal planes at the dimensions and elevations shown hereon for each such element. Each such element includes only the airspace encompassed by said boundaries (except as stated in Note 4 above).
10. Each of those areas shown on this plan bearing the letter designation "S" is an element of a unit consisting of storage areas (S). The lateral and vertical boundaries of each such element are the exterior surfaces of the perimeter walls, windows and doors of the adjacent building structure, where such surfaces adjoin such element, and the interior surfaces of the perimeter walls, floors and ceilings of each such element, where such surfaces exist. Otherwise, the lateral and vertical boundaries of each such element are vertical and horizontal planes at the dimensions and elevations shown hereon for each such element. Each such element includes only the airspace encompassed by said boundaries (except as stated in Note 4 above).

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DEC 03 1993

TRACT NO. 47397  
CONDOMINIUM PLAN

SHEET 5 OF 24 SHEETS

11. Exclusive use area shall mean and refer to that portion of the Association Property which is reserved for the exclusive use of the owners of particular condominium units. The exclusive use Association Property constitutes an exclusive easement appurtenant to its assigned condominium unit, subject to the exclusive uses and purpose set forth herein and in the covenants, conditions, and restrictions. The exclusive use Association Property and the condominium units, the owners of which are entitled to such exclusive use, are identified herein as follows:

"Balconies" are identified with the letter "B", "B-1", and "B-2" and are hereby assigned to the condominium units to which they are adjacent as delineated herein.

"Patio" are identified with the letter "P", and are hereby assigned to the condominium units to which they are adjacent as delineated on sheets herein.

12. Each parking space designated as "guest parking" shall be reserved for exclusive use of guests or visitors of building residents.
13. The boundary lines of all elements and exclusive use areas intersect at right angles unless otherwise indicated, and all ties from lot lines are to interior boundaries of buildings unless otherwise indicated.
14. For purpose thereof, "U.E." means upper elevation and "L. E." means lower elevation. "C" means common corner with floor above or below.
15. The vertical limits of all air spaces are horizontal planes having elevations shown as L.E. and U.E. on the respective portions thereof, except those portions having inclined planes on the respective portion thereof.
16. All horizontal distances between all adjoining units is 0.8' unless otherwise noted on sheets 10 thru 23.

**LEGEND**

- INDICATES PROJECT BOUNDARY
- 1501G INDICATES UNIT 1501 GARAGE
- 18D4P INDICATES UNIT 18D4 PATIO
- UL INDICATES UPPER ELEVATIONS
- LL INDICATES LOWER ELEVATIONS
- INDICATES COMMON CORNER WITH ABOVE OR BELOW

**BASIS OF BEARINGS:**

THE BEARINGS SHOWN HEREON ARE BASED ON THE BEARING NORTH 89°01'27" EAST OF THE CENTERLINE OF BALDWIN STREET AS SHOWN ON SAID TRACT NO. 50778.

**BENCH MARK:**

ELEVATION: 402.944 (1960)  
LOS ANGELES CITY BENCH MARK NO. 1103995 STD. SURVEY MON. ON CENTERLINE LINCOLN PARK AV. PROD FROM SOUTH, 10 FT 8 OF N CURB LINE PROD N BROADWAY.

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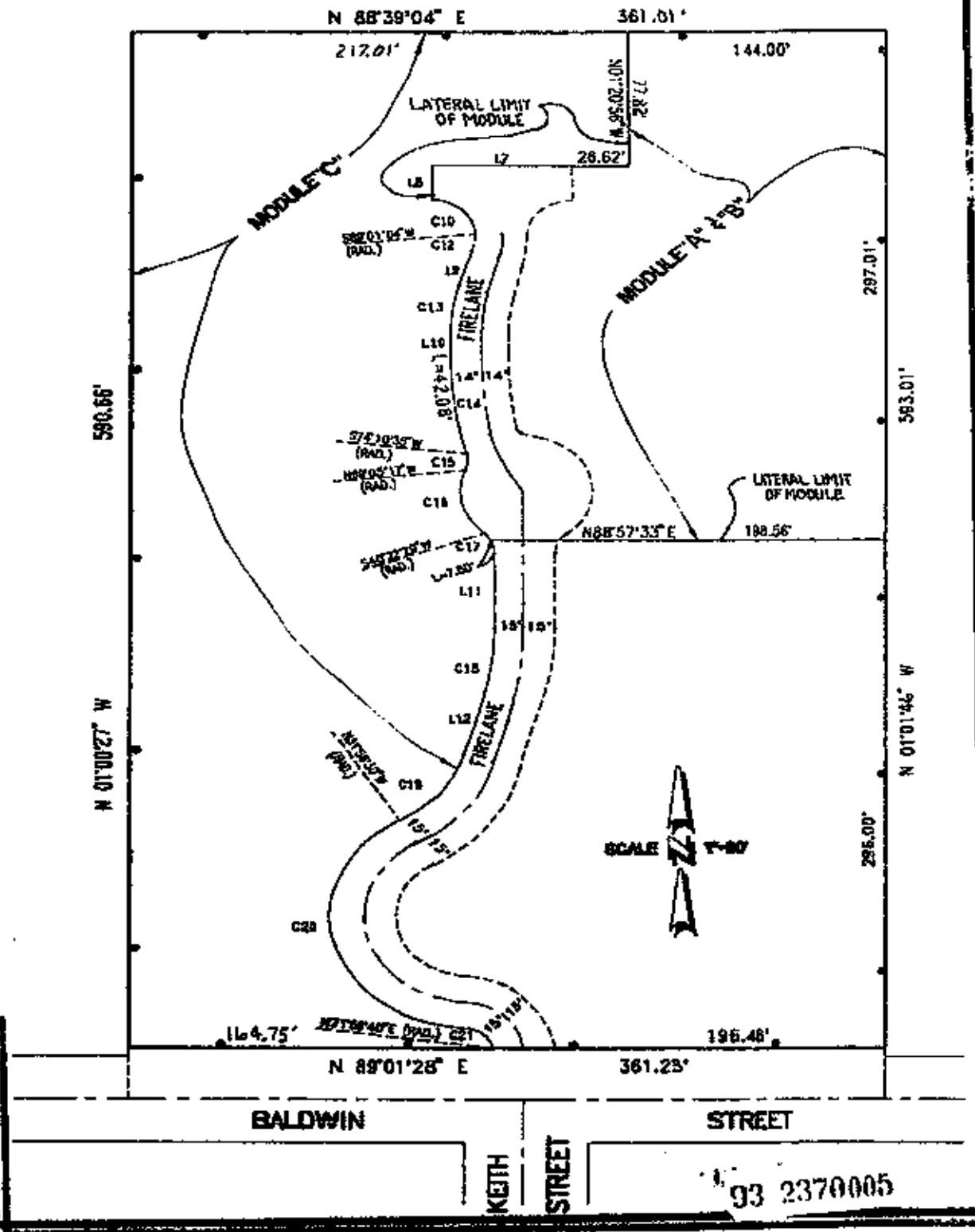
NO PLAN

DEC 03 1993



# CONDOMINIUM PLAN TRACT NO. 50779

SEE NEXT SHEET FOR CURVE & LINE TABLE DATA



DEC 03 1993

**CONDOMINIUM PLAN  
TRACT NO. 50779**

LINE DATA

LINE	DIRECTION	DISTANCE
17	N87°17'52" E	86.00'
18 (D&A)	N02°32'52" W	20.00'
19	N16°51'43" E	21.52'
20	N02°47'52" W	12.00'
21	N01°17'52" W	43.84'
22	N16°51'43" E	26.51'

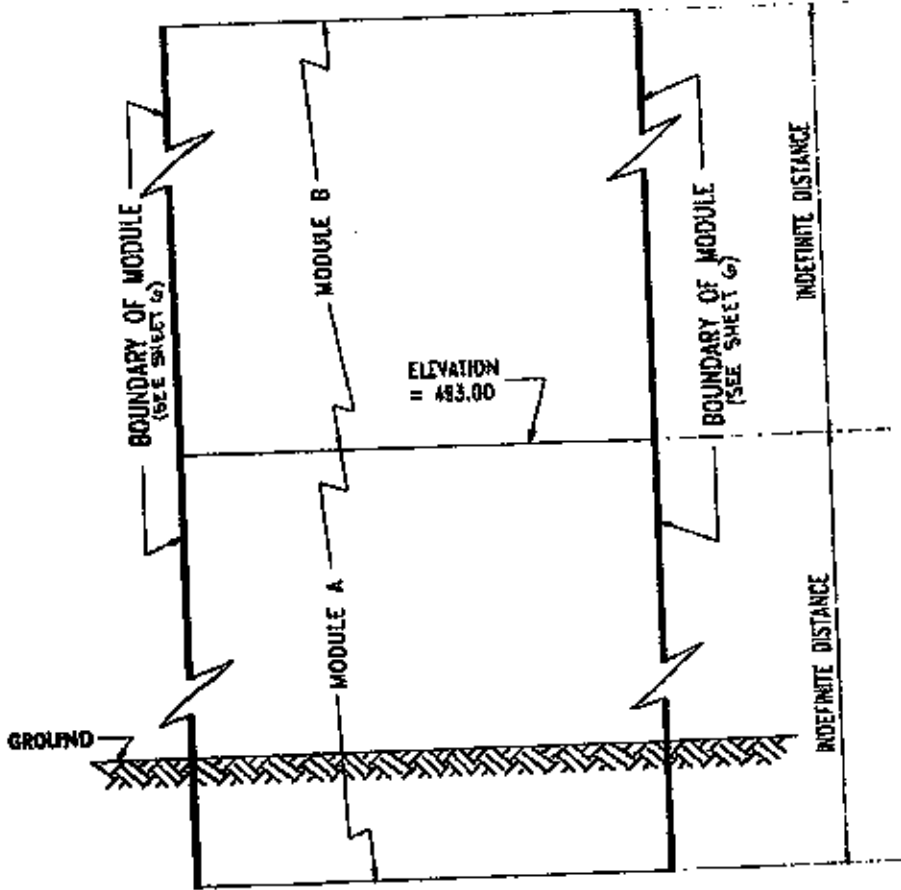
CURVE DATA

CURVE	CHORD	PERCENT	TANGENT	AREA
C10	20.00'	31.62°	20.00'	80.0000
C12	30.00'	8.99°	5.01'	1950.33
C13	100.00'	27.24°	13.86'	1246.40
C14	225.00'	56.32°	29.83'	1754.28
C15	15.00'	8.82°	4.88'	364.08
C16	32.00'	16.86°	13.44'	1722.17
C17	15.00'	13.02°	7.08'	302.66
C18	115.00'	37.17°	18.67'	1044.54
C19	65.00'	48.38°	23.84'	433.32
C20	65.00'	148.07°	102.17'	1434.21
C21	15.00'	20.58°	11.77'	821.30

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REC 03 1993

# CONDOMINIUM PLAN TRACT NO. 50779

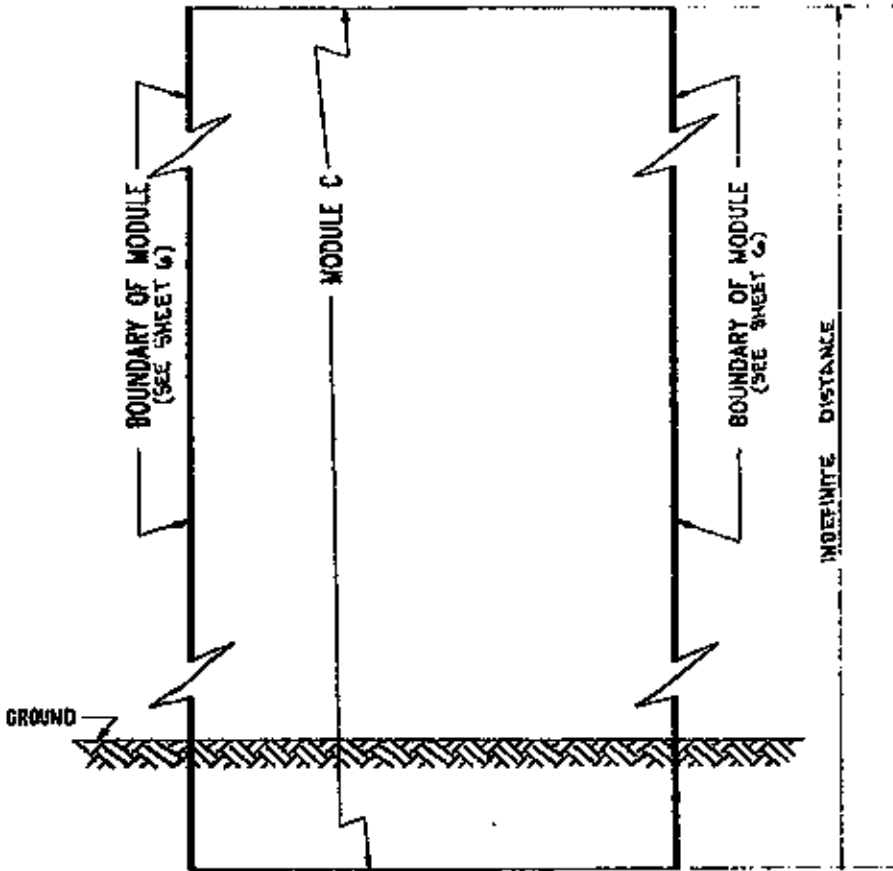


SIDE VIEW OF MODULES  
A AND B  
NO SCALE

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DEC 03 1993

CONDOMINIUM PLAN  
TRACT NO. 50779  
GARAGE LEVEL



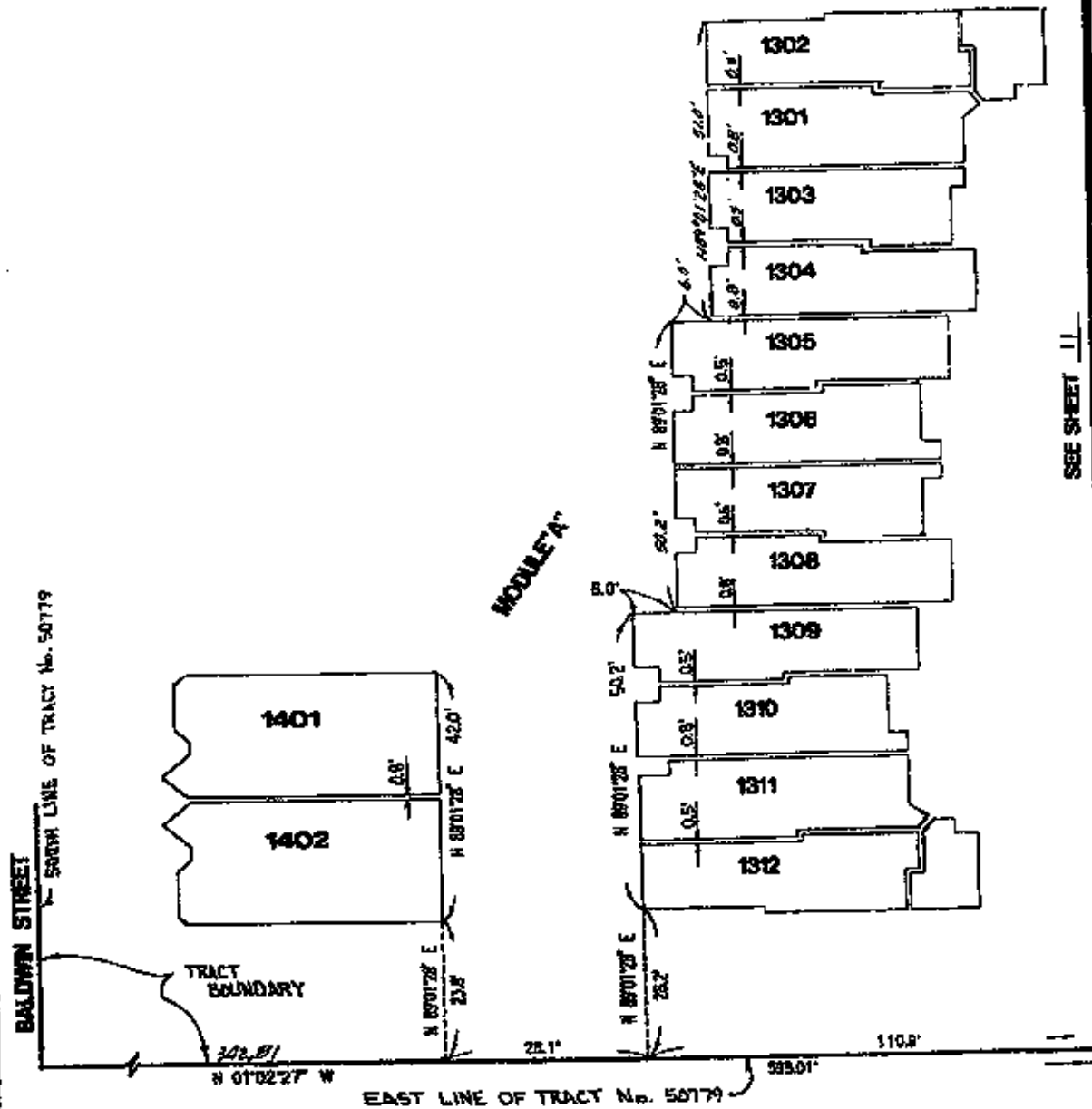
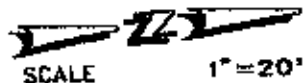
SIDE VIEW OF MODULE C

NO SCALE

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DEC 03 1993

# CONDOMINIUM PLAN TRACT NO. 50779 GARAGE LEVEL

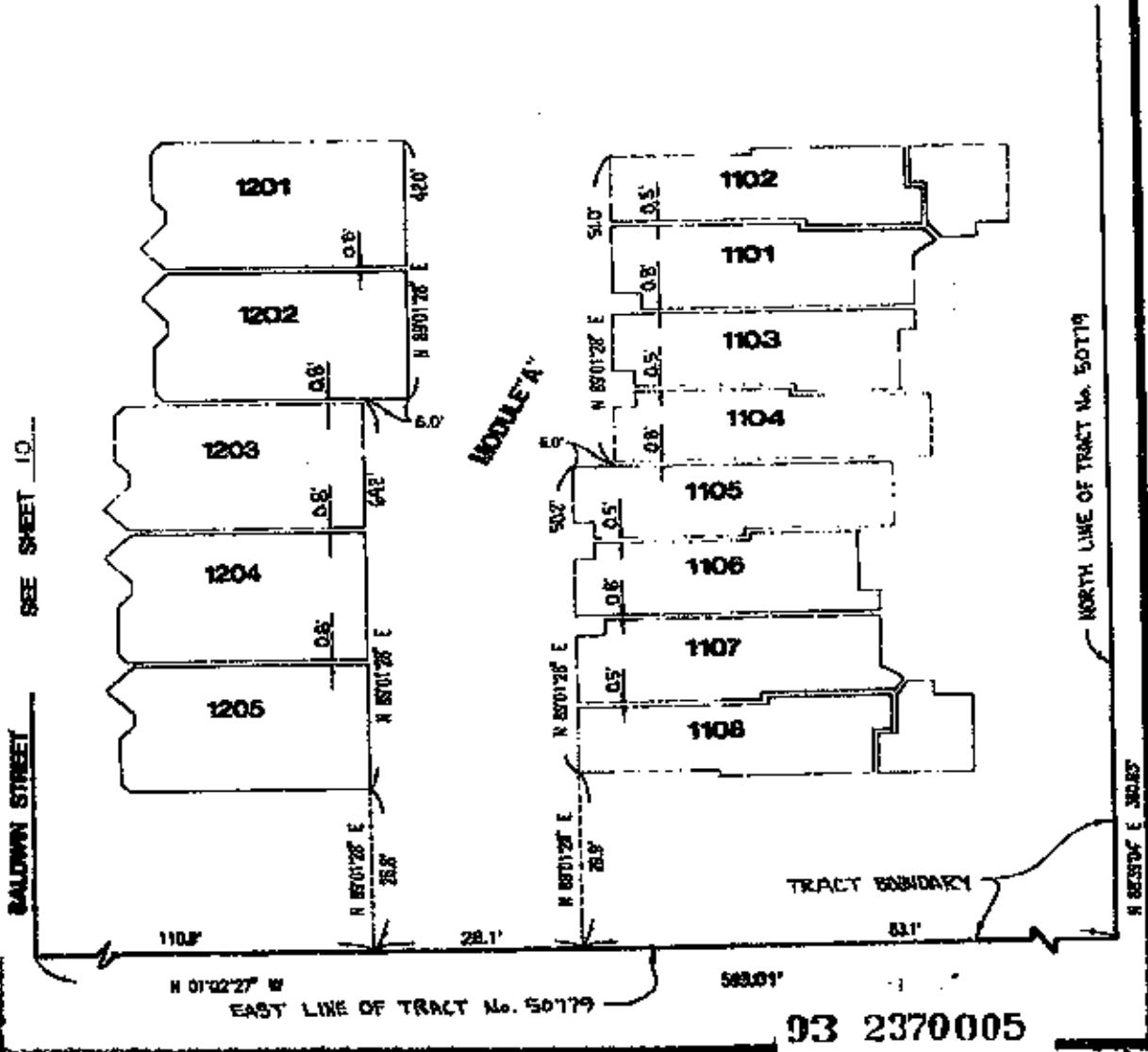


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DEC 03 1993

# CONDOMINIUM PLAN TRACT NO. 50779 GARAGE LEVEL

SCALE 1" = 20'



DEC 03 1993

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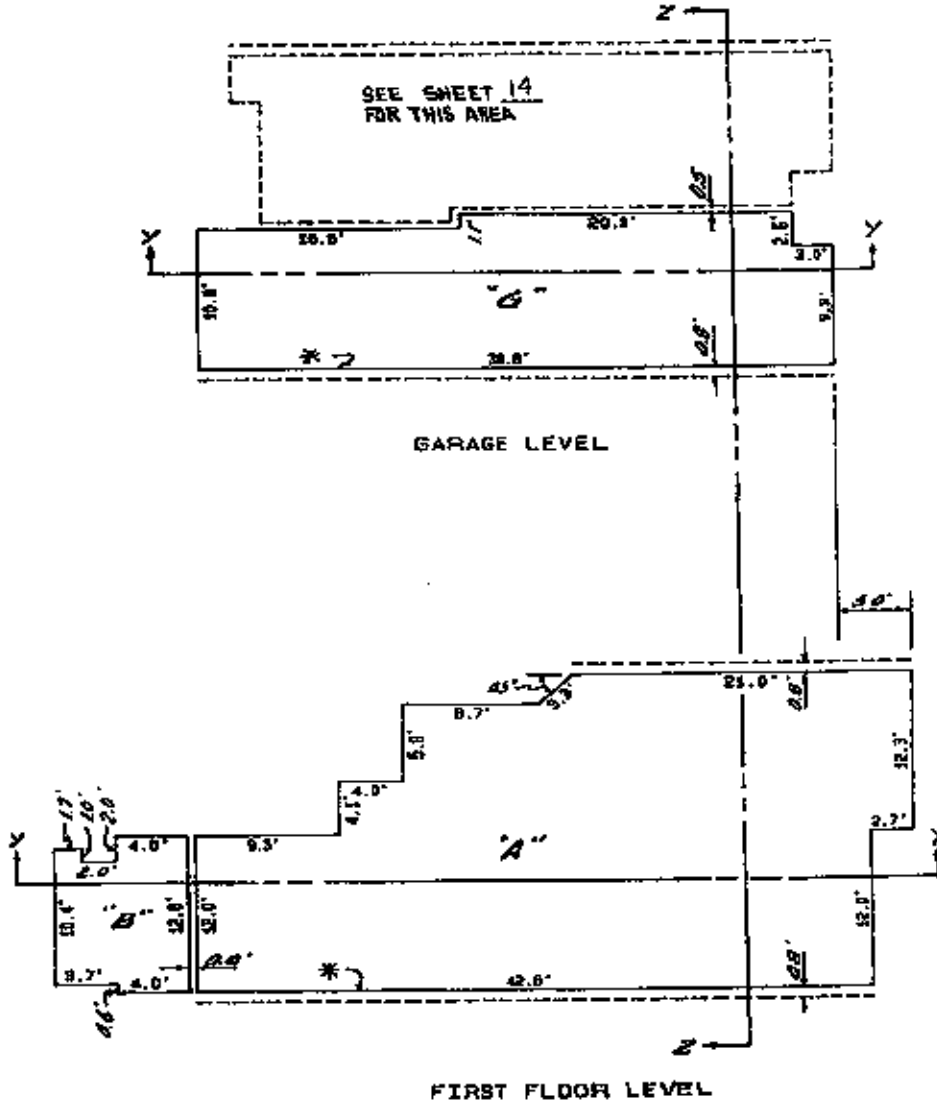
1"=10'

SHEET 12 OF 24 SHEETS

DIAGRAMMATIC FLOOR PLAN

NOTE

- 1. TYPICAL PLAN FOR UNITS: 1305, 1305, 1309.
- 2. TYPICAL PLAN REVERSED FOR UNITS: 1302, 1304, 1308.
- 3. SEE SHEET 13 FOR SECTION VIEWS.
- 4. \* = COMMON WALL WITH ABOVE OR BELOW.
- 5. --- = ADJACENT UNIT (TYPICAL)



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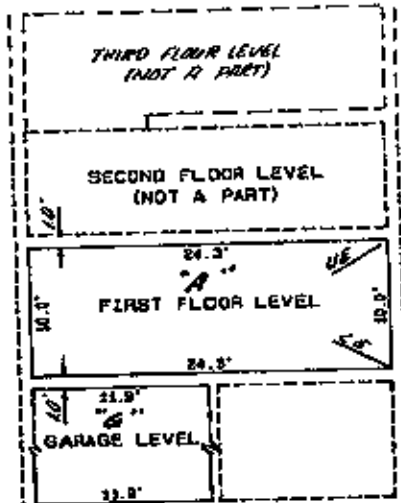
DEC 03 1993

1"=10'

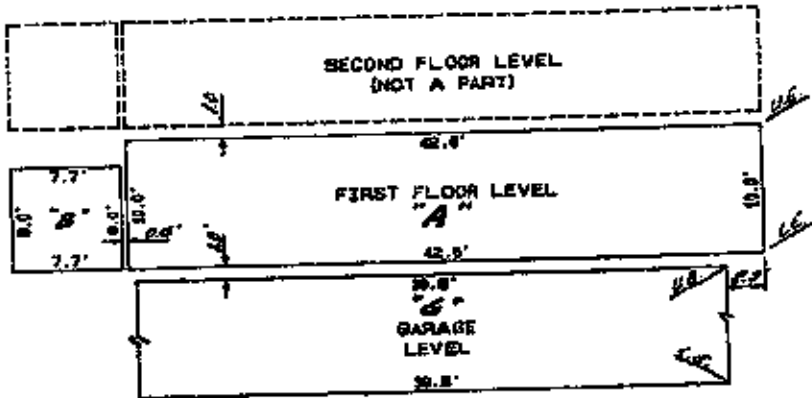
SECTION VIEWS

NOTE:

- 1. SEE SHEET 12 FOR PLAN VIEWS
- 2. SECTION VIEWS DO NOT REFLECT ANY LOWERED CEILINGS THAT MAY OCCUR WITHIN UNITS.
- 3. SEE SCHEDULE OF VERTICAL ELEVATIONS FOR GARAGE HEIGHT.
- 4. --- = ADJACENT UNIT (TYPICAL).



SECTION Z-Z



SECTION Y-Y

93 2370005

DEC 03 1993





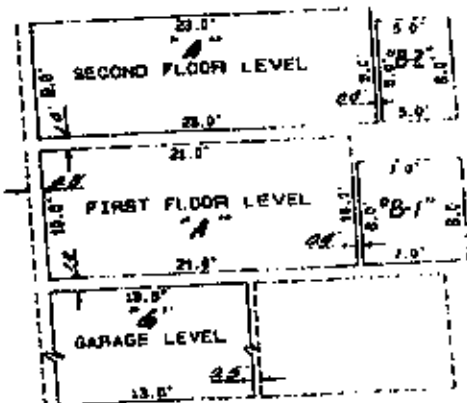




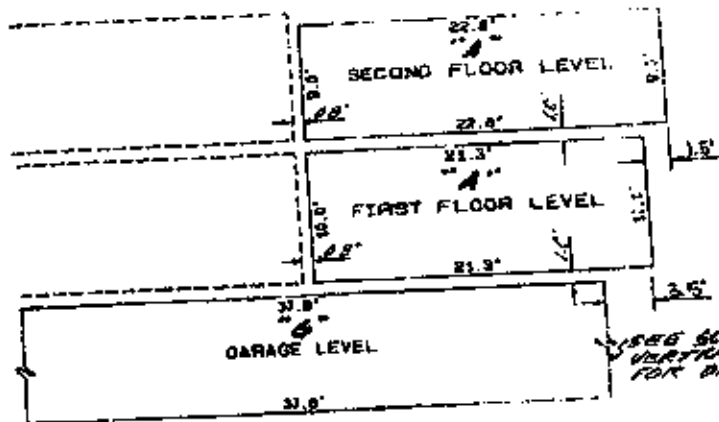
1"=10'

SECTION VIEWS

- NOTE:
1. SEE SHEET No. FOR PLAN VIEWS
  2. SECTION VIEWS DO NOT REFLECT ANY LOWERED CEILINGS THAT MAY OCCUR WITHIN UNITS
  3. SEE SCHEDULE OF VERTICAL ELEVATIONS FOR GARAGE HEIGHT.
  4. SEE ADJACENT UNIT (TYPICAL).



SECTION V-V



SEE SCHEDULE OF VERTICAL ELEVATIONS FOR DIMENSIONS

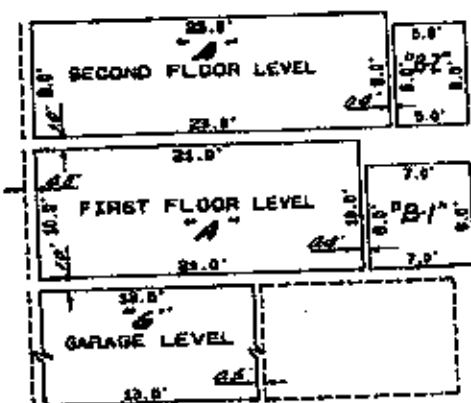
SECTION U-U

93 2370005

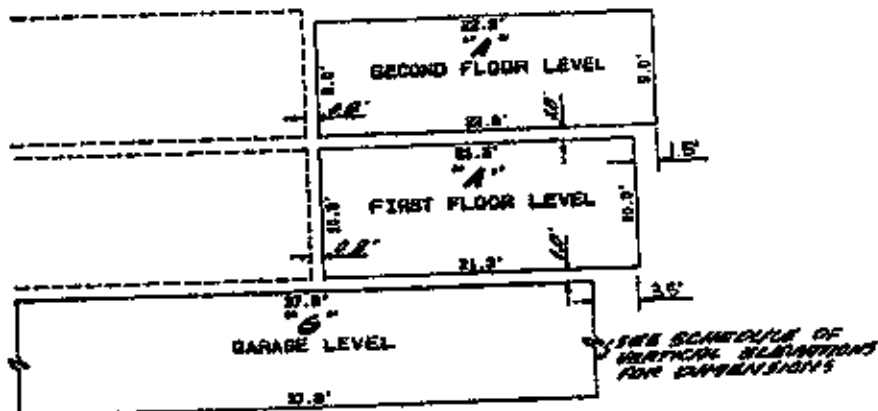
1"=10'

SECTION VIEWS

- NOTE:
1. SEE SHEET 16 FOR PLAN VIEW
  2. SECTION VIEWS DO NOT EXPRESS ANY LOWERED CEILINGS THAT MAY OCCUR WITHIN UNITS.
  3. SEE SCHEDULE OF VERTICAL ELEVATIONS FOR GARAGE HEIGHT.
  4. SEE SCHEDULE OF VERTICAL ELEVATIONS FOR GARAGE HEIGHT.



SECTION V-V



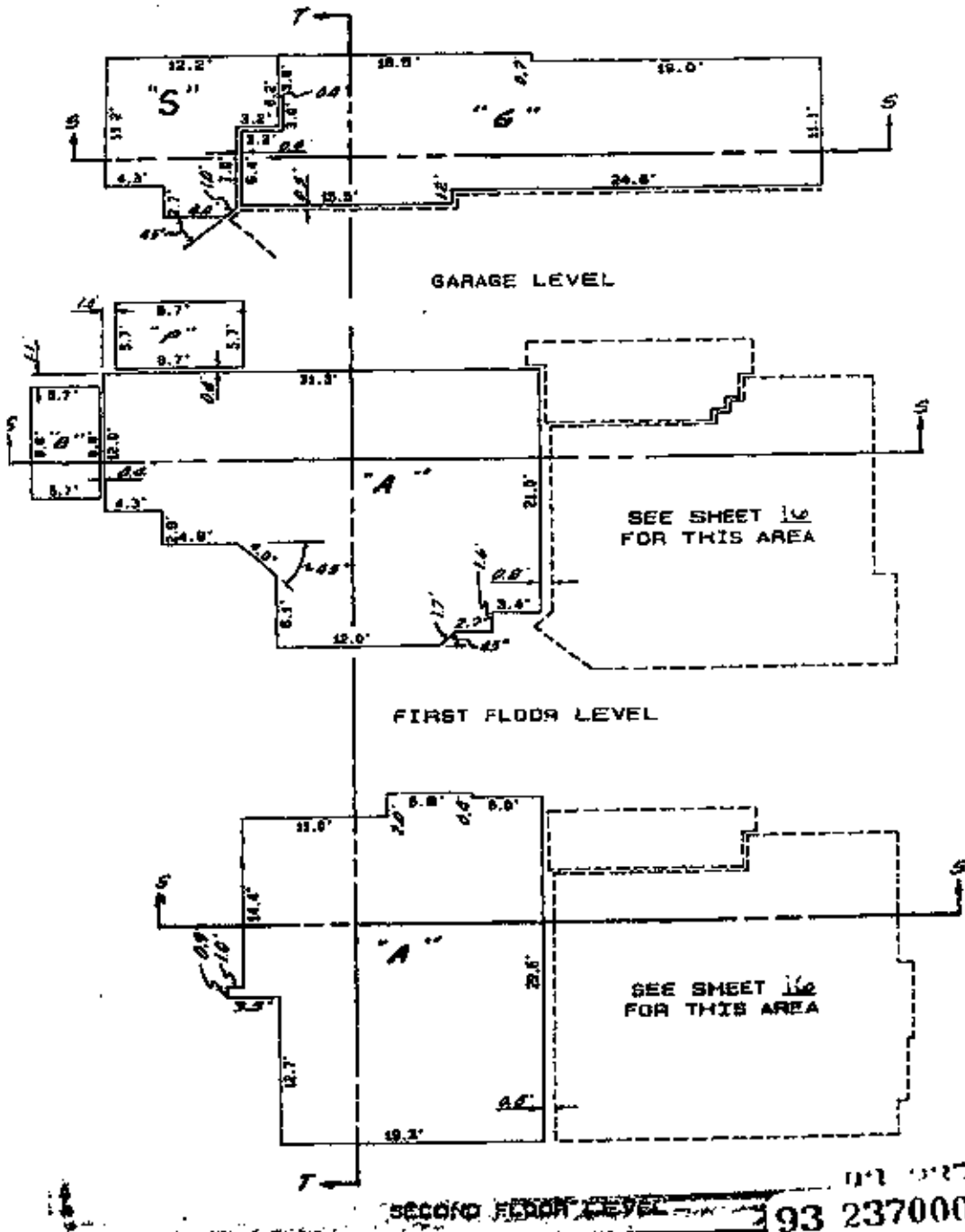
SECTION U-U

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DEC 03 1993

DIAGRAMATIC FLOOR PLAN

- 1. TYPICAL PLAN FOR UNITS: 1308, 1312.
- 2. TYPICAL PLAN FOR UNITS: 1302, 1307.
- 3. SEE SHEET 10 FOR SECTION VIEWS.
- 4. \* = DOWN WALL WITH ABOVE OR BELOW.
- 5. --- = ADJACENT UNIT (TYPICAL)

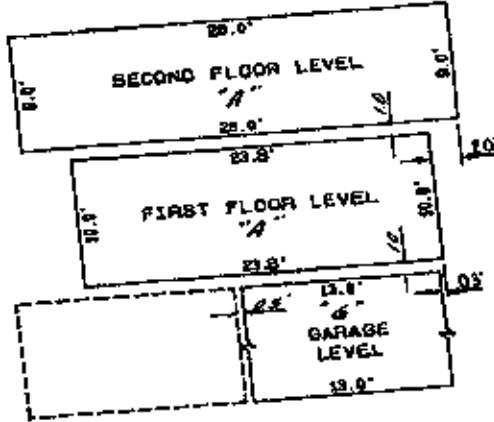


DEC 03 1993

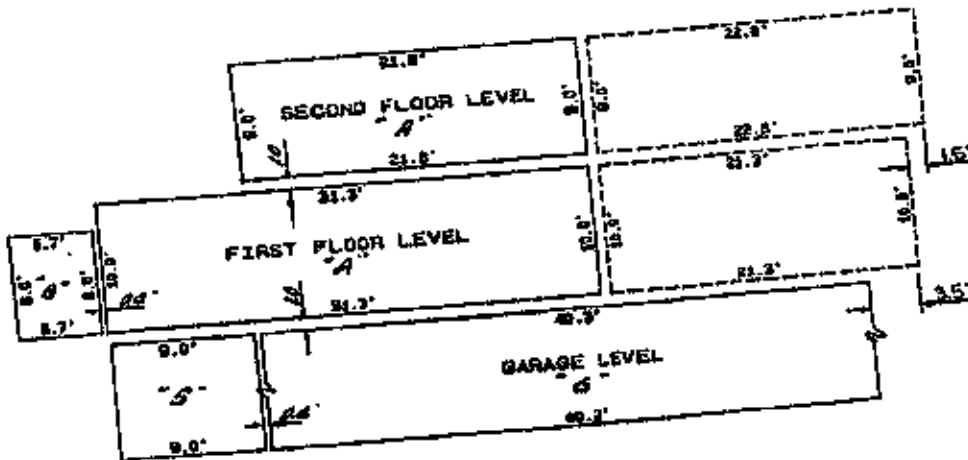
93 2370005

SECTION VIEWS

- NOTE: FOR PLAN VIEWS
1. SEE SHEET 18
  2. SECTION VIEWS DO NOT REFLECT ANY LOWERED CEILINGS THAT MAY OCCUR WITHIN UNITS.
  3. SEE SCHEDULE OF VERTICAL ELEVATIONS FOR GARAGE HEIGHT.
  4. --- = ADJACENT UNIT (TYPICAL).



SECTION T-T



SECTION S-S

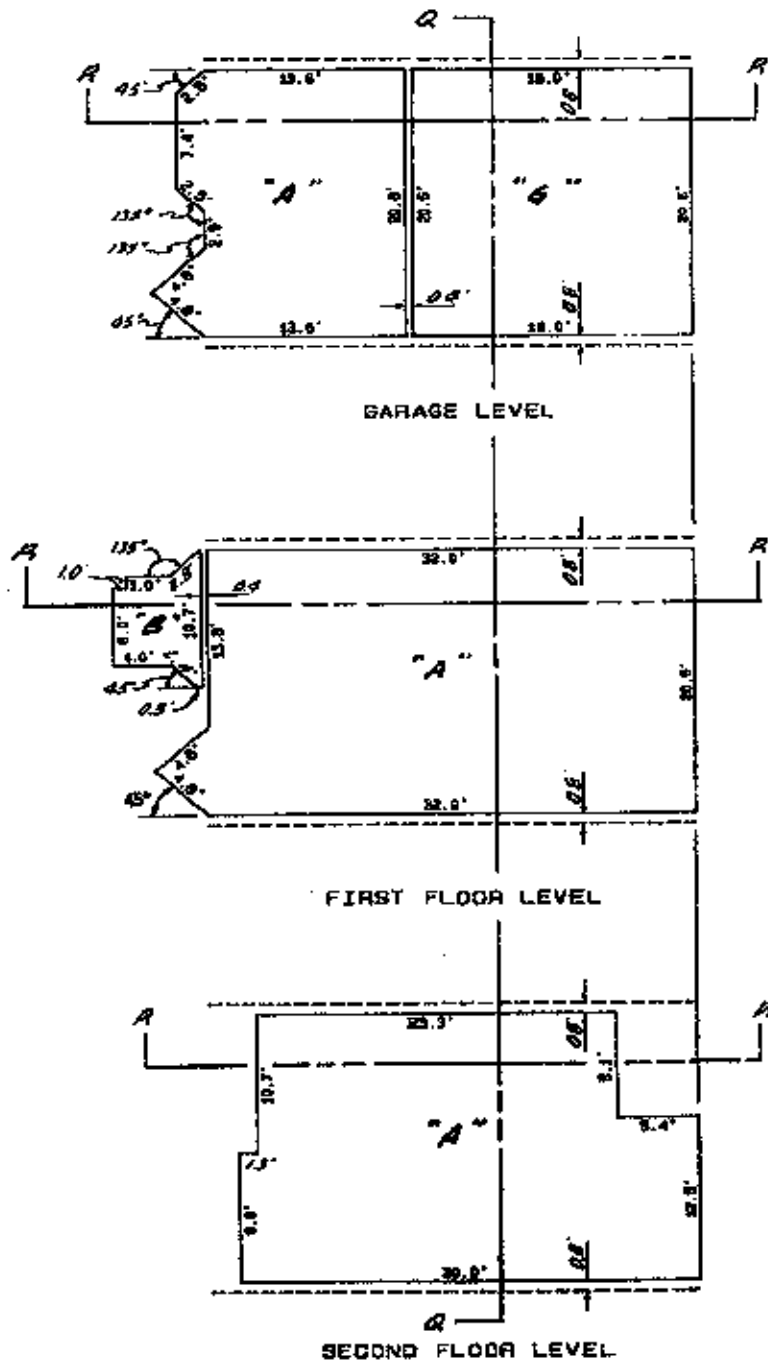
93 2370005

1"=10'

SHEET OF SHEETS

### DIAGRAMMATIC FLOOR PLAN

- NOTE:
1. TYPICAL PLAN FOR UNITS 1203, 1403.
  2. TYPICAL PLAN REVERSED FOR UNITS 1202, 1204, 1205, 1402.
  3. SEE SHEET 21 FOR SECTION VIEWS.
  4. \* = COMMON WALL WITH ABOVE OR BELOW.
  5. --- = ADJACENT UNIT (TYPICAL)



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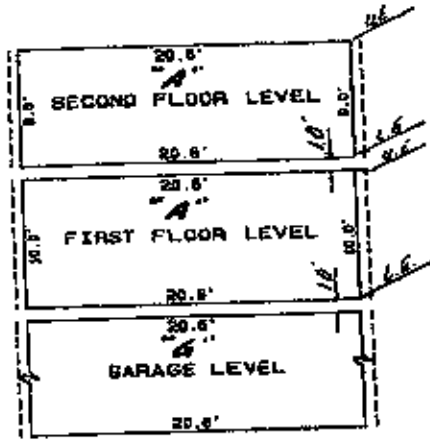
DEC 03 1993



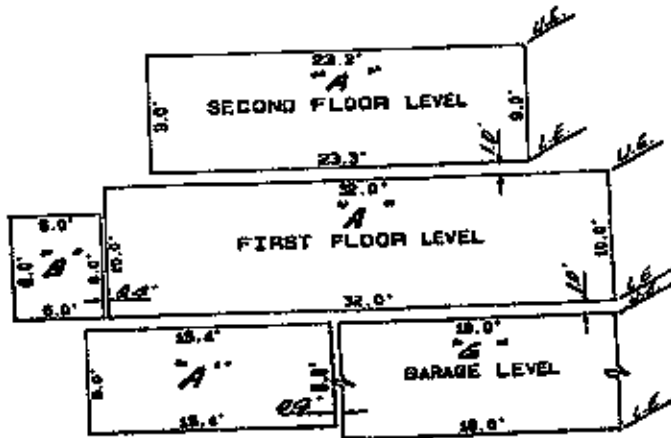
1"=10'

SECTION VIEWS

- NOTE:
1. SEE SHEET 20 FOR PLAN VIEWS
  2. SECTION VIEWS DO NOT REFLECT ANY LOWERED CEILINGS THAT MAY OCCUR WITHIN UNITS.
  3. SEE SCHEDULE OF VERTICAL ELEVATIONS FOR GARAGE HEIGHT.
  4. --- = ADJACENT UNIT (TYPICAL).



SECTION Q-Q



SECTION R-R

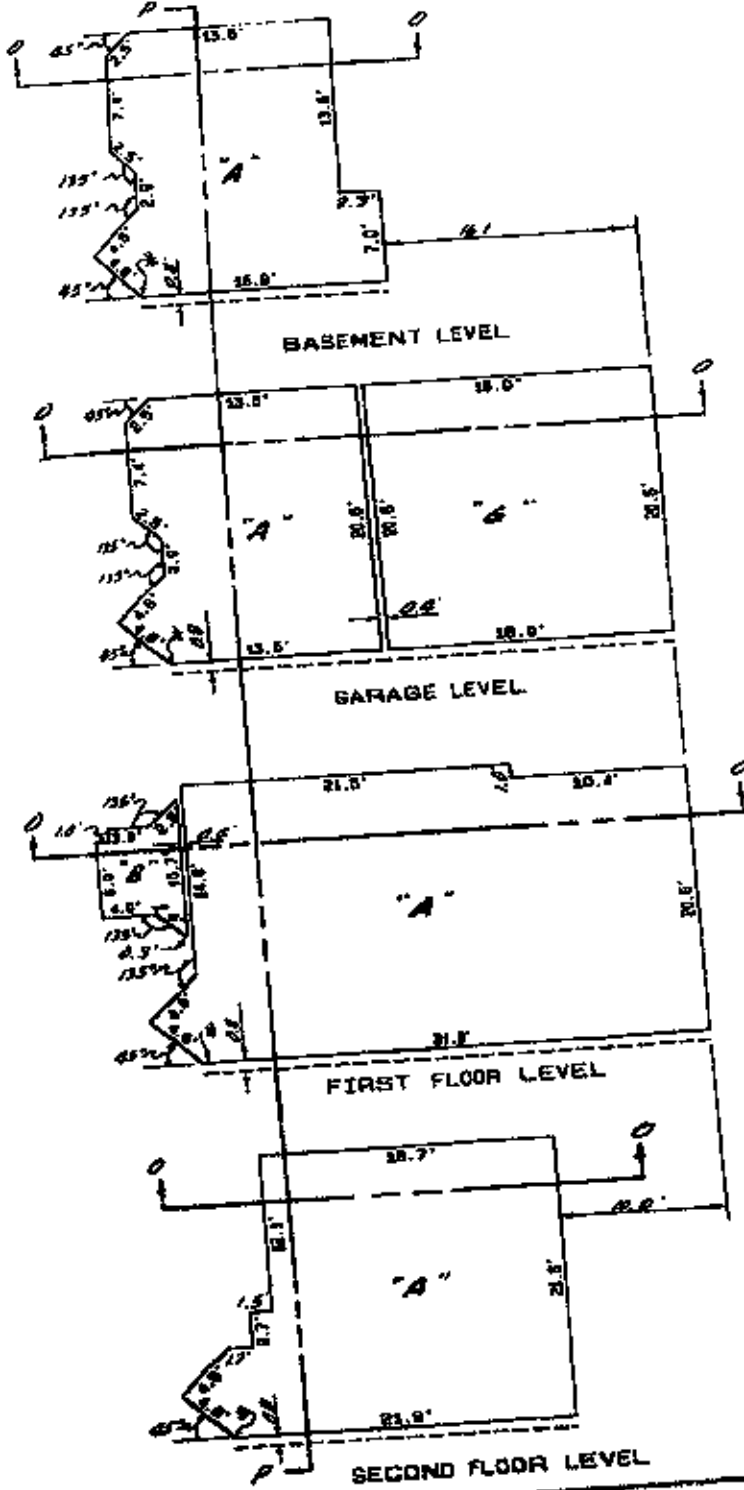
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DEC 03 1993

1"=10'

### DIAGNOSTIC FLOOR PLAN

- 1. TYPICAL PLAN FOR UNITS 1201.
- 2. TYPICAL PLAN REVERSED FOR UNITS:
- 3. SEE SIEG 22 FOR SECTION VIEWS.
- 4. M = COMMON WALL WITH ABOVE OR BELOW.
- 5. --- = ADJACENT UNIT (TYPICAL)



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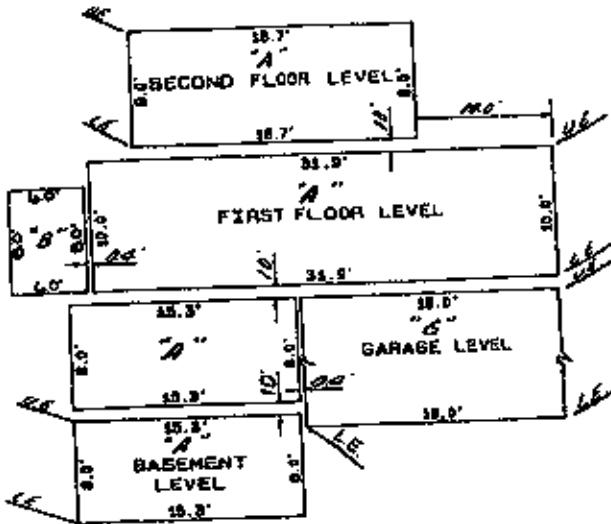
002

SEE 1-10.

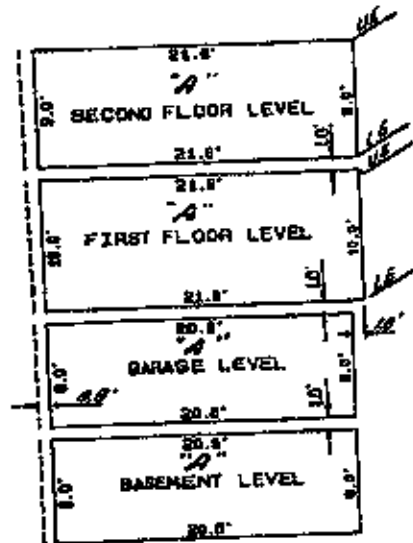
1"=10'

### SECTION VIEWS

- NOTE:
1. SEE SHEET 22 FOR PLAN VIEWS
  2. SECTION VIEWS DO NOT REFLECT ANY LOWERED CEILINGS THAT MAY OCCUR WITHIN UNITS.
  3. SEE SCHEDULE OF VERTICAL ELEVATIONS FOR GARAGE HEIGHT.
  4. --- = ADJACENT UNIT (TYPICAL).



SECTION 0-0



SECTION P-P

93 2370005

DEC 03 1993

SCHEDULE OF VERTICAL ELEVATIONS

NOTE:  
 1. L.E. = LOWER ELEVATION U.E. = UPPER ELEVATION  
 2. NA = NOT APPLICABLE

UNIT #	BASEMENT LEVEL		GARAGE LEVEL		1ST FLOOR LEVEL		2ND FLOOR LEVEL		3RD FLOOR LEVEL	
	TYPE	L.E.	L.E.	U.E.	L.E.	U.E.	L.E.	U.E.	L.E.	U.E.
1101	C	NA	448.0	459.5	469.5	479.5	479.5	479.5	NA	NA
1102	D	NA	447.5	458.5	469.5	479.5	479.5	479.5	NA	NA
1103	B	NA	449.5	459.5	NA	470.5	476.5	476.5	NA	NA
1104	A	NA	448.7	459.5	469.5	NA	NA	NA	NA	NA
1105	A	NA	450.0	460.5	471.5	480.5	480.5	480.5	NA	NA
1106	B	NA	450.7	460.5	NA	472.5	481.5	481.5	NA	NA
1107	C	NA	451.4	460.5	471.5	472.5	481.5	481.5	NA	NA
1108	D	NA	452.0	460.5	471.5	472.5	481.5	481.5	NA	NA
1109	F	NA	449.7	458.7	469.7	479.7	479.7	479.7	NA	NA
1201	F	NA	441.7	450.7	461.7	471.7	471.7	471.7	NA	NA
1202	E	NA	449.9	459.9	469.9	479.9	479.9	479.9	NA	NA
1203	E	NA	451.1	461.1	471.1	481.1	481.1	481.1	NA	NA
1204	E	NA	452.2	462.2	472.2	482.2	482.2	482.2	NA	NA
1205	E	NA	453.3	463.3	473.3	483.3	483.3	483.3	NA	NA
1301	C	NA	426.5	435.5	446.5	456.5	456.5	456.5	NA	NA
1302	D	NA	428.5	437.5	447.5	457.5	457.5	457.5	NA	NA
1303	B	NA	426.6	435.6	445.6	455.6	455.6	455.6	NA	NA
1304	A	NA	427.6	436.6	446.6	456.6	456.6	456.6	NA	NA
1305	A	NA	428.1	437.1	447.1	457.1	457.1	457.1	NA	NA
1306	B	NA	429.3	438.3	448.3	458.3	458.3	458.3	NA	NA
1307	B	NA	429.6	438.6	448.6	458.6	458.6	458.6	NA	NA
1308	A	NA	430.6	439.6	449.6	459.6	459.6	459.6	NA	NA
1309	A	NA	431.3	440.3	450.3	460.3	460.3	460.3	NA	NA
1310	B	NA	432.0	441.0	451.0	461.0	461.0	461.0	NA	NA
1311	C	NA	432.6	441.6	451.6	461.6	461.6	461.6	NA	NA
1312	D	NA	433.6	442.6	452.6	462.6	462.6	462.6	NA	NA
1401	E	NA	431.5	441.5	451.5	461.5	461.5	461.5	NA	NA
1402	E	NA	432.7	442.7	452.7	462.7	462.7	462.7	NA	NA

93 2370005

DEC 03 1993

#11

RECORDING REQUESTED BY

NORTH AMERICAN TITLE

32-80202-03

WHEN RECORDED MAIL TO:

Westport Engineering  
6355 Topanga Canyon Blvd. #333  
Woodland Hills, Ca 91367

RECORDED/FILED IN OFFICIAL RECORDS  
RECORDER'S OFFICE  
LOS ANGELES COUNTY  
CALIFORNIA  
FEB 23 1996 AT 8 A.M.

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

FEE \$ 82.00 K

26

AMENDED AND RESTATED CONDOMINIUM PLAN  
PHASE II

D.A. FEE Code 20 \$ 2.00

NCPF Code 19 \$ 78.00

WESTPORT ENGINEERING INC.  
6355 TOPANGA CANYON BLVD. #333  
WOODLAND HILLS, CA 91367

AMENDED AND RESTATED  
CONDOMINIUM PLAN

PHASE II

LEGAL DESCRIPTION:

LOT 1 OF TRACT NO. S0779, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES STATE OF CALIFORNIA PER MAP FILED IN BOOK 1202 PAGES 3 AND 4 OF MAPS, RECORDS OF LOS ANGELES COUNTY.

OWNERS STATEMENT:

WE THE UNDERSIGNED, BEING THE RECORD OWNERS OF THE LAND INCLUDED WITHIN THIS PROJECT AND THE RECORD HOLDERS OF SECURITY INTERESTS HEREIN, HEREBY CONSENT TO THE REVOCATION OF THAT CERTAIN CONDOMINIUM PLAN RECORDED 12/3/93 AS INSTRUMENT NO. 93-2370005 O.R. AND HEREBY CONSENT TO THE RECORDING OF THIS PLAN PURSUANT TO THE PROVISIONS OF CHAPTER 1 TITLE 6, PART 4, DIVISION SECOND OF THE CALIFORNIA CIVIL CODE. A DIAGRAMMATIC FLOOR PLAN OF THE BUILDING, BUILT ON SAID LAND AND CERTIFICATE AS REQUIRED UNDER CALIFORNIA CIVIL SECTION 1351.

CITY VIEW TERRACES,  
A California Limited Partnership

BY: TELECU AFFORDABLE HOUSING, INC.,  
A California Corporation (Partner), Owner

THE EAST LOS ANGELES COMMUNITY UNION,  
A California Non-Profit Corporation, (Partner)

BY: [Signature]  
Anthony P. Souza - President

BY: [Signature]  
David C. Lizarraga - Chairperson

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES }SS

ON 12-5 1995, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED Anthony P. Souza AND David C. Lizarraga AND PERSONALLY KNOWN TO ME (OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE) TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME IN THEIR AUTHORIZED CAPACITIES, AND THAT BY THEIR SIGNATURES ON THE INSTRUMENT THE PERSONS, OR THE ENTITY UPON BEHALF OF WHICH THE PERSONS ACTED, EXECUTED THE INSTRUMENT.

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES }SS

ON 12-5 1995, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED Anthony P. Souza AND David C. Lizarraga AND PERSONALLY KNOWN TO ME (OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE) TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME IN THEIR AUTHORIZED CAPACITIES, AND THAT BY THEIR SIGNATURES ON THE INSTRUMENT THE PERSONS, OR THE ENTITY UPON BEHALF OF WHICH THE PERSONS ACTED, EXECUTED THE INSTRUMENT.

WITNESS MY HAND AND OFFICIAL SEAL.

[Signature]  
NOTARY PUBLIC  
NAME Yvonne Leos  
COUNTY OF LOS ANGELES  
MY COMMISSION EXPIRES: 7-14-98



96 296191

AMENDED AND RESTATED  
CONDOMINIUM PLAN

PHASE II

LEGAL DESCRIPTION:

LOT 1 OF TRACT NO. 50779, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES STATE OF CALIFORNIA PER MAP FILED IN BOOK 1202 PAGE 3 AND 4 OF MAPS, RECORDS OF LOS ANGELES COUNTY.

OWNERS STATEMENT:

WE THE UNDERSIGNED, BEING THE RECORD OWNERS OF THE LAND INCLUDED WITHIN THIS PROJECT AND THE RECORD HOLDERS OF SECURITY INTERESTS HEREIN, HEREBY CONSENT TO THE REVOCATION OF THAT CERTAIN CONDOMINIUM PLAN RECORDED 12/3/93 AS INSTRUMENT NO. 93-2378005 O.R., AND HEREBY CONSENT TO THE RECORDING OF THIS PLAN PURSUANT TO THE PROVISIONS OF CHAPTER 1 TITLE 6, PART 4, DIVISION SECOND OF THE CALIFORNIA CIVIL CODE. A DIAGRAMMATIC FLOOR PLAN OF THE BUILDING, BUILT ON SAID LAND AND CERTIFICATE AS REQUIRED UNDER CALIFORNIA CIVIL SECTION 1351.

FIRST INTERSTATE BANK OF CALIFORNIA,  
A CALIFORNIA CORPORATION, (BENEFICIARY)

UNDER A DEED OF TRUST RECORDED DECEMBER 17, 1992 AS INSTRUMENT NO. 92-2369049, OF OFFICIAL RECORDS, RECORDS OF LOS ANGELES COUNTY:

BY: *Eileen M. Smith*  
Eileen M. Smith  
Vice President

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES )SS

ON 12-5-95, 1995, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED Eileen M. Smith AND ----- PERSONALLY KNOWN TO ME (OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE) TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME IN THEIR AUTHORIZED CAPACITIES, AND THAT BY THEIR SIGNATURES ON THE INSTRUMENT THE PERSONS, OR THE ENTITY UPON BEHALF OF WHICH THE PERSONS ACTED, EXECUTED THE INSTRUMENT.

WITNESS MY HAND AND OFFICIAL SEAL.

*Regina Warren*  
NOTARY PUBLIC

NAME Regina Warren  
COUNTY OF LOS ANGELES  
MY COMMISSION EXPIRES: 6-18-99



96 296191

**AMENDED AND RESTATED  
CONDOMINIUM PLAN**

**PHASE II**

**LEGAL DESCRIPTION:**

LOT 1 OF TRACT NO. 50779, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES STATE OF CALIFORNIA PER MAP FILED IN BOOK 1202 PAGE 3 AND 4 OF MAPS, RECORDS OF LOS ANGELES COUNTY.

**OWNERS STATEMENT:**

12/3/93

WE THE UNDERSIGNED, BEING THE RECORD OWNERS OF THE LAND INCLUDED WITHIN THIS PROJECT AND THE RECORD HOLDERS OF SECURITY INTERESTS HEREIN, HEREBY CONSENT TO THE REVOCATION OF THAT CERTAIN CONDOMINIUM PLAN RECORDED 12/3/93 INSTRUMENT NO. 93-2370005 O.R., AND HEREBY CONSENT TO THE RECORDING OF THIS PLAN PURSUANT TO THE PROVISIONS OF CHAPTER 1 TITLE 8, PART 4, DIVISION SECOND OF THE CALIFORNIA CIVIL CODE. A DIAGRAMMATIC FLOOR PLAN OF THE BUILDING, BUILT ON SAID LAND AND CERTIFICATE AS REQUIRED UNDER CALIFORNIA CIVIL SECTION 1351.

**CENTURY HOUSING CORPORATION,**

A CALIFORNIA NON-PROFIT CORPORATION, SUCCESSOR-IN-INTEFEST TO THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, BENEFIC ARY, UNDER DEED OF TRUST RECORDED DECEMBER 17, 1992 AS INSTRUMENT NO. 92-2369050, OF OFFICIAL RECORDS.

BY:

*G. Allan Kingston*  
G. Allan Kingston  
President/CEO

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES )SS

ON \_\_\_\_\_, 1995, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED \_\_\_\_\_ AND \_\_\_\_\_ PERSONALLY KNOWN TO ME (OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE) TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME IN THEIR AUTHORIZED CAPACITIES, AND THAT BY THEIR SIGNATURES ON THE INSTRUMENT THE PERSONS, OR THE ENTITY UPON BEHALF OF WHICH THE PERSONS ACTED, EXECUTED THE INSTRUMENT.

WITNESS MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC

NAME \_\_\_\_\_  
COUNTY OF LOS ANGELES  
MY COMMISSION EXPIRES: \_\_\_\_\_

**ENGINEER'S STATEMENT:**

I HEREBY STATE THAT I AM A REGISTERED CIVIL ENGINEER OF THE STATE OF CALIFORNIA, THAT THIS PLAN CONSISTING OF 24 SHEETS CORRECTLY REPRESENTS A TRUE AND COMPLETE SURVEY OF THIS PROJECT MADE UNDER MY SUPERVISION ON AUGUST 24, 1995 AND THE LOCATION OF BUILDINGS AND AIRSPACE AS BUILT.

ATANAS STERYO R.C.E. 23221  
MY REGISTRATION EXPIRES 12/31/97

DATE \_\_\_\_\_

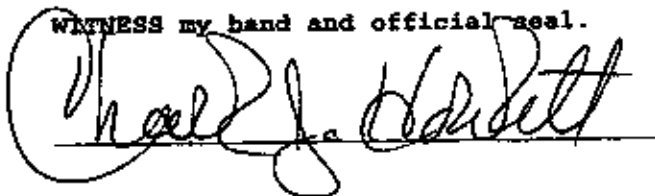
96 296191



State of California }  
County of Los Angeles }

On December 7, 1995 before me, Charlene J. Howlett, Notary Public, personally appeared G. Allan Kingston, personally known to me ~~as 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.

WITNESS my hand and official seal.



96 296191

### NOTES AND DEFINITIONS

1. This condominium project is composed of Association Property, Common Area, and 19 Units.
2. The Association Property of this project is the land and real property, including all improvements constructed thereon, within Module "A" described herein, and located within the boundary lines of Lot 1 of Tract No. 50779 in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 1202, Pages 3 and 4 of Maps, in the office of the County Recorder of said County, except therefrom those portions shown and defined herein as Units.
3. Module "A" as designated on this plan is a three dimensional air space, the lateral boundaries of which are vertical planes at the limits of the boundaries thereof as delineated herein. The upper vertical boundary of Module "A" shall be an elevation of 493.0 Feet. The lower vertical boundary of Module "A" shall extend indefinitely downward.  
  
Module "B" as designated on this plan is a three dimensional air space, the lateral boundaries of which are vertical planes at the limits of the boundaries thereof as delineated herein. The lower vertical boundary of Module "B" shall be an elevation of 493.0 Feet. The upper vertical boundary of Module "B" shall extend indefinitely upward.  
  
The common area, units, and the association property of module "C" will be shown and defined in a separate and distinct condominium plan, or plans applicable only to modules "C", (which condominium plan, or plans, is not part of, and shall not constitute and amendment to, the within condominium plan).  
  
Common area shall mean Module "B" as shown on this plan and defined hereinabove.
4. The following are not part of a unit: bearing walls, columns, vertical supports, floors, roofs, foundations, beams, balcony railings, pipes, ducts, flues, chutes, conduits, wires, and other utility installations, wherever located, except the outlets thereof when located within the unit, and except any surface noted therein as forming a part of an element of a unit.
5. The units of this project are numbered 101, 102, 201 through 204; 301 through 305; 401 through 404; and 501 through 504, all inclusive. A unit consists of all those elements bearing an identical number designation. The number designation of an element coincides with the number of that unit of which it is a part. Whenever reference is made to any of said units, it shall be construed that reference is made to the unit as a whole and to each and all of its component elements.
6. This plan and the dimensions shown hereon are intended to conform to Civil Code Section 1351 which requires diagrammatic floor plans of the building built or to be built thereon in sufficient detail to identify each unit, its relative location and approximate dimensions. The dimensions shown hereon are not intended to be sufficiently accurate to use for computation of floor area or airspace volume in any and all of the units.
7. These diagrammatic plans intentionally omit detailed information of internal partitioning within individual units. Likewise, such details as protrusions of vents, beams, columns, window casings, lowered ceilings, and other such features are not intended to be reflected on this plan.
8. Each of those areas shown on this plan bearing the letter designation "A" is an element of a unit consisting of a dwelling area. The lateral boundaries of each such element are the interior surfaces of the perimeter walls, windows, and doors thereof at the limits indicated on the respective portions thereof. The lower vertical boundary of each such element is the interior surface of the floor thereof at the elevation as shown on the plan herein. The upper vertical boundary is the interior surface of the ceiling thereof at the elevation as shown on the plan herein. Each such element includes the respective portions of the building and improvements lying within said boundaries (except as stated in Note 4 above), the airspace so encompassed, and the surfaces so described.
9. Each of those areas shown on this plan bearing the letter designation "G" is an element of a unit consisting of a garage area (G). The lateral and vertical boundaries of each such element are the exterior surfaces of the perimeter walls, windows and doors of the adjacent building structure, where such surfaces adjoin such element, and the interior surfaces of the perimeter walls, floors and ceilings of each such element where such surfaces exist. Otherwise, the lateral and vertical boundaries of each such element are vertical and horizontal planes at the dimensions and elevations shown hereon for each such element. Each such element includes only the airspace encompassed by said boundaries (except as stated in Note 4 above).
10. Each of those areas shown on this plan bearing the letter designation "S" is an element of a unit consisting of a storage area (S). The lateral and vertical boundaries of each such element are the exterior surfaces of the perimeter walls, windows and doors of the adjacent building structure, where such surfaces adjoin such element, and the interior surfaces of the perimeter walls, floors and ceilings of each such element, where such surfaces exist. Otherwise, the lateral and vertical boundaries of each such element are vertical and horizontal planes at the dimensions and elevations shown hereon for each such element. Each such element includes only the airspace encompassed by said boundaries (except as stated in Note 4 above).

96 296191

11. Exclusive use area shall mean and refer to that portion of the Association Property which is reserved for the exclusive use of the owners of particular condominium units. The exclusive use Association Property constitutes an exclusive easement appurtenant to its assigned condominium unit, subject to the exclusive uses and purpose set forth herein and in the covenants, conditions, and restrictions. The exclusive use Association Property and the condominium units, the owners of which are entitled to such exclusive use, are identified herein as follows:

"Balconies" are identified with the letter "B", and are hereby assigned to the condominium units to which they are adjacent as delineated herein.

"Patios" are identified with the letter "P", and are hereby assigned to the condominium units to which they are adjacent as delineated herein.

The lateral and vertical boundaries of each such area are the exterior surfaces of the perimeter walls, windows and doors of the adjacent building structure, where such surfaces adjoin such area, and the interior surfaces of the perimeter walls, floors and ceilings of each such area where such surfaces exist. Otherwise, the lateral and vertical boundaries of each such area are vertical and horizontal planes at the dimensions and elevation shown hereon for each such area. Each such area includes only the airspace encompassed by said boundaries (except as stated in Note 4 above).

12. Each parking space designated as "guest parking" shall be reserved for exclusive use of guests or visitors of building residents.
13. The boundary lines of all elements intersect at right angles unless otherwise indicated, and all ties from lot lines are to interior boundaries of buildings unless otherwise indicated.
14. For purpose hereof, "U.E." means upper elevation and "L.E." means lower elevation. "\*" means common floor/corner with floor above or below.
15. The vertical limits of all air spaces are horizontal planes having elevations shown as L.E. and U.E. on the respective portions thereof, except those portions having inclined planes on the respective portion thereof.
16. All horizontal distances between all adjoining units is 0.8' unless otherwise noted on sheets 10 thru 24.

**LEGEND**

- INDICATES PROJECT BOUNDARY
- 203G INDICATES UNIT 203 GARAGE
- 204P INDICATES UNIT 204 PATIO
- U.E. INDICATES UPPER ELEVATIONS
- L.E. INDICATES LOWER ELEVATIONS
- \* INDICATES COMMON CORNER WITH ABOVE OR BELOW

**BASIS OF BEARINGS:**

THE BEARINGS SHOWN HEREON ARE BASED ON THE BEARING NORTH 89°01'28" EAST OF THE CENTERLINE OF BALDWIN STREET AS SHOWN ON SAID TRACT NO. 50779.

**BENCH MARK:**

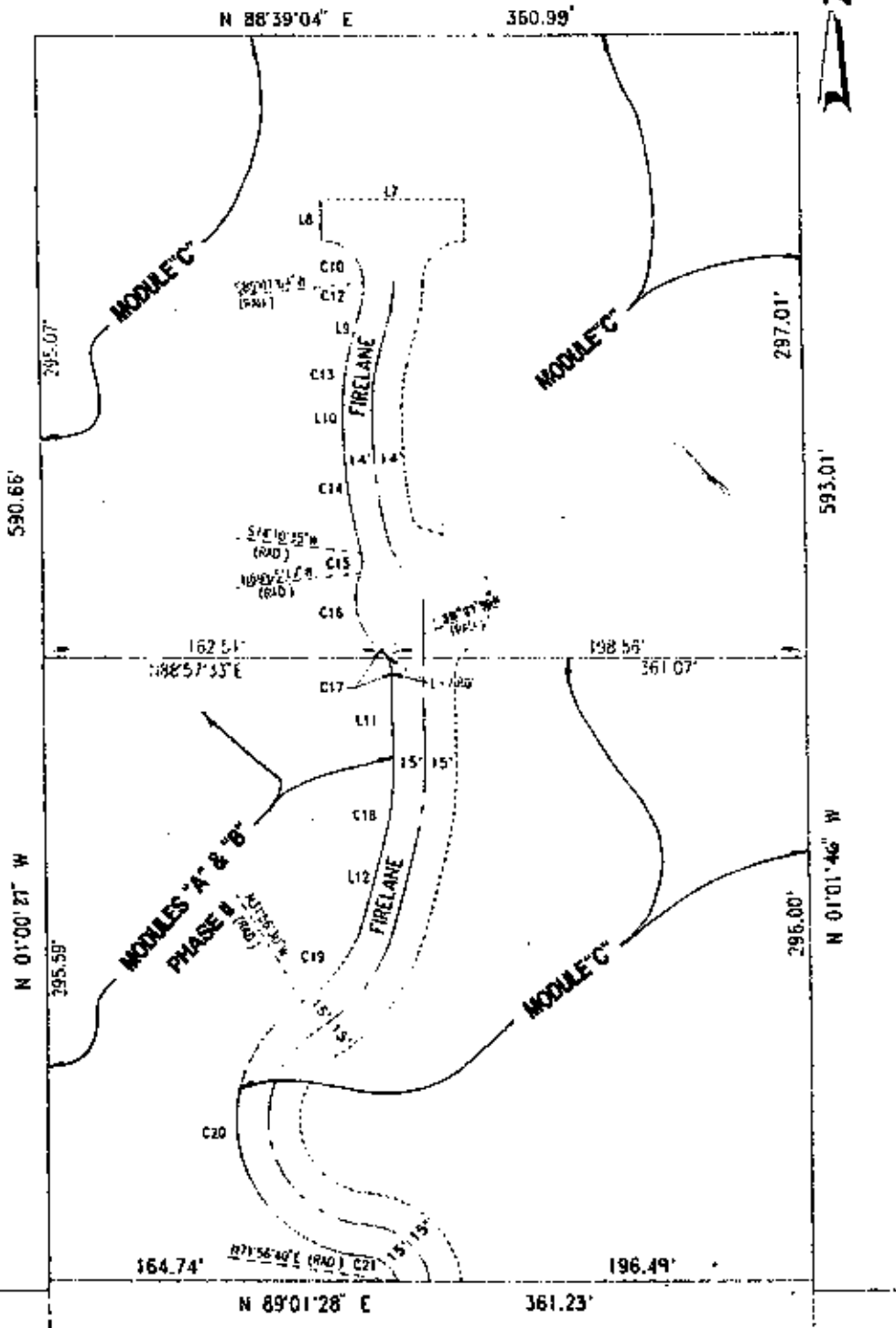
ELEVATION: 402.944 (1960)  
LOS ANGELES CITY BENCH MARK NO. 1103995 STD. SURVEY MON. ON CENTERLINE LINCOLN PARK AV. PROD FROM SOUTH, 10 FT S OF N CURB LINE PROD N BROADWAY.

96 296191

# CONDOMINIUM PLAN TRACT NO. 50779

SEE NEXT SHEET FOR CURVE AND LINE TABLE DATA.

SCALE 1"=60'



BALDWIN

STREET

51TH

STREET

96 296191

CONDOMINIUM PLAN  
TRACT NO. 50779

## LINE DATA

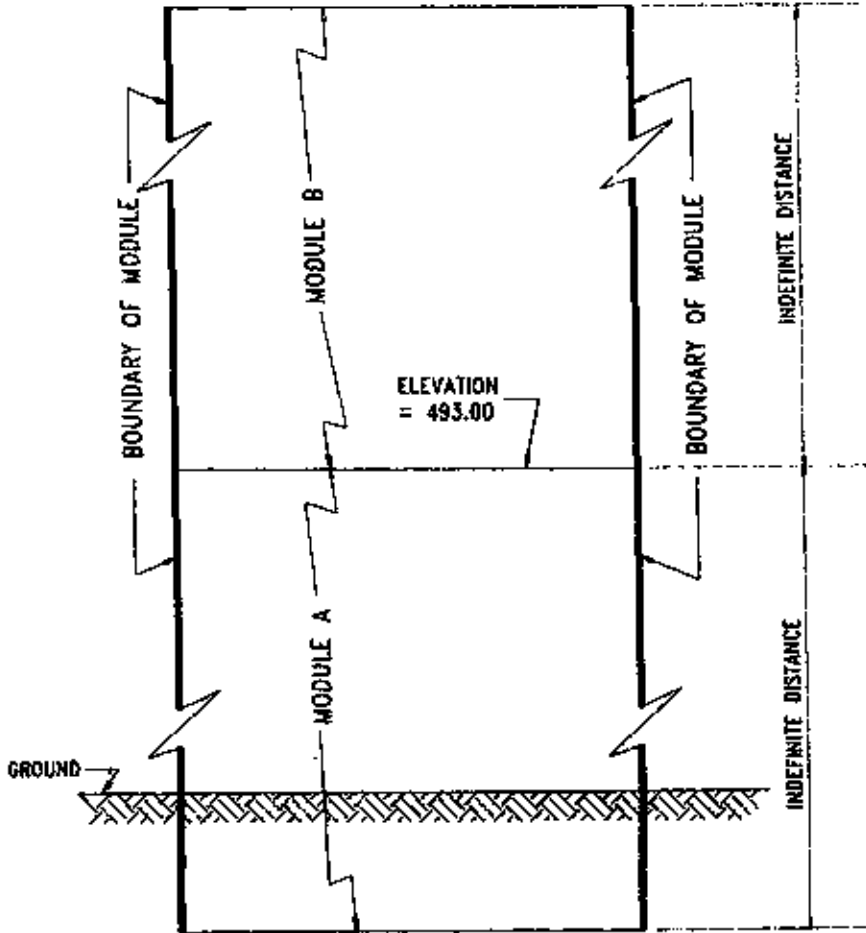
LINE	DIRECTION	DISTANCE
L7	N89°01'04" E	68.00'
L8 (RAD.)	N00°58'56" W	20.00'
L9	N14°51'43" E	21.52'
L10	N00°54'56" W	12.00'
L11	N01°11'58" W	43.64'
L12	N14°32'56" E	33.51'

## CURVE DATA

CURVE	RADIUS	LENGTH	TANGENT	DELTA
C10	20.00'	31.42'	20.00'	90°00'00"
C12	36.00'	9.95'	5.01'	15°50'39"
C13	100.00'	27.54'	13.86'	15°46'39"
C14	228.00'	59.32'	29.83'	14°54'29"
C15	15.00'	9.62'	4.98'	36°44'08"
C16	32.00'	40.46'	23.44'	72°26'47"
C17	15.00'	13.18'	7.05'	50°20'06"
C18	135.00'	37.11'	18.67'	15°44'54"
C19	65.00'	49.36'	25.94'	43°30'34"
C20	65.00'	165.07'	209.37'	145°30'20"
C21	17.00'	20.59'	11.77'	69°23'30"

96 296191

CONDOMINIUM PLAN  
TRACT NO. 50779

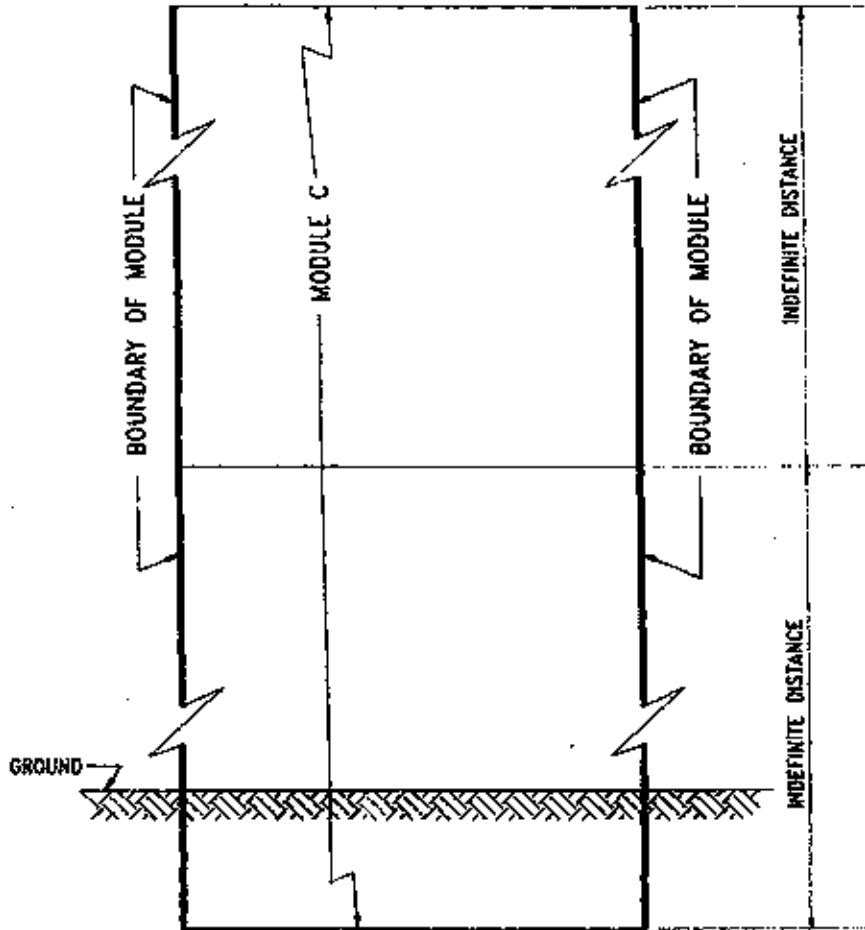


SIDE VIEW OF MODULES  
A AND B

NO SCALE

96 296191

CONDOMINIUM PLAN  
TRACT NO. 50779

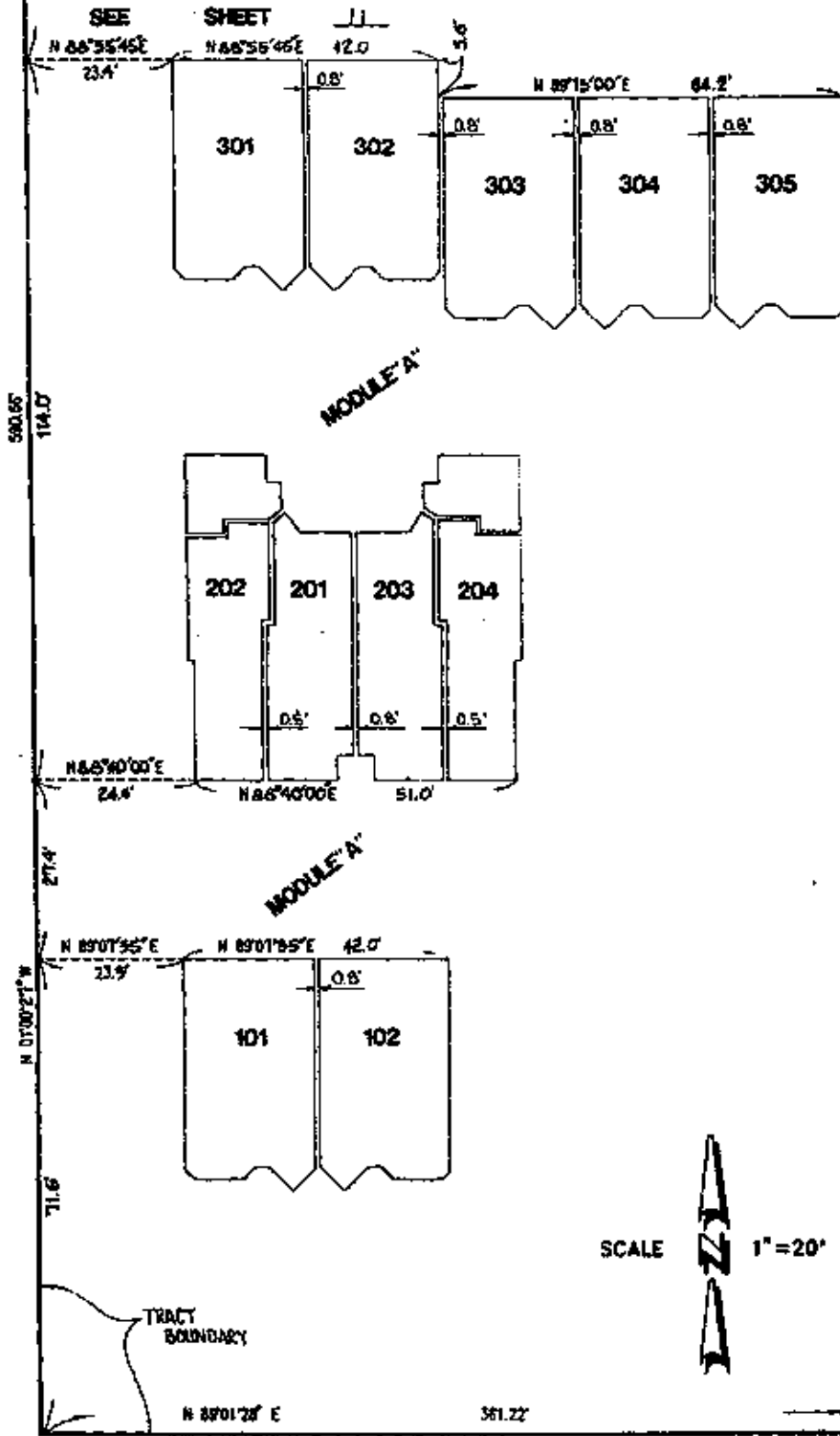


SIDE VIEW OF MODULE C

NO SCALE

96 296191

# CONDOMINIUM PLAN TRACT NO. 50779 GARAGE LEVEL



BALDWIN<sub>96</sub> 296191 STREET

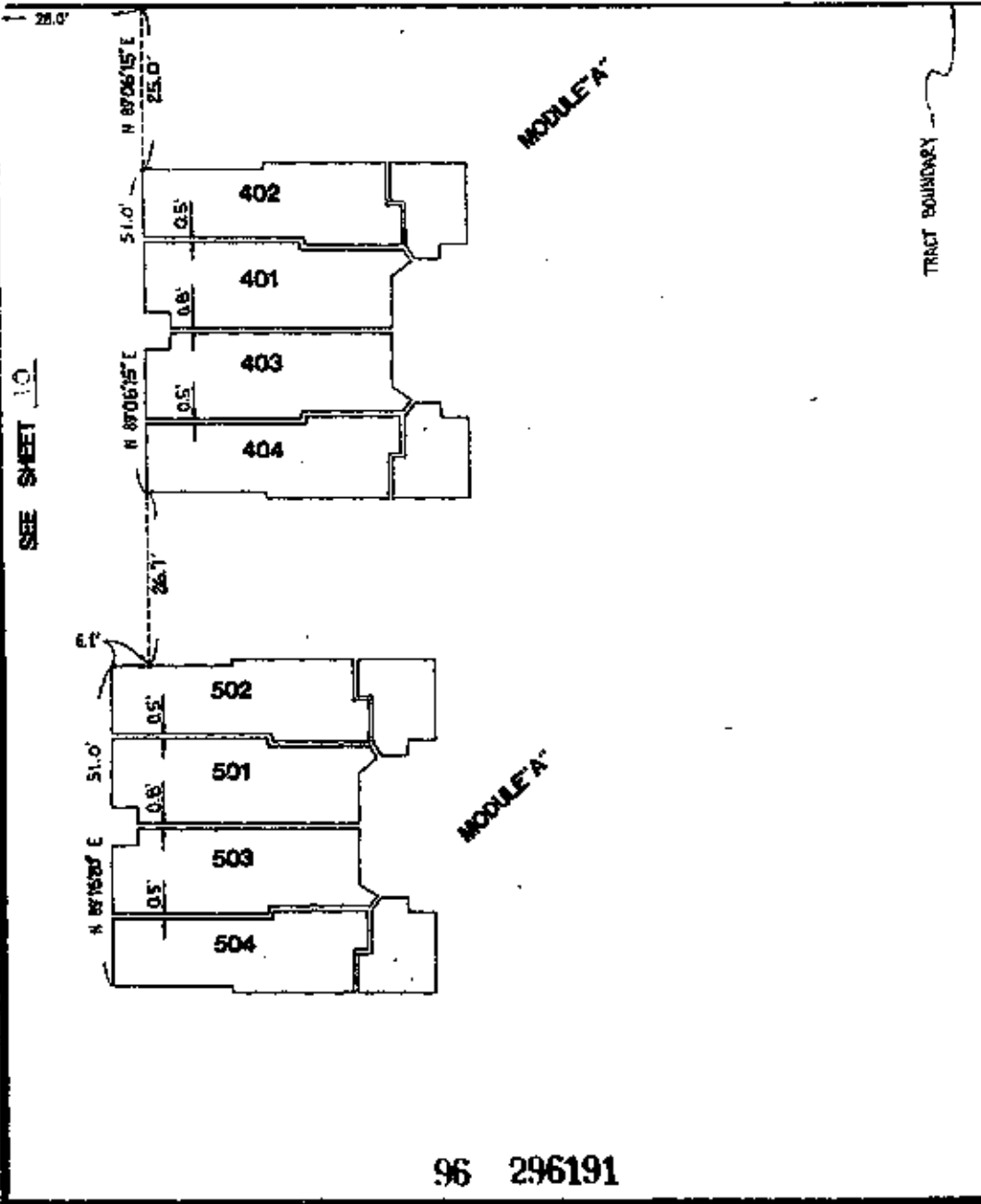


# CONDOMINIUM PLAN TRACT NO. 50779 GARAGE LEVEL



N 0730'21" W

590.66'

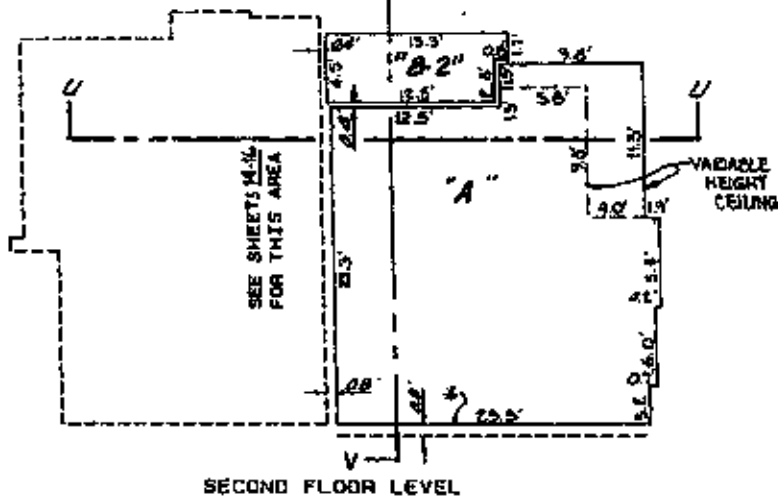
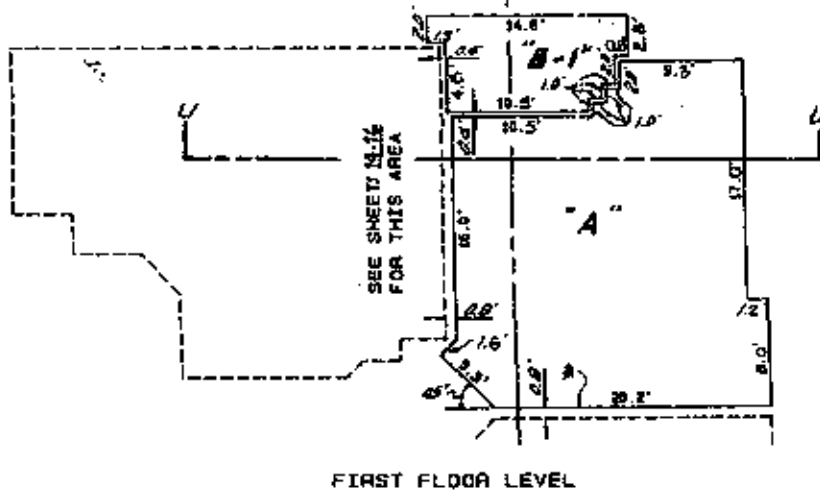
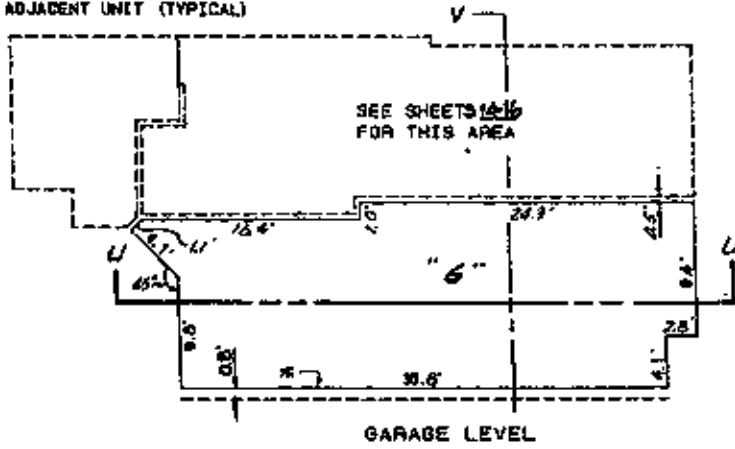


96 296191

DIAGRAMMATIC FLOOR PLAN

NOTE:

- 1. TYPICAL PLAN FOR UNITS: 203, 403, 503
- 2. TYPICAL PLAN REVERSED FOR UNITS: 201, 401, 501
- 3. SEE SHEET 13 FOR SECTION VIEWS.
- 4. \* = COMMON WALL WITH ABOVE OR BELOW.
- 5. --- = ADJACENT UNIT (TYPICAL)

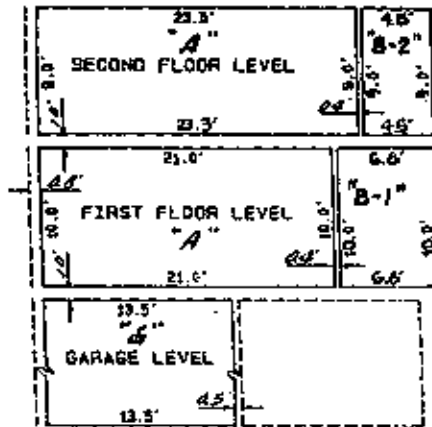


96 296191

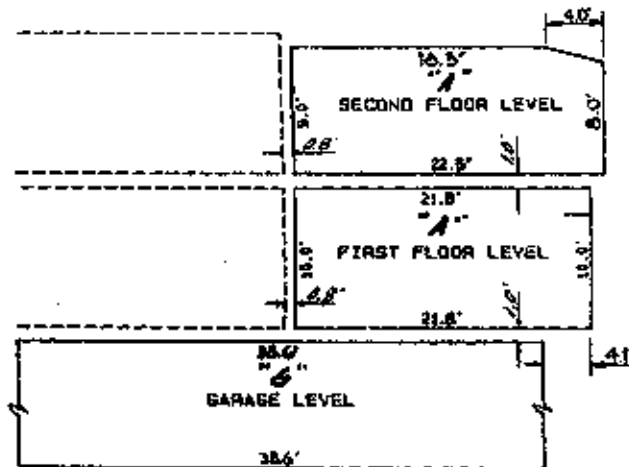
### SECTION VIEWS

NOTE:

1. SEE SHEET 12 FOR PLAN VIEWS
2. SECTION VIEWS DO NOT REFLECT ANY LOWERED CEILINGS THAT MAY OCCUR WITHIN UNITS.
3. SEE SCHEDULE OF VERTICAL ELEVATIONS FOR GARAGE HEIGHT.
4. --- = ADJACENT UNIT (TYPICAL).



SECTION V-V



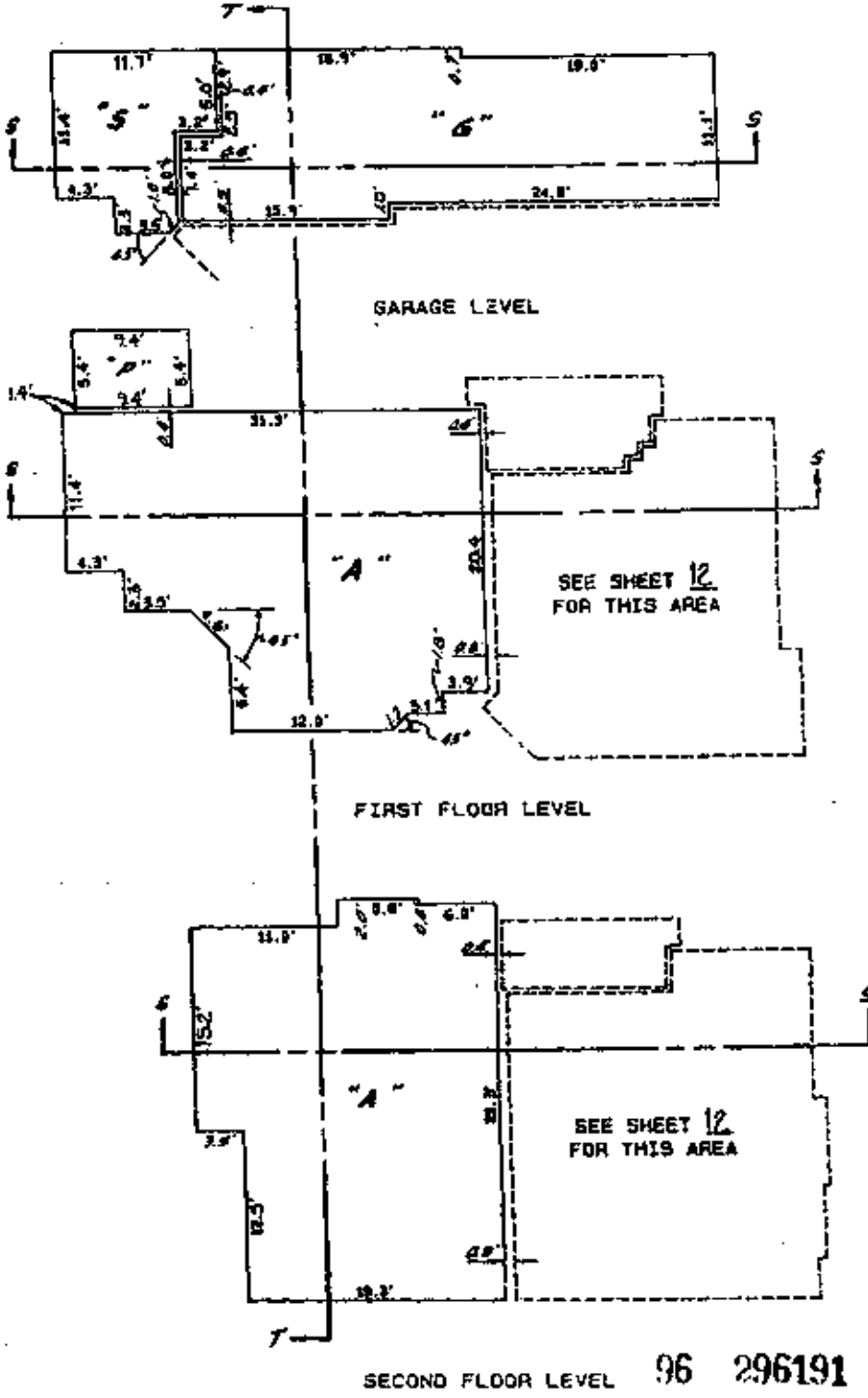
SECTION U-U

96 296191

DIAGRAMMATIC FLOOR PLAN

NOTE:

- 1. TYPICAL PLAN FOR UNITS: 204, 404.
- 2. TYPICAL PLAN REVERSED FOR UNITS: 502.
- 3. SEE SHEET 11 FOR SECTION VIEWS.
- 4. # = COMMON HALL WITH ABOVE OR BELOW.
- 5. --- = ADJACENT UNIT (TYPICAL)



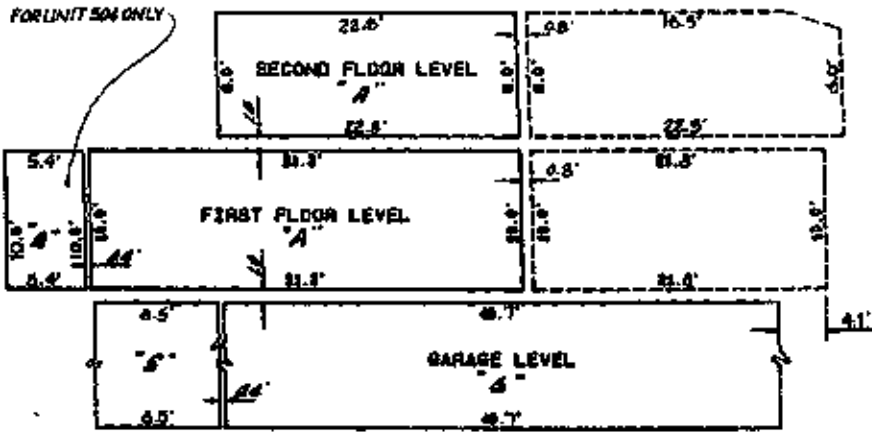
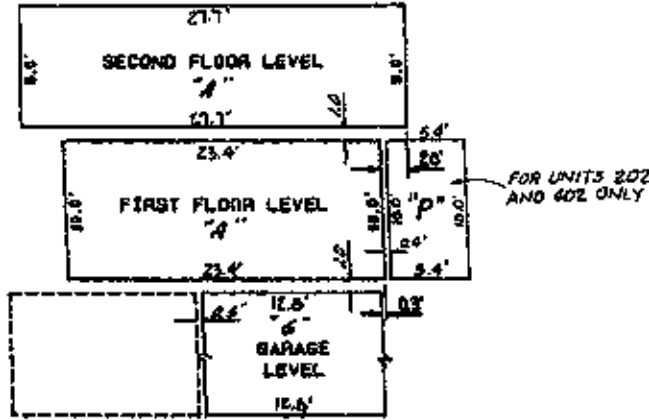




SECTION VIEWS

NOTE:

- 1. SEE SHEETS 14 THRU 16 FOR PLAN VIEWS
- 2. SECTION VIEWS DO NOT REFLECT ANY LOWERED CEILINGS THAT MAY OCCUR WITHIN UNITS.
- 3. SEE SCHEDULE OF VERTICAL ELEVATIONS FOR GARAGE HEIGHT.
- 4. --- = ADJACENT UNIT (TYPICAL).

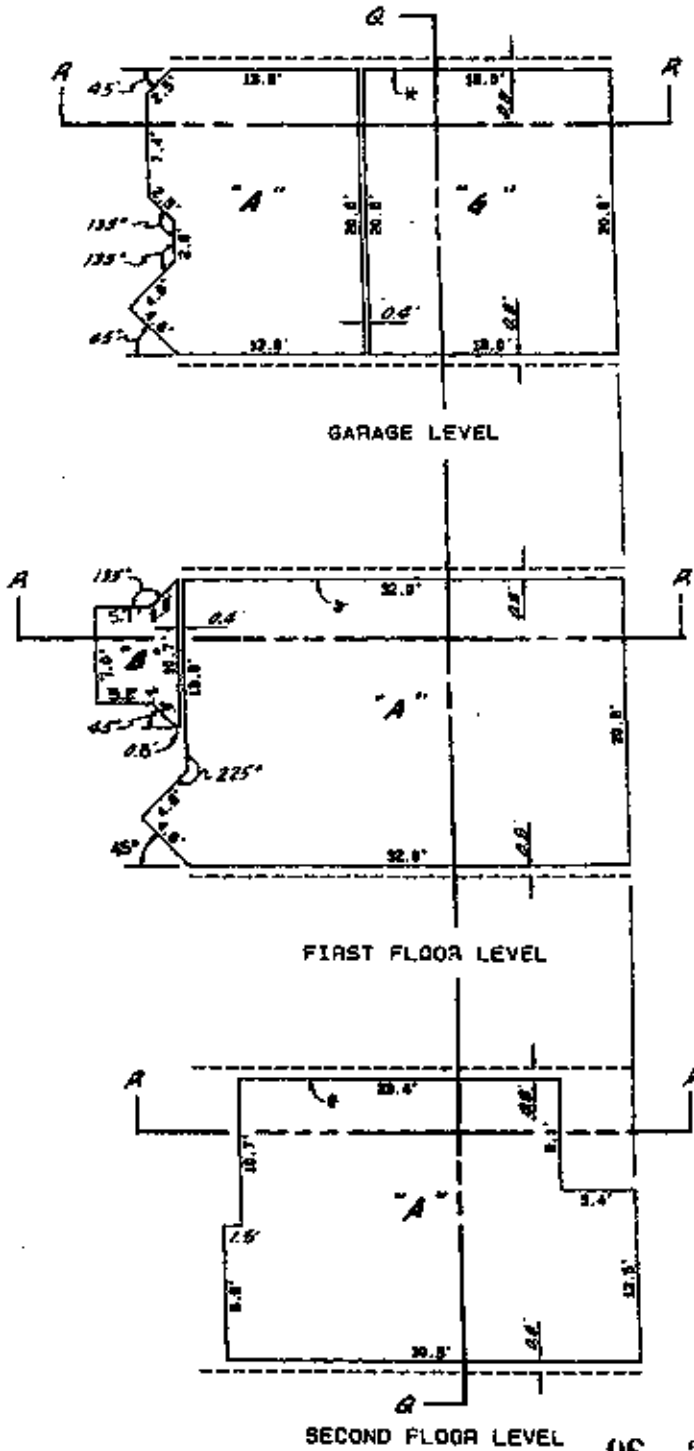


96 296191

### DIAGRAMMATIC FLOOR PLAN

NOTE:

1. TYPICAL PLAN FOR UNITS: 303.
2. TYPICAL PLAN REVERSED FOR UNITS: 302, 304, 305.
3. SEE SHEET 19 FOR SECTION VIEWS.
4. A - COMMON WALL WITH ABOVE OR BELOW.
5. --- - ADJACENT UNIT (TYPICAL)



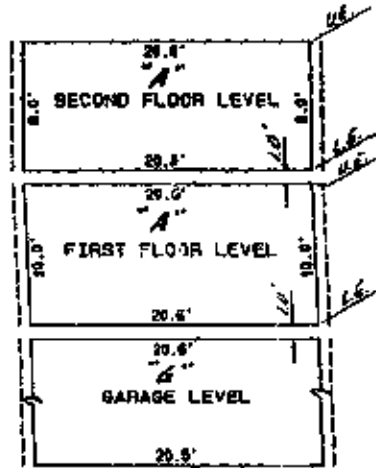
96 296191



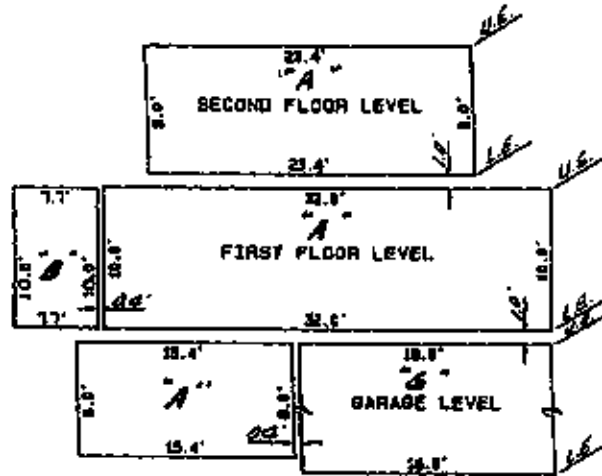
SECTION VIEWS

NOTE:

- 1. SEE SHEET 18 FOR PLAN VIEWS
- 2. SECTION VIEWS DO NOT REFLECT ANY LOWERED CEILINGS THAT MAY OCCUR WITHIN UNITS.
- 3. SEE SCHEDULE OF VERTICAL ELEVATIONS FOR GARAGE HEIGHT.
- 4. --- = ADJACENT UNIT (TYPICAL).



SECTION Q-Q



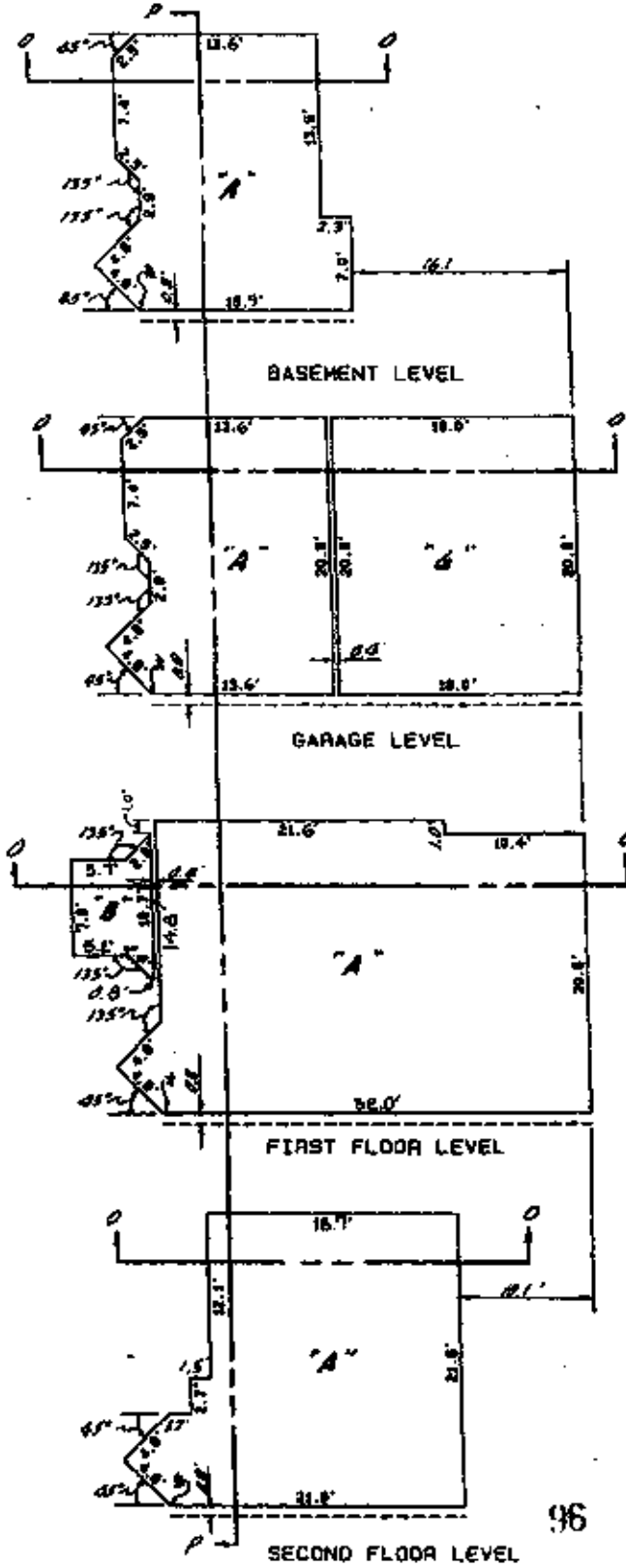
SECTION R-R

96 296191

### DIAGRAMMATIC FLOOR PLAN

NOTE:

- 1. TYPICAL PLAN FOR UNITS: 301.
- 2. TYPICAL PLAN REVERSED FOR UNITS:
- 3. SEE SHEET 21 FOR SECTION VIEWS.
- 4. ■ = COMMON OWNER WITH ABOVE OR BELOW.
- 5. --- = ADJACENT UNIT (TYPICAL)

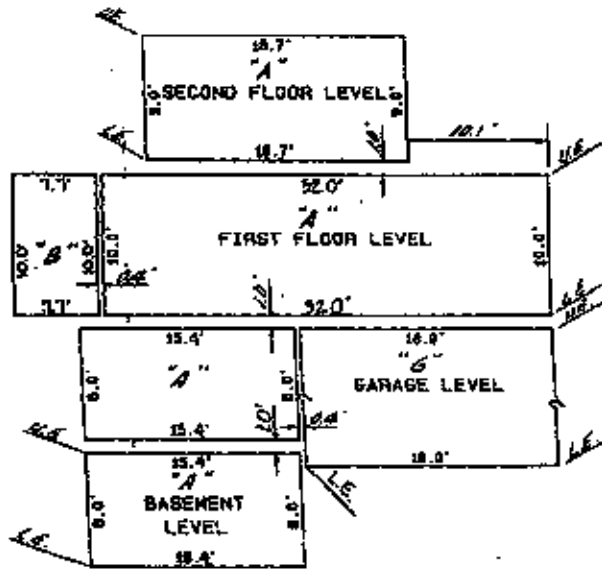


96 296191

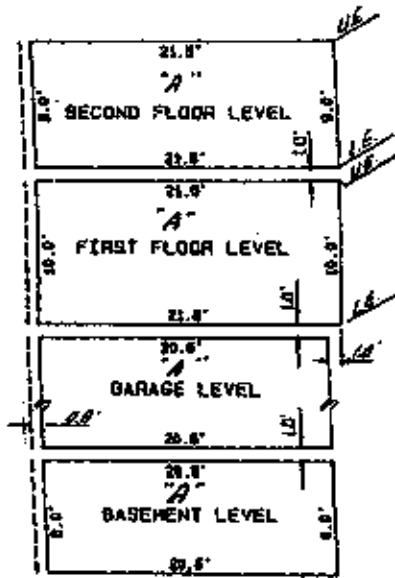
SECTION VIEWS

NOTE:

1. SEE SHEET 20 FOR PLAN VIEWS
2. SECTION VIEWS DO NOT REFLECT ANY LOWERED CEILINGS THAT MAY OCCUR WITHIN UNITS.
3. SEE SCHEDULE OF VERTICAL ELEVATIONS FOR GARAGE HEIGHT.
4. --- = ADJACENT UNIT (TYPICAL)



SECTION O-O



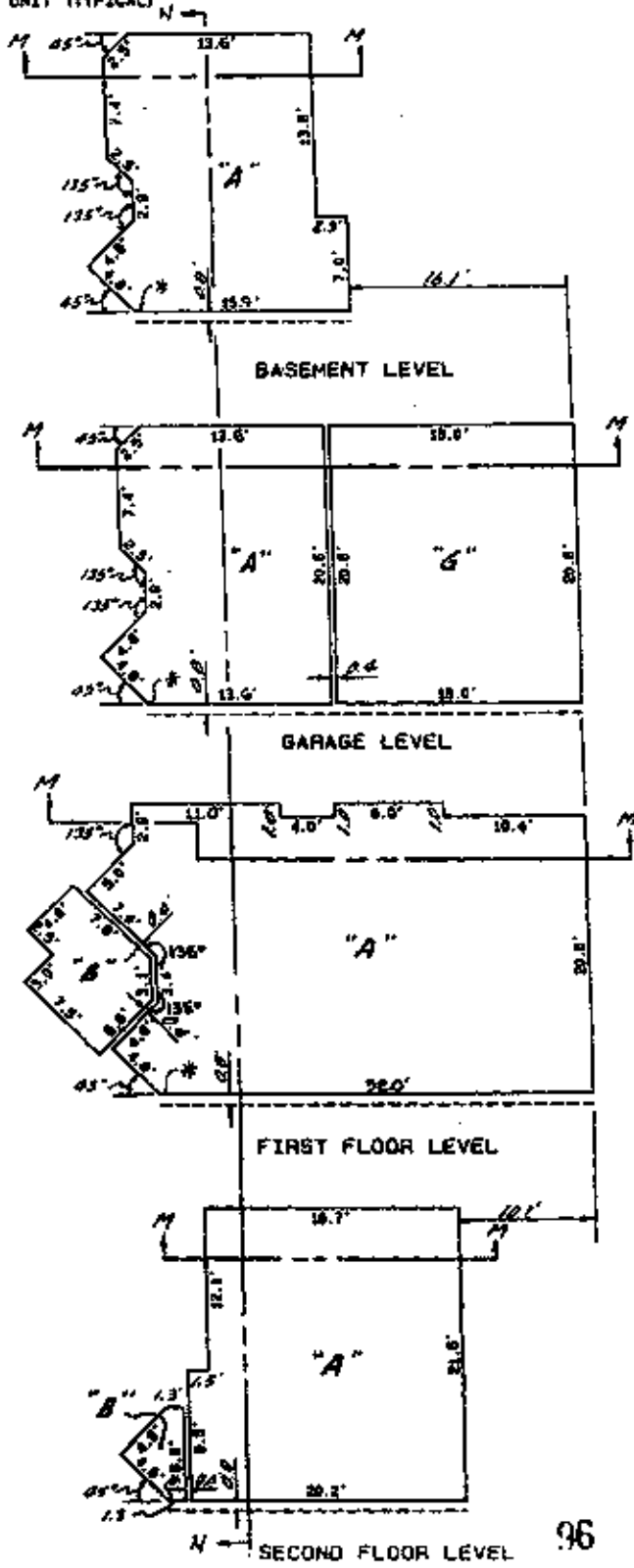
SECTION P-P

96 296191

DIAGRAMMATIC FLOOR PLAN

NOTE:

- 1. TYPICAL PLAN FOR UNITS: 101.
- 2. TYPICAL PLAN REVERSED FOR UNITS: 102.
- 3. SEE SHEET 23 FOR SECTION VIEWS.
- 4. \* = COMMON CORNER WITH ABOVE OR BELOW.
- 5. --- = ADJACENT UNIT (TYPICAL)

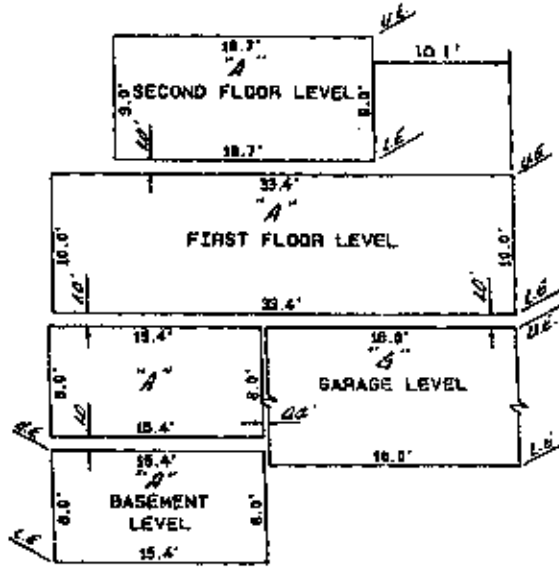


96 296191

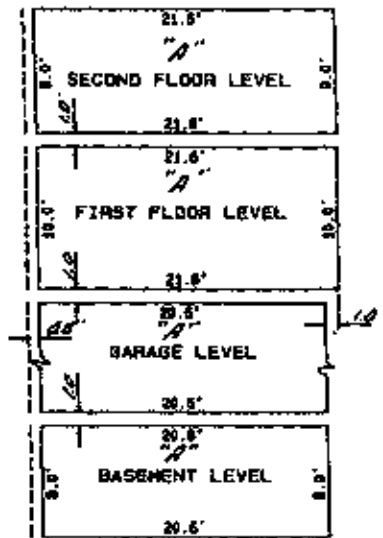
SECTION VIEWS

NOTE:

1. SEE SHEET 22 FOR PLAN VIEWS
2. SECTION VIEWS DO NOT REFLECT ANY LOWERED CEILINGS THAT MAY OCCUR WITHIN UNITS.
3. SEE SCHEDULE OF VERTICAL ELEVATIONS FOR GARAGE HEIGHT.
4. --- = ADJACENT UNIT (TYPICAL).



SECTION M-M



SECTION N-N

96 296191

SCHEDULE OF VERTICAL ELEVATION

Sheet 24 of 24 Sheets

NOTE:  
 1. LE = Lower Elevation  
 2. NA = Not Applicable

3. UE = Upper Elevation  
 4. All elevations are to finished surface

UNIT #	BLDG TYPE	BASEMENT LEVEL		GARAGE LEVEL		1ST FLOOR LEVEL		2ND FLOOR LEVEL	
		LE	UE	LE	UE	LE	UE	LE	UE
101	OFFICE	383.7	391.7	391.0	400.7	401.7	411.7	412.7	421.7
102	OFFICE	383.7	391.7	391.5	400.7	401.7	411.7	412.7	421.7
201	OFFICE	NA	NA	391.0	400.2	401.2	411.2	412.2	421.2
202	OFFICE	NA	NA	390.8	400.2	401.2	411.2	412.2	421.2
203	OFFICE	NA	NA	391.4	400.2	401.2	411.2	412.2	421.2
204	OFFICE	NA	NA	392.0	400.2	401.2	411.2	412.2	421.2
301	OFFICE	400.5	408.5	406.8	417.5	418.5	428.5	429.5	438.5
302	OFFICE	NA	NA	408.2	418.4	420.4	430.4	431.4	440.4
303	OFFICE	NA	NA	410.4	418.4	420.4	430.4	431.4	440.4
304	OFFICE	NA	NA	411.5	417.2	418.2	428.2	429.2	438.2
305	OFFICE	NA	NA	407.4	417.2	418.2	428.2	429.2	438.2
401	OFFICE	NA	NA	408.8	417.2	418.2	428.2	429.2	438.2
402	OFFICE	NA	NA	408.8	417.2	418.2	428.2	429.2	438.2
403	OFFICE	NA	NA	408.8	417.2	418.2	428.2	429.2	438.2
404	OFFICE	NA	NA	411.1	421.1	422.1	432.1	433.1	442.1
501	OFFICE	NA	NA	410.5	421.1	422.1	432.1	433.1	442.1
502	OFFICE	NA	NA	412.1	421.1	422.1	432.1	433.1	442.1
503	OFFICE	NA	NA	412.8	421.1	422.1	432.1	433.1	442.1
504	OFFICE	NA	NA						

#12

RECORDED AT THE REQUEST OF  
NORTH AMERICAN TITLE  
12-80202-03  
MAIL TO:

93 2370006

TELECO AFFORDABLE HOUSING TABLE OF CONTENTS  
5400 E. OLYMPIC BLVD., #300  
LOS ANGELES, CA 90022  
ATTN: JANE BRUNHELMKAMP

FOR

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
AND RESERVATION OF EASEMENTS FOR  
CITY VIEW TERRACE CONDOMINIUM HOMEOWNERS' ASSOCIATION

10	Definitions	
1.1	Annexable Territory	2
1.1	Architectural Committee	2
1.2	Articles	2
1.3	Assessment, Annual	3
1.4	Assessment, Capital Improvements	3
1.5	Assessment, Reconstruction	3
1.6	Assessment, Special	3
1.7	Association	3
1.8	Association Maintenance Funds	3
1.9	Association Property	3
1.10	Beneficiary	4
1.11	Board or Board of Directors	4
1.12	Budget	4
1.13	Bylaws	4
1.14	City	4
1.15	Close of Escrow	4
1.16	Common Area	4
1.17	Common Expenses	4
1.18	Common Property	5
1.19	Condominium	5
1.20	Condominium Building	5
1.21	Condominium Plan	5
1.22	Declarant	6
1.23	Declaration	6
1.24	Deed of Trust	6
1.25	DRE	6
1.26	Exclusive Use Area	6
1.27	Family	6
1.28	PHLMC	6
1.29	Fiscal Year	6
1.30	FNMA	6
1.31	GNMA	6

DEC 03 1993

132	HCD	6
133	Improvements	7
134	Manager	7
135	Member, Membership	7
136	Module	7
137	Mortgage	7
138	Mortgagee, Mortgagor	7
139	Notice and Hearing	7
140	Notice of Addition	7
141	Owner	7
142	Person	8
143	Phase I	8
144	Phase I Plan	8
145	Phase of Development	8
146	Project	8
147	Property	8
148	Record, File, Recordation	8
149	Residence	8
150	Restrictions	8
151	Rules and Regulations	8
152	Separate Interest or Unit	8
153	VA	9
20	City View Terrace Condominium Homeowners' Association	9
21	Organization of Association	8
22	Duties and Powers	9
23	Membership	9
24	Transfer	10
25	Classes of Membership	10
26	Voting Rights	11
27	Repair and Maintenance by the Association	12
28	Unsegregated Real Property Taxes	13
29	Repair and Maintenance by Owners	13
210	Use of Agent	14
30	Rights in Common Property	14
31	Association Easement	14
32	Partition	14
33	Members' Easements in Common Property	15
34	Extent of Members' Easements	15



3.5	Delegation of Use	16
3.6	Waiver of Use	16
3.7	Damage by Member	16
4.0	Architectural Review Committee	16
4.1	Members of Committee	16
4.2	Review of Plans and Specifications	17
4.3	Meetings of the Committee	18
4.4	No Waiver of Future Approvals	18
4.5	Compensation of Members	18
4.6	Inspection of Work	18
4.7	Scope of Review	19
4.8	Variances	19
4.9	Appeals	20
5.0	Maintenance Funds and Assessments	20
5.1	Personal Obligation of Assessments	20
5.2	Maintenance Funds of Association	20
5.3	Purpose of Assessments	21
5.4	Limitations on Annual Assessment Increases	21
5.5	Annual Assessments/Commencement-Collection	23
5.6	Capital Improvement Assessments	24
5.7	Delinquency	25
5.8	Creation and Release of Lien	25
5.9	Enforcement of Liens	26
5.10	Priority of Assessment Lien	27
6.0	Project Easements and Rights of Entry	27
6.1	Easements	27
6.2	Rights of Entry	28
7.0	Declarant's Rights and Reservations	29
7.1	Obligation to Refrain from Discrimination	30
8.0	Residence and Use Restrictions	30
8.1	Single Family Residences	31
8.2	Parking and Vehicular Restrictions	31
8.3	Nuisances	31
8.4	Signs	32

8 5	Antennae	32
8 6	Inside and Outside Installations	32
8 7	Animal Regulations	33
8 8	Business or Commercial Activity	34
8 9	Trash	34
8 10	Further Subdivision	34
8 11	Drainage	35
8 12	Water Supply System	35
8 13	View Obstructions	35
8 14	Rights of Handicapped	35
8 15	No Hazardous Activities	36
8 16	No Mining or Drilling	36
9 0	Insurance	36
9 1	Duty to Obtain Insurance Types	36
9 2	Waiver of Claims Against Association	37
9 3	Right and Duty of Owners to Insure	38
9 4	Notice of Expiration Requirements	38
9 5	Insurance Premiums	38
9 6	Trustee for Policies	39
9 7	Actions as Trustee	39
9 8	Annual Insurance Review	39
9 9	Required Waiver	39
10 0	Destruction of Improvements	40
10 1	Restoration of the Property	40
10 2	Sale of Property and Right to Partition	41
10 3	Interior Damage	42
10 4	Notice to owners and listed Mortgagees	42
11 0	Eminent Domain	42
11 1	Project Condemnation	43
11 2	Condemnation of Common Property	43
11 3	Condemnation of Exclusive Use Area	43
11 4	Condemnation of Condominiums	43
11 5	Condemnation of Portions of Units	43
11 6	Portions of Awards in Condemnation Not Compensatory for Value of Real Property	44
11 7	Notice to Owners and Mortgagees	45
12 0	Rights of Mortgagees	45

13 0 Duration and Amendment	48
13 1 Duration	48
13 2 Amendment	48
13 3 Protection of Declarant	51
14 0 Enforcement of Certain Bonded Obligations	51
14 1 Consideration by Board of Directors	51
14 2 Consideration by the Members	51
15 0 General Provisions	52
15 1 Legal Proceedings	52
15 2 Violation of Restrictions	52
15 3 Severability	52
15 4 Interpretation	53
15 5 Mergers or Consolidations	53
15 6 Use of Recreational Facilities	53
15 7 No Public Right or Dedication	53
15 8 No Representations or Warranties	53
15 9 Nonliability and Indemnification	55
15 10 Notices	55
15 11 Priorities and Inconsistencies	56
15 12 Entry Gate Disclosure	56
15 13 Approval by FHA or VA	56
15 14 Constructive Notice and Acceptance	56
16 0 Annexation of Additional Property	56
16 1 Additions by Declarant	56
16 2 Other additions	57
16 3 Rights and Obligations-Added Territory	57
16 4 Notice of Addition of Territory	57
16 5 Dcannexation and Amendment	58
16 6 Power of Attorney	58

93 2370006

DEC 03 1993

SUBORDINATION

EXHIBIT "A" -DRAWING/UNITS DEPICTION INCREMENT

EXHIBIT "B" -PRORATED ASSESSMENTS

VI

93 2370006

DEC 03 1993

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

NORTH AMERICAN TITLE COMPANY

Customer Service  
Ventura County  
(805) 241-9916

CITY VIEW TE

ATION

THIS DECLARATION ("Declarant")

*Please complete for Mrs. I only*

1 partnership



A Declarant is the owner of certain real property located in the City of Los Angeles, County of Los Angeles, State of California, described as follows

Modules A and B as shown on the Condominium Plan recorded on 11/23/93, 1993, as Instrument No. \_\_\_\_\_ in Official Records of Los Angeles County, California, located on Lot 1 of Tract No. 50779, as shown on a Subdivision Map Filed in Book 1202 at Pages 3 to 5, inclusive, of Maps, in the Office of the Los Angeles County Recorder

93 2370006

DEC 03 1993

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
 AND RESERVATION OF EASEMENTS  
 FOR  
 CITY VIEW TERRACE CONDOMINIUM HOMEOWNERS' ASSOCIATION

THIS DECLARATION is made by City View Terraces, a California limited partnership ("Declarant")

P R E A M B L E

A Declarant is the owner of certain real property located in the City of Los Angeles, County of Los Angeles, State of California, described as follows:

Modules A and B as shown on the Condominium Plan recorded on 2/1/93 1993, as Instrument No. \_\_\_\_\_ in Official Records of Los Angeles County, California, located on Lot 1 of Tract No. 50779, as shown on a Subdivision Map Filed in Book. 1202 at Pages 3 to 4, inclusive, of Maps, in the Office of the Los Angeles County Recorder

1

93 2370006

DEC 03 1993

B. It is the desire and intention of Declarant to create a "condominium project," as defined in Section 1351(f) of the California Civil Code, to subdivide the Property (as hereinafter defined) as authorized by Section 66427 of the California Government Code into "condominiums" as defined in Section 783 of the California Civil Code, and to impose mutually beneficial restrictions under a general plan of improvement for the benefit of all the condominiums created pursuant to the Davis-Stirling Common Interest Development Act

C Declarant hereby declares that all the Property is to be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the limitations, restrictions, reservations, rights, easements, conditions and covenants contained in this Declaration, all of which are declared and agreed to be in furtherance of a plan for the protection, subdivision, maintenance, improvement and sale of the Property for the purpose of enhancing the value, desirability and attractiveness of the Property. All provisions of this Declaration, including without limitation the easements, uses, obligations, covenants, conditions and restrictions hereof, are hereby imposed as equitable servitudes upon the Property. All of the limitations, restrictions, reservations, rights, easements, conditions and covenants herein shall run with and burden the Property and shall be binding on and for the benefit of all of the Property and all Persons having or acquiring any right, title or interest in the Property, or any part thereof, and their successive owners and assigns

D Declarant, its successors, assigns and grantees, covenant and agree that the undivided interest in the Common Area, the membership in the Association, any easements conveyed therewith and the fee title to each respective Unit conveyed therewith shall not be separated or separately conveyed, and each such undivided interest, membership and easement 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 Unit, provided, however, that this restriction upon the severability of the component interests of the Condominiums shall not extend beyond the period for which the right to partition the Property is suspended in accordance with Section 1359 of the California Civil Code and the provisions of Article X hereof. Any conveyance by an Owner of a Condominium, or any portion thereof, shall be presumed to convey the entire Condominium, together with a membership in the Association.

E This Declaration has been Recorded in accordance with the provisions of Section 11018 5(a)(2)(D) of the California Business and Professions Code and the regulations and policies of the DRE implementing the authority thereunder for the phasing of condominium projects.

#### ARTICLE I

1 Definitions Unless otherwise expressly provided, the following words and phrases when used in this Declaration shall have the following specified meanings

2

93 2370006

DEC 03 1993

1.1 Annexable Territory. Annexable Territory shall mean the real property described in Exhibit "A" attached hereto and incorporated herein by this reference, all or any portion of which may from time to time be made subject to this Declaration pursuant to Article XVI hereof, provided that the maximum number of Units that may be added to the Project pursuant to said Article XVI shall be one hundred and six (106).

1.2 Architectural Committee or Committee. Architectural Committee or Committee shall mean the Architectural Review Committee created pursuant to Article IV hereof.

1.3 Articles. Article shall mean the Articles of Incorporation of the Association, filed or to be filed in the Office of the Secretary of State of the State of California as such Articles may be amended from time to time.

1.4 Assessment, Annual. Annual Assessment shall mean a charge against a particular Owner and his Condominium, representing a portion of the Common Expenses which are to be levied among all of the Owners and their Condominiums in the Project in the manner and proportions provided herein.

1.5 Assessment, Capital Improvement. Capital Improvement Assessment shall mean a charge which the Board may from time to time levy against each Owner and his Condominium, representing a portion of the cost to the Association for installation or construction of any capital improvements on any of the Common Property. Such charge shall be levied among all the Owners and their Condominiums in the Project in the same proportion as are Annual Assessments.

1.6 Assessment, Reconstruction. Reconstruction Assessment shall mean a charge which the Board may from time to time levy against a particular Owner and his Condominium, representing a portion of the cost to the Association for reconstruction of any Improvements on any of the Common Property. Reconstruction Assessments shall be levied among all of the Owners and their Condominiums in the Project in the same proportions as the relative interior square foot floor areas of the residential elements of the Units (as such areas are depicted in the Condominium Plan), expressed as percentages, and computed by dividing the interior square foot floor area of the residential element of each Unit by the total interior square foot floor areas of the residential elements of all Units in the Project.

1.7 Assessment, Special. Special Assessment shall mean a charge against a particular Owner, directly attributable to, or reimbursable by, the Owner, equal to the cost incurred by the Association for corrective action performed pursuant to the provisions of this Declaration, or a reasonable fine or penalty assessed by the Board, plus interest and other charges on such Special Assessments as provided for in this Declaration. Special Assessments shall not include any late payment penalties, interest charges or costs (including attorneys' fees) incurred by the Association in the collection of Annual, Capital Improvement and Reconstruction Assessments.

93 2370006

DEC 03 1993



18 Association Association shall mean City View Terrace Condominium Homeowners' Association, a California nonprofit corporation formed pursuant to the Nonprofit Mutual Benefit Corporation Law of the state of California, its successors and assigns. The Association is an "association" as defined in Section 1351 (a) of the California Civil Code.

19 Association Maintenance Funds Association Maintenance Funds shall mean the accounts created for receipts and disbursements of the Association, pursuant to Article V hereof.

110 Association Property Association Property shall mean all of the real and personal property and improvements in which the Association shall hold fee title for the common use and enjoyment of the Members as provided herein. The Association Property located in Phase I shall include Module A as shown on the Phase I Plan excluding all Condominium Units. Additional Association Property may be annexed to the Property pursuant to the provisions of Article XVI hereof.

111 Beneficiary Beneficiary shall mean a Mortgagee under a Mortgage or a Beneficiary under a Deed of Trust, as the case may be, and the assignees of such Mortgage or Beneficiary.

112 Board or Board of Directors Board of Directors or Board shall mean the Board of Directors of the Association.

113 Budget Budget shall mean a written, itemized estimate of the income and Common Expenses of the Association in performing its functions under this Declaration, which Budget shall be prepared pursuant to the Bylaws.

114 Bylaws Bylaws shall mean the Bylaws of the Association as adopted by the Board as such Bylaws may be amended from time to time.

115 City City shall mean the incorporated municipal City of Los Angeles, in the County of Los Angeles, State of California, and its various departments, divisions, employees and representatives.

116 Close of Escrow Close of Escrow shall mean the date on which a deed is Recorded conveying a Condominium pursuant to a transaction requiring the issuance of a Final Subdivision Public Report by the DRE.

117 Common Area Common Area shall mean the entire Property, defined and described as Module B in the recorded condominium plan for this project, except the Separate Interests therein and the Association Property.

118 Common Expenses Common Expenses shall mean those expenses for which the Association is responsible under this Declaration, including the actual and estimated costs of maintenance, management, operation, repair and replacement of the Common Property, unpaid

93 2370006

DEC 03 1993

Special Assessments, Reconstruction Assessments and Capital Improvement Assessments, the cost of maintenance of the recreational facilities on the Common Area, the costs of any and all utilities metered to more than one Unit and other commonly metered charges for the Property, the costs of maintenance of clustered mailboxes and address identification signs, costs of management and administration of the Association including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and other employees, the costs of all gardening, security, and other services benefiting the Common Property, the costs of fire, casualty and liability insurance, workers' compensation insurance, errors and omissions and director, officer and agent liability insurance, and other insurance covering the Property and the directors, officers and agents of the Association, the costs of bonding of the members of the Board, taxes paid by the Association, including any blanket tax assessed against the Property, amounts paid by the Association for discharge of any lien or encumbrance levied against the Property, or portions thereof, and the costs of any other item or items incurred by the Association, for any reason whatsoever in connection with the Property, for the common benefit of the Owners.

1 19 Common Property Common Property shall mean the Common Area and the Association Property.

1 20 Condominium Condominium shall mean an estate in real property as defined in California Civil Code Section 1351(f), and shall consist of an undivided fee simple ownership interest in the Common Area in a Phase of Development, together with a separate ownership interest in fee in a Unit and all easements appurtenant thereto. Subject to the provisions of Section 115 hereof, the undivided fee simple interest in the Common Area in a Phase of Development shall be appurtenant to each Unit in such Phase of Development, and shall be a fraction having one (1) as its numerator and the number of Units, in that Phase of Development as its denominator, and shall be held by the Owners of Condominiums in that Phase of Development as tenants in common.

1 21 Condominium Building Condominium Building shall mean any building or structure located in the Project which contains a Unit or Units.

1 22 Condominium Plan Condominium Plan shall mean the Recorded plan, as amended from time to time, for all or a portion of a Phase of Development, consisting of (1) a description or survey map of the Phase of Development or portion thereof, which shall refer to or show monumentation on the ground, (2) a three-dimensional description of the Phase of Development or portion thereof, one or more dimensions of which may extend for an indefinite distance upwards or downwards in sufficient detail to identify the Common area, each Separate Interest and the Association Property, (3) a description or survey of Annexable Territory, and (4) a certificate consenting to the Recordation thereof signed and acknowledged by the record owner of fee title to the Phase of Development or portion thereof, and by either the trustee or the Beneficiary of each Recorded Deed of Trust, and the Mortgagee of each recorded Mortgage encumbering the Phase of Development or portion thereof.

5

93 2370006

DEC 03 1993

1.23. Declarant Declarant shall mean City View Terraces, its successors, and any person or entity to which it shall have assigned any of its rights hereunder by an express written assignment.

1.24. Declaration Declaration shall mean the within Declaration of Covenants, Conditions and Restrictions and Reservation of Easements, as it may be amended from time to time.

1.25. Deed of Trust Deed of Trust shall mean a Mortgage as further defined herein.

1.26. DRE DRE shall mean the California Department of Real Estate and any successors thereto.

1.27. Exclusive Use Area Exclusive Use Area shall mean those portions of the Common Property over which exclusive easements are reserved for the benefit of certain Owners including without limitation for Balconies, Decks, Patios and internal and external telephone wiring designed to serve a single Unit but located outside the boundaries of that Unit, in accordance with California Civil Code Section 1351(i).

1.28. Family Family shall mean one or more natural Persons each related to the other by blood, marriage or adoption, or one or more natural Persons not all so related, but who maintain a common household in a Residence.

1.29. FHLMC FHLMC shall mean the Federal Home Loan Mortgage Corporation (also known as The Mortgage Corporation) created by Title II of the Emergency Home Finance Act of 1970, and any successors to such corporation.

1.30. Fiscal Year Fiscal Year shall mean the fiscal accounting and reporting period of the Association selected by the Board from time to time.

1.31. FNMA FNMA shall mean the Federal National Mortgage Association, a government-sponsored private corporation established pursuant to Title VIII of the Housing and Urban Development Act of 1968, and any successors to such corporation.

1.32. GNMA GNMA shall mean the Government National Mortgage Association administered by the United States Department of Housing and Urban Development, and any successor to such association.

1.33. HCD HCD shall mean the State of California Department of Housing and Community Development.

1.34. Improvements Improvements shall mean all structures and appurtenances thereto of every type and kind, including but not limited to, buildings, walkways, sprinkler pipes,

93 2370006

DEC 03 1993

swimming pool, spa, roads, driveways, parking areas, fences, screening walls, awnings, block walls, retaining walls, awnings, stairs, decks, landscaping, hedges, windbreaks, the exterior surfaces of any visible structure and the paint on such surfaces, planted trees and shrubs, poles, signs, exterior air conditioning and water softener fixtures or equipment

1 35 Manager Manager shall mean the Person employed by the Association pursuant to and limited by the provisions of this Declaration, and delegated the duties, power or functions of the Association as limited by this Declaration, the Bylaws and the terms of the agreement between the Association and said Person

1 36 Member, Membership Member shall mean every Person holding a membership in the Association, pursuant to the provisions of this Declaration. Membership shall mean the property, voting and other rights and privileges of Members as provided herein, together with the correlative duties and obligations contained in the Restrictions

1 37 Module Module shall mean a three-dimensional airspace envelope shown and designated on the Plan as a "Module". A Module may include Condominium Units but the Condominium Units shall not in and of themselves constitute a Module

1 38 Mortgage Mortgage shall mean any Recorded mortgage or deed of trust or other conveyance of one or more Condominiums or other portion of the Property to secure the performance of an obligation, which conveyance will be reconveyed upon the completion of such performance

1 39 Mortgagee, Mortgage Mortgagee shall mean a Person to whom a Mortgage is made and shall include the beneficiary of a Deed of Trust. "Mortgagor" shall mean a Person who mortgages his or its property to another (i.e., the maker of a Mortgage), and shall include the Trustor of a Deed of Trust. The term "Trustor" shall be synonymous with the term "Mortgagor" and the term "Beneficiary" shall be synonymous with the term "Mortgagee"

1 40 Notice and Hearing Notice and Hearing shall mean written notice and a hearing before the Board, at which the Owner concerned shall have an opportunity to be heard in person, or by counsel at the Owner's expense, in the manner further provided in the Bylaws

1 41 Notice of Addition Notice of Addition shall mean an instrument Recorded pursuant to Article XVI hereof to annex all or any portion of the Annexable Territory to the Property

1 42 Owner Owner shall mean the record owner, whether one or more Persons, of a fee simple interest in a Condominium, including Declarant with respect to each Condominium owned by Declarant. The term "Owner" shall include a seller under an executory contract of sale but shall exclude Mortgagees

1.43 Person Person shall mean a natural individual, a corporation or any other entity with the legal right to hold title to real property.

1.44 Phase I Phase I shall mean all of the real property described in Paragraph A of the Preamble of this Declaration.

1.45 Phase I Plan Phase I Plan shall mean the Condominium Plan referred to in Paragraph A of the Preamble of this Declaration.

1.46 Phase of Development Phase of Development or Phase shall mean each of the following: (a) Phase I and (b) all the real property covered by a Notice of Addition Recorded pursuant to Article XVI hereof for which Final Subdivision Public Report has been issued by the DRE, unless otherwise defined in such Notice of Addition.

1.47 Project Project shall mean that portion of the Property which is, from time to time, divided into Condominiums, including the Common Area and the Units therein. The Project is a "condominium project" as defined in Section 1351(f) of the California Civil Code.

1.48 Property Property shall mean (a) Phase I, and (b) each Phase of Development, described in a Notice of Addition. The Property is a "common interest development" as defined in Section 1351(e) of the California Civil Code.

1.49 Record, File, Recordation Record, File, or Recordation shall mean, with respect to any document, the recordation or filing of such document in the Office of the Los Angeles County Recorder.

1.50 Residence Residence shall mean the residential dwelling portion of a Unit, intended for use by a single family, together with any Exclusive Use Common Area reserved for the benefit of such Unit.

1.51 Restrictions Restrictions shall mean this Declaration, the Articles, Bylaws and the Rules and Regulations of the Association from time to time in effect.

1.52 Rules and Regulations Rules and Regulations shall mean the rules and regulations adopted by the Board pursuant to this Declaration or Bylaws, as such rules and regulations may be amended from time to time.

1.53 Separate Interest or Unit Separate Interest or Unit shall mean a separate interest in space as defined in Section 1351(f) of the California Civil Code. Each Separate Interest or Unit shall be a separate freehold estate, as separately shown, numbered and designated in the Condominium Plan, and shall consist of the airspace "cube" designated on Condominium Plan, as well as the Residence, garage, yards and all other Improvements within such cube. In interpreting deeds, declarations and plans, the existing physical boundaries of the Unit or a Unit

constructed or reconstructed in substantial accordance with the Condominium Plan and the original plans thereof, if such plans are available, shall be conclusively presumed to be its boundaries, rather than the description expressed in the deed, Condominium Plan or Declaration, regardless of settling or lateral movement of the Condominium Building and regardless of minor variances between boundaries as shown on the Condominium Plan or defined in the deed and Declaration, and the boundaries of a Condominium Building as constructed or reconstructed.

1.54 VA. VA Shall mean and refer to the U.S. Department of Veterans Affairs.

#### ARTICLE 11

#### 2 City View Terrace Condominium Homeowners Association

2.1 Organization of Association The Association is or shall be incorporated under the name City View Terrace Condominium Homeowner's Association, as a corporation not for profit Mutual Benefit Corporation Law of the State of California, as required by Section 1363 of the California Civil Code.

2.2 Duties and Powers The duties and powers of the Association are those set forth in the Declaration, the Articles and Bylaws, together with its general and implied powers of a nonprofit mutual benefit corporation, generally to do any and all things that a corporation organized under the laws of the State of California may lawfully do which are necessary or proper, in operating for the peace, health, comfort, safety and general welfare of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws and in this Declaration. The Association shall further have the right to install or construct capital improvements on the Common Property. The Association may at any time, and from time to time reconstruct, replace or refinish any improvement or portion thereof upon the Common Property in accordance with the original design, finish or standard of construction of such improvement, replace destroyed trees or other vegetation and plant trees, shrubs and ground cover upon any portion of the Common Property. The Association may employ personnel necessary for the effective operation and maintenance of the Common Property, including the employment of legal, management and accounting services. The Association shall additionally have the power but not the duty to enter into contracts with Owners or other persons to provide services or to maintain and repair improvements within the Property and elsewhere which the Association is not otherwise required to provide or maintain pursuant to this Declaration, provided, however, that any such contract shall provide for the payment to the Association for the costs of providing such services or maintenance.

2.3 Membership Every Owner, upon becoming the Owner of a Condominium, shall automatically become a Member of the Association, and shall remain a Member thereof until such time as his ownership ceases for any reason, at which time his Membership in the

93 2370006

DEC 03 1993

Association shall automatically cease. Ownership of a Condominium shall be the sole qualification for Membership in the Association. All Memberships shall be appurtenant to the Condominium conveyed, and with the exception of Declarant, a Person shall be deemed an Owner of a Condominium only upon Recordation of a deed conveying the Condominium to such Person. Except as may otherwise be provided herein, the rights, duties, privileges and obligations of all Members of the Association shall be provided in the Restrictions.

24 Transfer The Membership held by any Owner shall not be transferred, pledged or alienated in any way, except upon the sale or encumbrance of such Owner's Condominium, and then only to the purchaser or Beneficiary of such Condominium. A prohibited transfer is void, and will not be reflected upon the books and records of the Association. A Class A Member who has sold his Condominium to a contract purchaser under an agreement to purchase shall be entitled to delegate to the contract purchaser his Membership rights in the Association. The delegation shall be in writing and shall be delivered to the Board before the contract purchaser may vote. However, the contract seller shall remain liable for all charges and assessments attributable to his Condominium until fee title to the Condominium sold is transferred, as further provided in Section 5.1 of this Declaration. If the Owner of any Condominium fails or refuses to transfer the Membership registered in his name to the purchaser of the Condominium upon transfer of fee title therein, the Board of Directors shall have the right to record the transfer upon the books of the Association. The Association may levy a reasonable transfer fee against a new Owner and his Condominiums (which fee shall be added to the Annual Assessment chargeable to such new Owner) to reimburse the Association for the administrative cost of transferring the membership to the new Owner on the records of the Association provided such fee does not exceed the Association's actual cost involved in changing its records of ownership.

25 Classes of Membership The Association shall have two (2) classes of voting Membership:

**Class A** Class A Members shall originally be all Owners, except Declarant for so long as there exists a Class B Membership. Class A Members shall be entitled to one (1) vote for each Condominium owned by such Class A Members and subject to assessment. Declarant shall become a Class A Member with regard to Condominiums owned by Declarant upon conversion of Declarant's Class B Membership as provided below. When more than one (1) Person owns any Condominium, all of those Persons shall be Members. The vote of such Condominium shall be exercised as they among themselves determine in accordance with Section 2.6, but in no event shall more than one (1) Class A vote be cast for any Condominium.

**Class B** The Class B Member shall be Declarant. The Class B Member shall be entitled to three (3) votes for each Condominium owned and subject to assessment, provided that the Class B Membership shall cease and be converted to Class A Membership immediately upon the first to occur of the following events:

(1) The second anniversary of the first Close of Escrow in the most recent Phase of Development or

93 2370006

DEC 03 1993

(2) The fourth anniversary of the first Close of Escrow in Phase 1

2.6 Voting Rights

(a) All voting rights shall be subject to the Restrictions Except as provided in Section 14.2 of this Declaration and Section 4.8 of the Bylaws, as long as there exists a Class B Membership, any provision of this Declaration, the Articles or Bylaws which expressly requires the vote or written consent of a specified percentage (i.e., other than actions requiring merely the vote or written consent of a majority of a quorum) of the voting power of the Association before action may be undertaken shall require the approval of such specified percentage of the voting power of each class of membership. Except as provided in Section 14.2 of this Declaration and Section 4.8 of the Bylaws, when the Class B Membership has terminated, any provision of this Declaration, the Articles or Bylaws which expressly requires the vote or written consent of Owners representing a specified percentage of the voting power of the Association before action may be undertaken shall then require the vote or written consent of Owners representing such specified percentage of both the total voting power of the Association and the voting power of the Association residing in Owners other than Declarant.

(b) At any meeting of the Association, each Owner, except as otherwise provided in Section 2.5 with respect to the voting power of Declarant, shall be entitled to cast no more than one (1) vote for each Condominium owned as shown on the Condominium Plan. Where there is more than one (1) record Owner of a Condominium ("co-owners"), all of those co-owners shall be Members and may attend any meeting of the Association, but only one (1) of those co-owners shall be entitled to exercise the single vote to which the Condominium is entitled. Co-owners owning the majority interests in a Condominium shall from time to time designate in writing one of their number to vote. Fractional votes shall not be allowed, and the vote for each Condominium shall be exercised, if at all, as a unit. Where no voting co-owner is designated or if the designation has been revoked, the vote for the Condominium shall be exercised as the co-owners owning the majority interests in the Condominium mutually agree. Unless the Board receives a written objection in advance from a co-owner, it shall be conclusively presumed that the corresponding voting co-owner is acting with the consent of his co-owners. No vote shall be cast for any Condominium if the co-owners present in person or by proxy owning the majority interests in such Condominium cannot agree to said vote or other action. The nonvoting co-owner or co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly-owned Condominium and shall be entitled to all other benefits of ownership. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established herein, or in the Bylaws of the Association, shall be deemed to be binding on all Owners, their successors and assigns.

2.7 Repair and Maintenance By the Association

(a) Maintenance Standards: Subject to Article X pertaining to destruction of Improvements and Article XI pertaining to eminent domain, the Association shall paint, maintain, repair and

93 2370006

DEC 03 1993



replace the Common Property and Improvements thereon or shall contract for such maintenance, repair and replacement to assure maintenance of the Common Property and Improvements thereon in a clean, sanitary and attractive condition reasonably consistent with the level of maintenance reflected in the most current Budget on file with and approved by the DRE. The maintenance responsibilities of the Association with respect to the Common Property in a Phase shall commence upon commencement of Annual Assessments in that Phase. However, the Association shall not be responsible for or obligated to perform those items of maintenance, repair or improvement of the Units or Exclusive Use Common Area, the maintenance of which is the responsibility of the Owners as provided in Section 2.9. The Board shall determine, in its sole discretion the level and frequency of maintenance of the Common Property.

(b) Maintenance Items Association maintenance and repair shall include, without limitation, the right, without obligation, to perform all corrective janitorial, landscaping and repair work within any Residence, if the Owner fails to repair it, the repair and payment for all centrally metered utilities, water charges, and mechanical and electrical equipment in or on the Common Property, payment of all charges for all utilities which serve individual Units but which are subject to a common meter, payment of all Common Expenses and charges for water and utilities serving recreational amenities, the repair and maintenance of all walks, private driveways and other means of ingress and egress within the Property, the periodic structural repair, resurfacing, sealing, caulking, replacement or painting of the Exclusive Use Common Area, so long as the need for any of these activities is not caused by the willful or negligent acts of the Owner to whom the Exclusive Use Common Area is assigned or any of such Owner's family, tenants or guests, and if determined by the Board to be economically feasible, an inspection and preventive program for the prevention and eradication of infestation by wood destroying pests and organisms in the Property.

(c) Termite Eradication If the Board adopts an inspection and preventive program for the prevention and eradication of infestation by wood destroying pests and organisms, the Association, upon reasonable notice (which shall be given no less than fifteen (15) days nor more than thirty (30) days before the date of temporary relocation) to each Owner and the occupants of his Unit, may require such Owner and occupants to temporarily relocate from such Unit in order to accommodate efforts by the Association to eradicate such infestation. The notice shall state the reason for the temporary relocation, the date and time of the beginning of treatment, the anticipated date and time of termination of treatment, and that the occupants will be responsible for their own accommodations during the temporary relocation. Any damage caused to a Unit by such entry by the Board or by any person authorized by the Board shall be repaired by the Board as a Common Expense of the Association. All costs involved in maintaining the inspection and preventive program as well as repairing and replacing the Common Property and Improvements thereon when the need for such maintenance, repair or replacement is the result of wood destroying pests or organisms shall be a Common Expense subject to the restrictions applicable to Capital Improvement Assessments.

93 2370006

DEC 03 1993

(d) Charges to Owners All such costs of maintenance, repairs and replacements for the Property shall be paid for as Common Expenses out of the Maintenance Funds as provided in this Declaration. It shall further be the affirmative duty of the board of Directors to require strict compliance with all provisions of this Declaration and to cause the Property to be inspected by the Architectural Committee for any violation thereof. The cost of any maintenance, repair, or replacement by the Association which is not the responsibility of the Association or which arises out of, or is caused by, the act of an Owner or such Owner's family, tenants, guests, invitees, or agents shall, after Notice and Hearing, be levied by the Board as a Special Assessment against such Owner.

28 Unsegregated Real Property Taxes To the extent not assessed to or paid by the Owners, the Association shall pay all real and personal property taxes and assessments levied upon any portion of the Property. In addition, if all of the Units in the Project are taxed under a blanket tax bill covering all of the Project each Owner shall pay his proportionate share of any installment due under the blanket tax bill to the Association at least ten (10) days prior to the delinquency date. The Association shall transmit the taxes to the appropriate tax collection agency on or before the delinquency date. Blanket taxes for the Project shall be allocated equally among the Owners and their Condominiums, based upon the total number of Units to be constructed in the Project. The Association shall, at least forty five (45) days prior to the delinquency date of any blanket tax installment, deliver to each Owner a copy of the tax bill, along with a written notice setting forth the Owner's obligation to pay his proportionate share of the tax installment and the potential additional charges to the Owner for failure to comply. The Association shall pay the taxes on behalf of any Owner who does not pay his proportionate share. The Association shall add to the Annual Assessment of a delinquent Owner the amount of any sum advanced, plus interest at the rate of ten percent (10%) per annum and any amount necessary to reimburse the Association for any penalty or late charge actually assessed in connection with the blanket tax bill, which late charge results from the failure of the delinquent Owner to make timely payment of his proportionate share of the taxes. Until the Close of Escrow for the sale of ninety percent (90%) of the Condominiums in the Project, the foregoing provisions relating to the collection of taxes in connection with a blanket tax bill on all or any portion of the Project may not be amended without the express written consent of Declarant.

29 Repair and Maintenance by Owners Each Owner shall maintain, repair, replace, paint, paper, plaster, tile, finish and restore or cause to be so maintained, repaired, replaced and restored, at his sole expense, all interior residential and interior garage portions of his Unit, as well as the windows, doors, light fixtures actuated from switches controlled from, or separately metered to, such Owner's Unit, and the interior surfaces of the walls, ceilings, floors, permanent fixtures and firebox in the fireplace, in a clean, sanitary and attractive condition, in accordance with the Condominium Plan, and the original construction design of the Improvements in the Project. However, no bearing walls, ceilings, floors or other structural or utility bearing portions of the Condominium Buildings shall be pierced or otherwise altered or repaired, without the prior written approval of the plans for the alteration or repair by the Architectural Committee. It shall further be the duty of each Owner, at his sole expense, to maintain, repair, restore, or

93 2370006

DEC 03 1993

cause to be maintained, repaired and restored the courtyard area and patio area of his unit. Notwithstanding any other provision herein, each Owner shall also be responsible for all maintenance and repair of any internal or external telephone wiring wherever located which is designed to serve only his Unit, and shall be entitled to reasonable access over the Common Property for such purposes, subject to reasonable limitations imposed by the Association. It shall further be the duty of each Owner to pay when due all charges for any utility service which is separately metered to his Unit. Subject to any required approval of the Architectural Committee, each Owner shall be responsible for maintaining those portions of any heating and cooling equipment and other utilities which are located within or which exclusively serve his Unit. In addition, each Owner shall be responsible for maintaining and repairing any air conditioning pad which supports or will support any air conditioning compressor serving such Owner's Unit.

2.10 Use of Agent The Board of Directors, on behalf of the Association, may contract with a Manager for the performance of maintenance and repair and for conducting other activities on behalf of the Association, as may be determined by the Board. The maximum term of any such contract ("Management Contract") shall be one (1) year, unless a longer term is approved either by vote or written assent of a majority of the voting power of the Association, in which case the maximum term of the Management Contract shall be three (3) years. The maximum term of any contract providing for Declarant's services to the Association or the Project shall also be three (3) years. Each such contract for Declarant's services and each Management Contract shall provide for its termination by either party thereto without cause and without payment of a termination fee upon no more than ninety (90) days' written notice to the other party.

### ARTICLE III

#### 3 Rights in Common Property

3.1 Association Easement The Association shall have an easement over the Common Property and into the Units for performing its duties and exercising its powers described in this Declaration. The Association's obligations to maintain the Common Property in any Phase of Development shall commence upon the date Annual Assessments commence on Condominiums in such Phase. Until commencement of Annual Assessments on Condominiums in a Phase, the Common Property in such Phase shall be maintained by Declarant.

3.2 Partition Except as provided in this Declaration, there shall be no judicial partition of the Common Area, or any part thereof, for the term of the Project, nor shall Declarant, any Owner or any other Person acquiring any interest in any Condominium in the Project seek any such judicial partition.

3.3 Members' Easements in Common Property Subject to the provisions of this Declaration, every Member of the Association shall have, for himself, his Family, his tenants and guests, a nonexclusive easement of access, ingress, egress, use and enjoyment of, in, to and over

the Common Property, and such easement shall be appurtenant to and shall pass with title to every Condominium in the Project. Such easements shall commence as to each Phase when the Units in such Phase become subject to assessment.

14. Extent of Member's Easements The rights and easements of use and enjoyment of the Common Property created by this Declaration shall be subject to the Restrictions, which include, without limitation, the following:

(a) The right of the Board to suspend the rights and easements of any Member, and the Persons deriving such rights and easements from any Member, for use and enjoyment of any recreation facilities located on the Common Property, for any period during which the payment of any Annual, Special, Capital Improvement or Reconstruction Assessment against the Member and his Condominium remains delinquent, and, after Notice and Hearing as provided in the Bylaws, to suspend such rights and easements for the period set forth in the Bylaws for any violation of the Restrictions, it being understood that any suspension for either nonpayment of any Assessment or breach of the Restrictions shall not constitute a waiver or discharge of the Member's obligation to pay assessments as provided in this Declaration.

(b) The right of the Association to consent to or otherwise cause the construction of additional Improvements on the Common Property and to consent to or otherwise cause the alteration or removal of any existing Improvements on the Common Property for the benefit of the Members of the Association.

(c) The right of the Association, acting through the Board, to grant, consent to or join in the grant or conveyance of easements, licenses or rights-of-way in, on or over the Common Property for purposes not inconsistent with the intended use of the Property as a residential Condominium project.

(d) Subject to the provisions of this Declaration, the right of each Owner to the exclusive use and occupancy for the purposes designated in this Declaration of the Exclusive Use Common Area assigned to his respective Unit.

(e) The rights and reservations of Declarant as set forth in this Declaration.

(f) The right of the Association, acting through the Board, to reasonably restrict access to roofs, maintenance and landscaped areas and similar areas of the Property.

(g) The right of the Association to reasonably limit the number of guests and tenants of the Owners using the Common Property, and

(h) The right of the Association, acting through the Board, to establish uniform Rules and Regulations for the use of the Common Property, as provided in this Declaration.

93 2370006

DEC 03 1993

3.5 Delegation of Use Any Owner entitled to the right and easement of use and enjoyment of the Common Property may delegate his right to use and enjoyment of the Common Property to his tenants, contract purchasers or subtenants who reside in his Condominium, subject to reasonable regulation by the Board.

3.6 Waiver of Use No Owner may exempt himself from personal liability for Assessments duly levied by the Association, or effect the release of his Condominium from the liens and charges thereof, by waiving the use and enjoyment of the Common Property or by abandoning his Condominium.

3.7 Damage by Member To the extent permitted by California law, each Member shall be liable to the Association for any damage to the Common Property not fully reimbursed to the Association by insurance if the damage is sustained because of the negligence, willful misconduct or unauthorized or improper installation or maintenance of any improvement by the Member, his guests, tenants or invitees, or any other Persons deriving their right and easement of use and enjoyment of the Common Property from the Member, or his or their respective family and guests, both minor and adult. However, the Association, acting through the Board, reserves the right to determine whether any claim shall be made upon the insurance maintained by the Association, and the Association further reserves the right, after Notice and Hearing as provided in the Bylaws, to levy a Special Assessment equal to the increase, if any, in insurance premiums directly attributable to the damage caused by the Member or the Person for whom the Member may be liable as described above. In the case of joint ownership of a Condominium, the liability of the owners shall be joint and several, except to the extent that the Association shall have previously contracted in writing with the joint owners to the contrary. After Notice and Hearing as provided in the Bylaws, the cost of collecting the damage to the extent not reimbursed to the Association by insurance shall be a Special Assessment against such Member's Condominium, and may be enforced as provided herein.

#### ARTICLE IV

#### 4. Architectural Review Committee

4.1 Members of Committee The Architectural Review Committee, sometimes referred to herein as the "Architectural Committee" or the "Committee," shall consist of three (3) members. The initial members of the Committee shall be comprised of representatives of Declarant until one (1) year after the original issuance of the Final Subdivision Public Report ("Public Report") for Phase 1 ("First Anniversary"). After the First Anniversary the Board may appoint and remove one (1) member of the Committee, and Declarant shall have the right and power at all times to appoint or remove a majority of the members of the Committee or to fill any vacancy of such majority, until the earlier to occur of (i) close of escrow for the sale of ninety percent (90%) of all the Condominiums, or (ii) expiration of five (5) years following the

93 2370006

DEC 03 1993

date of original issuance of the Public Report for Phase 1, after which the Board shall have the power to appoint and remove all of the members of the Committee. Committee members appointed by the Board shall be from the Membership of the Association, but Committee members appointed by Declarant need not be Members of the Association. Board members may also serve as Committee members.

**4.2 Review of Plans and Specifications.** The Committee shall consider and act upon any and all plans and specifications submitted for its approval under this Declaration and perform such other duties as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with plans approved by the Committee. No construction, alteration, removal, relocation, demolition, repainting, addition, modification, decoration, redecoration or reconstruction of an Improvement in the Property shall be commenced or maintained, until the plans and specifications therefor showing the nature, kind, shape, height, width, color, materials and location of the same shall have been submitted to the Committee and approved in writing by the Committee, provided, however, that any Improvement may be repainted without Committee approval, so long as the Improvement is repainted the identical color which it was last painted. Without limiting the generality of this Article IV, the provisions of this Article IV apply to the construction, installation, alteration and modification of solar energy systems, as defined in Section 8015 of the California Civil Code, subject to provisions of California Civil Code Section 714, the City Building Code, applicable zoning regulations, and associated City ordinances. The Owner submitting the plans ("Applicant") shall obtain a written, dated receipt for the plans and specifications from an authorized agent of the Committee. Until changed by the Board, the address for the submission of such plans and specifications shall be the principal office of the Association. The Committee shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alterations, or additions contemplated thereby in the locations indicated will not be detrimental to the appearance of the surrounding area of the Property as a whole, that the appearance of any structure affected thereby will be in harmony with the surrounding structures, that the construction thereof will not detract from the beauty, wholesomeness and attractiveness of the Common Property or the enjoyment thereof by the Members, and that the upkeep and maintenance thereof will not become a burden on the Association Declarant, and any Person to which Declarant may assign all or a portion of its exemption hereunder, need not seek or obtain Architectural Committee approval of any Improvements constructed on the Property by Declarant or such persons, as the case may be.

The Committee may condition its approval of proposals or plans and specifications for any Improvement (1) upon the Applicant's furnishing the Association with security acceptable to the Association against any mechanic's lien or other encumbrance which may be Recorded against the Common Property as a result of such work, (2) on such changes therein as it deems appropriate, (3) upon the Applicant's agreement to grant appropriate easements to the Association (4) upon the Applicant's agreement to reimburse the Association for the cost of maintenance, (5) upon the Applicant's agreement to complete the proposed work within a stated period of time, or (6) all of the above, and may require submission of additional plans and specifications or other

DEC 03 1993

information prior to approving or disapproving material submitted. The Committee may also issue rules or guidelines setting forth procedures for the submission of plans for approval, requiring a fee to accompany each application for approval, or additional factors which it will take into consideration in reviewing submissions. The Committee may provide that the amount of the fee shall be uniform, or that it be determined in any other reasonable manner, such as by the reasonable cost of the construction, alterations or additions contemplated. The Committee may require such detail in plans and specifications submitted for its review as it deems proper, including without limitation, floor plans, site plans, drainage plans, elevation drawings and description or samples of exterior material and colors. Until receipt by the Committee of any required plans and specifications, the Committee may postpone review of any plan submitted for approval. Decisions of the Committee and the reasons for the decisions shall be transmitted by the Committee to the Applicant at the address set forth in the application for approval, within forty-five (45) days after receipt by the Committee of all materials required by the Committee. Any application submitted pursuant to this Section 4.2 shall be deemed approved, unless written disapproval or a request for additional information or materials by the Committee shall have been transmitted to the Applicant within forty-five (45) days after the date of receipt by the Committee of all required materials. The Applicant shall meet any review or permit requirements of the City prior to making any alterations or improvements permitted hereunder.

4.3 Meetings of the Committee The Committee shall meet from time to time as necessary to perform its duties hereunder. The Committee may from time to time by resolution unanimously adopted in writing designate a Committee Representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the Committee, except the granting of variances pursuant to Section 4.8. In the absence of such designation, the vote of a majority of the Committee or the written consent of a majority of the Committee taken without a meeting, shall constitute an act of the Committee.

4.4 No Waiver of Future Approvals The approval of the Committee of any proposals or plans and specifications or drawings for any work done or proposed or in connection with any other matter requiring the approval and consent of the Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent to any similar proposals, plans and specifications, drawings or matter subsequently or additionally submitted for approval or consent.

4.5 Compensation of Members The members of the Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder.

4.6 Inspection of Work The Architectural Committee or its duly authorized representative may at any time inspect any work for which approval of plans is required under this Article IV ("Work"), which right to inspect shall include the right to require any Owner to take such action as may be necessary to remedy any noncompliance with the Committee-approved plans for the Work or with the requirements of this Declaration ("Noncompliance").

(a) Time Limit. The Committee's right to inspect the Work and notify the responsible Owner of any Noncompliance shall terminate sixty (60) days after the latest to occur of the following events: (i) submittal of the plans for the Work to the Committee for its approval as provided in this Article IV, (ii) completion of the Work as provided in the Committee approved plans, and (iii) written notice from the Owner to the Committee that the Work has been completed. The time limit for inspection and notification by the Committee shall be extended indefinitely if any of these conditions has not occurred. If the Committee fails to send a notice of Noncompliance to an Owner before this time limit expires, the Work shall be deemed to comply with the approved plans.

(b) Remedy. If an Owner fails to remedy any Noncompliance within sixty (60) days from the date of notification from the Committee, the Committee shall notify the Board in writing of such failure. Upon Notice and Hearing, as provided in the Bylaws, the Board shall determine whether there is a Noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a Noncompliance exists, the Owner shall remedy or remove the same within a period of not more than forty-five (45) days from the date that notice of the Board ruling is given to the Owner. If the Owner does not comply with the Board ruling within that period, the Board, at its option, may Record a Notice of Noncompliance and commence a lawsuit for damages or injunctive relief, as appropriate, to remedy the Noncompliance.

4.7 Scope of Review. The Architectural Committee shall review and approve or disapprove all plans submitted to it for any proposed Improvement, alteration or addition, on the basis of aesthetic considerations, consistency with this Declaration, and the overall benefit or detriment which would result to the immediate vicinity and the Property generally. The Committee shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features. The Committee's approval or disapproval shall be based solely on the considerations set forth in this Article IV, and the Committee shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes.

4.8 Variances. The Committee may authorize variances from compliance with any of the architectural provisions of this Declaration, including restrictions upon height, size, floor areas or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental consideration may require. Such variances must be evidenced in writing, must be signed by at least a majority of the members of the Committee, and shall become effective upon Recordation. After Declarant has lost the right to appoint a majority of the members of the Committee, the Board must approve any variance recommended by the Committee before any such variance shall become effective. If such variances are granted, no violation of the covenants, conditions and restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The

93 2370006

DEC 03 1993



granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular property and particular provision hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the use of his Residence.

4.9 Appeals For so long as Declarant has the right to appoint and remove a majority of the members of the Architectural Committee, decisions of the Architectural Committee shall be final, and there shall be no appeal to the Board of Directors. When Declarant is no longer entitled to appoint and remove a majority of the members of the Architectural Committee the Board may, at its discretion, adopt policies and procedures for the appeal of Architectural Committee decisions for reconsideration by the Board. The Board shall have no obligation to adopt or implement any such appeal procedures, and in the absence of Board adoption of appeal procedures, all decisions of the Architectural Committee shall be final.

#### ARTICLE V

##### 5. Maintenance Funds and Assessments

5.1 Personal Obligation of Assessments Declarant, for each Condominium owned by it, hereby covenants and agrees to pay, and each Owner, by acceptance of a deed of a Condominium whether or not it shall be so expressed in any such deed, is deemed to covenant and agree to pay to the Association all Annual Assessments for Common Expenses and all applicable Special Assessments, Reconstruction Assessments and Capital Improvement Assessments. The Association shall not levy or collect any Annual Assessment, Capital Improvement Assessment, Special Assessment or Reconstruction Assessment that exceeds the amount necessary for the purpose for which it is levied. Except as provided in this Section 5.1, all such assessments, together with interest, costs, and reasonable attorneys' fees, shall be a separate, distinct and personal obligation of the Person who was the Owner of the Condominium at the time when the assessment fell due. This personal obligation cannot be avoided by abandonment of the Condominium or by an offer to waive use of the Common Property or the Exclusive Use Common Area. The personal obligation for delinquent assessments shall not pass to any new Owner ("Purchaser") unless expressly assumed by the Purchaser.

5.2 Maintenance Funds of Association The Board of Directors shall establish no fewer than two (2) separate Maintenance Fund Accounts into which shall be deposited all monies paid to the Association, and from which disbursements shall be made, as provided herein, in the performance of functions by the Association under this Declaration. The Maintenance Funds may be established as trust accounts at a banking or savings institution. The Maintenance Funds shall include: (1) an Operating Fund for current Common Expenses of the Association, (2) an adequate Reserve Fund for capital improvements, replacement, painting and repairs of the Common Property (which cannot normally be expected to occur on an annual or more frequent basis), and

for payment of deductible amounts for policies of insurance which the Association obtains as provided in Section 9.1 hereof, and (3) any other funds which the Board of Directors may establish to the extent necessary under the provisions of this Declaration. Nothing contained herein shall limit, preclude or impair the establishment of additional Maintenance Funds by the Association, so long as the amounts assessed to, deposited into, and disbursed from any such Fund are earmarked for specified purposes authorized by this Declaration.

5.3 Purpose of Assessments The assessments levied by the Board of Directors on behalf of the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Condominiums and for the operation, replacement, improvement and maintenance of the Common Property and to discharge any other obligations of the Association under this Declaration. All amounts deposited into the Maintenance Funds must be used solely for the common benefit of all of the Owners for purposes authorized by this Declaration. Disbursements from the Operating Fund shall be made by the Board of Directors for such purposes as may be necessary for the discharge of its responsibilities herein for the common benefit of all of the Owners, other than those purposes for which disbursements from the Reserve Fund are to be used. Disbursements from the Reserve Fund shall be made by the Board of Directors only for the respective purposes specified in this Article V. Nothing in this Declaration shall be construed in such a way as to prohibit the use of Association assessments or funds to abate any annoyance or nuisance emanating from outside the boundaries of the Property. Annual Assessments shall be used to satisfy Common Expenses of the Association, as provided herein and in the Bylaws.

5.4 Limitations on Annual Assessment Increases The Board shall levy Annual Assessments in accordance with the following provisions:

(a) Maximum Authorized Annual Assessment for Initial Year of Operations Until the first day of the Fiscal Year immediately following the Fiscal Year in which Annual Assessments commence, the Board may only levy an Annual Assessment per Condominium in an amount which exceeds one hundred twenty percent (120%) of the amount of Annual Assessments disclosed for the Property in the most recent Budget filed with and approved by DRE at the time Annual Assessments commence if the Board first obtains the approval of Members casting a majority of votes at a meeting or election of the Association in which more than fifty percent (50%) of the Members are represented ("Increase Election"). Notwithstanding the foregoing, this Section does not limit Annual Assessment increases necessary for addressing an "Emergency Situation" as defined in Section 5.4(c).

(b) Maximum Authorized Annual Assessment for Subsequent Fiscal Years Starting with the first Fiscal Year immediately following the Fiscal Year in which Annual Assessments commence, the Board may only levy Annual Assessments which exceed the Annual Assessments for the immediately preceding Fiscal Year as follows:

93 2370006

DEC 03 1993

(i) If the increase in Annual Assessments is less than or equal to twenty percent (20%) of the Annual Assessments for the immediately preceding Fiscal Year, then the Board must either (a) have distributed the Budget for the current Fiscal Year in accordance with Section 1365(a) of the California Civil Code, or (b) obtain the approval of Members casting a majority of votes in an Increase Election

(ii) If the increase in Annual Assessment is greater than twenty percent (20%) of the Annual Assessments for the immediately preceding Fiscal Year, then the Board must obtain the approval of Members casting a majority of votes in an Increase Election

Notwithstanding the foregoing, this Section does not limit Annual Assessment increases necessary for addressing an Emergency Situations as defined in Section 5.4(e)

(c) Supplemental Annual Assessments If the Board, by majority vote, determines that the important and essential functions of the Association may be properly funded by an Annual Assessment in an amount less than the maximum authorized Annual Assessment described above, it may levy such lesser Annual Assessment. If the Board determines that the estimate of total charges for the current year is or will become inadequate to meet all Common Expenses for the Property for any reason, it shall immediately determine the approximate amount of the inadequacy. Subject to the limitations described in Sections 5.4(a) and (b) above and (e) below, the Board shall have the authority to levy, at any time by a majority vote, a supplemental Annual Assessment reflecting a revision of the total charges to be assessed against each Condominium

(d) Automatic Assessment Increases Notwithstanding any other provisions of this Section 5.4, upon Declarant's annexation of any portion of the Annexable Territory pursuant to Article XVI, the Annual Assessment shall be automatically increased by the additional amount, if any, necessary to maintain the Common Property in or abutting such Annexable Territory in accordance with the standards prescribed by the then current DRE Operating Cost Manual, or if the Operating Cost manual is no longer maintained by the DRE, pursuant to standards prescribed by comparable maintenance cost guidelines prepared in accordance with prudent property management practices. However, such increase shall occur only if (i) the annexation of such Annexable Territory is permitted by the DRE, and (ii) the amount of such increase does not result in the levy of an Annual Assessment which is greater than the maximum potential Annual Assessment disclosed in all Final Subdivision Public Reports for the Property previously issued by the DRE

(e) Emergency Situations For purposes of Sections 5.4(a), 5.4(b) and 5.6, an "Emergency Situation" is any one of the following

- (1) An extraordinary expense required by an order of a court,
- (2) An extraordinary expense necessary to repair or maintain the Property or any portion

93 2370006

DEC 03 1993

thereof for which the Association is responsible when a threat to personal safety on the Property is discovered, and

(3) An extraordinary expense necessary to repair or maintain the Property or any portion thereof for which the Association is responsible that could not have been reasonably foreseen by the Board when preparing the Budget. Prior to the imposition or collection of an assessment pursuant to this subparagraph (3), the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process. The resolution shall be distributed to the Members with the Notice of Assessment.

5.5 Annual Assessments/Commencement/Collection: The Board of Directors shall authorize and levy the amount of the Annual Assessment upon each Condominium, as provided herein, by majority vote of the Board. Annual Assessment shall commence on all Condominiums in a Phase of Development on the first day of the first calendar month following the first Close of Escrow for the sale of a Condominium in such Phase. All Annual Assessments shall be charged to the individual Owners and their Units (including Declarant with respect to any Units owned by Declarant) as set forth in Exhibit "B" hereto and made a part hereof. As and when the Association's budget shall increase or decrease, such assessments shall be adjusted so that the Owner of each Unit bears the same relative proportion to the total budget as that initially borne. This rate of Annual Assessments shall control, notwithstanding any language found to the contrary in this Declaration. Assessments for fractions of any month involved shall be prorated. Declarant shall pay its full pro rata share of the Annual Assessments on all unsold Condominiums for which Annual Assessments have commenced. The Board shall fix the amount of the Annual Assessment against each Condominium at least thirty (30) days in advance of each Annual Assessment period. However, unless otherwise established by the Board, the initial Annual Assessments shall be assessed in accordance with the most recent Budget on file with and approved by the DRE. From time to time the Board may determine that all excess funds in the Operating Fund be retained by the Association and used to reduce the following year's Annual Assessment. Upon dissolution of the Association incident to the abandonment or termination of the Property, any amounts remaining in any of the Maintenance Funds shall be distributed to or for the benefit of the Members in the same proportions as such monies were collected from the Members.

Declarant and any other owner of a Unit which has not been constructed shall be exempt from payment of that portion of the Annual Assessment which is for the purpose of defraying expenses and reserves directly attributable to the existence and use of the Unit. The exemption shall include, without limitation, expenses and reserves relating to roof replacement, exterior maintenance, walkway and carport lighting, cable television, refuse disposal, and domestic water supplied to the Unit. Any such exemption from the payment of Annual Assessments shall be in effect only until the earlier to occur of (1) the recording of a notice of completion of the building containing the Unit, (2) the occupation or use of the Unit, or (3) completion of all elements of the Condominium structures that the Association is obligated to maintain.

93 2370006

DEC 03 1993

Notwithstanding any other provisions of this Declaration, until the earlier to occur of (1) the recordation of a notice of completion of an Improvement on the Common Property, or (2) the placement of such Improvement into use, each owner (including Declarant) shall be exempt from paying that portion of any Annual Assessment which is for the purpose of defraying expenses and reserves directly attributable to the existence and use of such Improvement.

Each Member shall pay to the Association his Annual Assessment in installments at such frequency and in such amounts as established by the Board. Each Annual Assessment may be paid by the Member to the Association in one check or in separate checks as payments attributable to the deposits under the Operating Fund and the Reserve Fund. If any installment of an Annual Assessment payment is less than the amount assessed and the payment does not specify the Maintenance Fund or Funds in which it should be deposited, the receipt by the Association from that Owner shall be credited in order of priority first to the Operating Fund, until that portion of the Annual Assessment has been satisfied, and second to the Reserve Fund.

Notwithstanding any other provisions of this Declaration or the Bylaws regarding the term and termination of contracts with Declarant for providing services to the Association, Declarant may enter into a written maintenance agreement with the Association under which Declarant shall pay all or any portion of the operating Common Expenses and perform all or any portion of the Association's maintenance responsibilities in exchange for a temporary suspension of Annual Assessments. Such maintenance agreement shall extend for a term and shall be on such conditions as are approved by the DRE, and may require Owners to reimburse Declarant, through the Association, for a portion of the costs expended in satisfaction of Common Expenses.

5.6 Capital Improvement Assessments. Should the Board of Directors determine the need for a Capital Improvement or other such addition to the Property, the cost of which in the aggregate exceeds five percent (5%) of the Budgeted gross expenses of the Association for the then current Fiscal Year, then the vote or written consent of Members casting a Majority of votes at a meeting or election of the Association at which more than fifty percent (50%) of the Members are represented shall be required to approve and render effective a Capital Improvement Assessment levied by the Board of Directors to cover the cost of such expenditure. Capital Improvement Assessments may be levied by the Board without the consent of the Members, if the aggregate of such expenditures in each Fiscal Year does not exceed five percent (5%) of the Budgeted gross expenses of the Association for such Fiscal Year. Notwithstanding the foregoing, the Board may levy in any Fiscal Year, a Capital Improvement Assessment applicable to that Fiscal Year which exceeds five percent (5%) of the Budgeted gross expenses of the Association.

93 2370006

DEC 03 1993

for such Fiscal Year if such increase is necessary for addressing an Emergency Situation as defined in Section 5-4(c).

Except with respect to Reconstruction Assessments which must be levied upon the basis of the ratio of the square footage of the floor area of a Unit to be specially assessed, all Special Assessments shall be levied upon the same basis as Regular Assessments (i.e., proportionate interests as set forth in Exhibit "B" hereto), with all Special Assessments authorized by this Declaration to be recorded on the Assessment Roll, notice thereof mailed or delivered to the appropriate Owner or Owners and said Special Assessment shall thereafter be due and payable in full to the Association within thirty (30) days from the mailing or delivery of such Notice or within such other period as the Board of Directors shall determine to be uniformly applicable to any such Special Assessment. Any Special Assessment made in accordance with this Declaration together with any late charge applicable thereto shall be the separate obligation of each Owner against whom the same is specially assessed and the collection thereof enforced as provided in this Declaration.

5.7 Delinquency Any installment of an assessment provided for in this Declaration shall become delinquent if not paid within fifteen (15) days of the due date as established by the Board of Directors of the Association. The Board shall be authorized to adopt a system pursuant to which any installment of Annual Assessments, Capital Improvement Assessments, Special Assessments, or Reconstruction Assessments not paid within thirty (30) days after the due date, plus all reasonable costs of collection (including attorneys' fees) and late charges as provided herein, shall bear interest commencing thirty (30) days from the due date until paid at the rate of up to twelve percent (12%) per annum, but in no event more than the maximum rate permitted by law. The Board of Directors may also require the delinquent owner to pay a late charge in accordance with California Civil Code Section 1366(c)(2). The Association need not accept any tender of a partial payment of an installment of an assessment and all costs and attorneys' fees attributable thereto, and any acceptance of any such tender shall not be deemed to be a waiver of the Association's right to demand and receive full payments thereafter.

5.8 Creation and Release of Lien All sums other than Special Assessments assessed in accordance with the provisions of this Declaration shall constitute a lien on the respective Condominium prior and superior to (a) any declaration of homestead Recorded after the Recordation of this Declaration, and (b) all other liens, except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge of any first Mortgage of record (meaning any Recorded Mortgage or Deed of Trust with first priority or seniority over other Mortgages or Deeds of Trust) made in good faith and for value and Recorded prior to the date on which the "Notice of Lien (described in this Section) against the respective Condominium was Recorded. The lien shall become effective upon Recordation by the Board or its authorized agent of a Notice of Assessment ("Notice of Lien") securing the payment of any Annual, Capital Improvement or Reconstruction Assessment or installment thereof, levied by the Association against any Condominium Owner as provided in Section 1367 of the California Civil Code. The Notice of Lien shall state (i) the amount of the assessment or installment, as the case

93 2370006

DEC 03 1993

may be, and other authorized charges and interest, including the cost of preparing and Recording the Notice of Lien, (ii) the expenses of collection in connection with any delinquent installments, including without limitation reasonable attorneys' fees, (iii) a sufficient description of the Condominium against which the same has been assessed, (iv) the name and address of the Association, (v) the name of the Owner thereof, and (vi) in order for the lien to be enforced by nonjudicial foreclosure, the name and address of the trustee authorized by the Association to enforce the lien by sale. The Notice of Lien shall be signed by any authorized officer or agent of the Association. The lien shall relate only to the individual Condominium against which the assessment was levied and not to the Property as a whole. Upon payment to the Association of the full amount claimed in the Notice of Lien, or other satisfaction thereof, the Board of Directors shall cause to be Recorded a Notice of Satisfaction and Release of Lien ("Notice of Release") stating the satisfaction and release of the amount claimed. The Board of Directors may demand and receive from the applicable Owner a reasonable charge, to be determined by the Board, for the preparation and Relocation of the Notice of Release before Recording it. Any purchaser or encumbrancer who has acted in good faith and extended value may rely upon the Notice of Release as conclusive evidence of the full satisfaction of the sums stated in the Notice of Lien.

5.9 Enforcement of Liens It shall be the duty of the Board of Directors to enforce the collection of any amounts due under this Declaration by one or more of the alternative means of relief afforded by this Declaration. The lien on a Condominium may be enforced by sale of the Condominium by the Association, the Association's attorneys, any title insurance company authorized to do business in California, or other persons authorized to conduct the sale as a trustee, after failure of the Owner to pay any Annual, Capital Improvement or Reconstruction Assessment, or installment thereof, as provided herein. The sale shall be conducted in accordance with the provisions of the California Civil Code, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any manner permitted by law. An action may be brought to foreclose the lien of the Association by the Board, or by any Owner if the Board fails or refuses to act, after the expiration of at least thirty (30) days from the date on which the Notice of Lien was Recorded, provided that at least ten (10) days have expired since a copy of the Notice of Lien was mailed to the Owner affected thereby. The Association, through its agents, shall have the power to bid on the Condominium at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Upon completion of the foreclosure sale, an action may be brought by the Association or the purchaser at the sale in order to secure occupancy of the defaulting Owner's Unit, and the defaulting Owner shall be required to pay the reasonable rental value for such Unit during any period of continued occupancy by the defaulting Owner or any persons claiming under the defaulting Owner. Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving any lien securing the same, but this provision or any institution of suit to recover a money judgment shall not constitute an affirmation of the adequacy of money damages. Any recovery resulting from a suit in law or equity initiated pursuant to this Section may include reasonable attorneys' fees as fixed by the court.

5.10 Priority of Assessment Lien The lien of the assessments provided for herein, including interest and costs of collection (including attorneys' fees), shall be subordinate to the lien of any first Mortgage upon one or more Condominiums which was Recorded before Recordation of the Notice of Lien on the Condominiums. Sale or transfer of any Condominium shall not affect the assessment lien. However, the sale or transfer of any Condominium pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Condominium from lien for any assessments thereafter becoming due. When the Mortgagee of a first Mortgage of record or other purchaser of a Condominium obtains title pursuant to a judicial or nonjudicial foreclosure of the first Mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Condominium which became due prior to the acquisition of title to such Condominium by such acquirer. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from all of the Owners of the Condominiums including such person, his successors and assigns.

## ARTICLE VI

6 Property Easements and Rights of Entry6.1 Easements

(a) Access Declarant expressly reserves for the benefit of the Owners reciprocal, nonexclusive easements for access, ingress and egress over all of the Common Property, including any private streets or driveways currently existing in the Property or subsequently added to it, which easements may be conveyed by Declarant to Owners and to the Association for so long as Declarant owns any interest in the Property. Subject to the provisions of this Declaration governing use and enjoyment thereof, the easements may be used by all Owners and their guests, tenants and invitees residing on or temporarily visiting the Property, for walkways, vehicular access and such other purposes reasonably necessary for use and enjoyment of a Condominium in the Project.

(b) Maintenance and Repair Declarant expressly reserves for the benefit of the Board of Directors and all agents, officers and employees of the Association, nonexclusive easements over the Common Property (including the Exclusive Use Area) as necessary to maintain and repair the Common Property, and to perform all other tasks in accordance with the provisions of this Declaration. Such easements over the Common Property shall be appurtenant to and binding upon, and shall pass with the title to, every Condominium conveyed.

93 2370006

DEC 03 1993



(c) Exclusive Use Area Declarant expressly reserves for the benefit of certain Owners exclusive easements over the Project for use of the Exclusive Use Area including without limitation for balconies, decks and patios as shown and assigned on the Condominium Plan or Plans for the Project.

(d) Utility Easements Declarant expressly reserves for the benefit of the Association the right of Declarant to grant additional easements and rights-of-way over the Property to utility companies and public agencies, as necessary, for the proper development and disposal of the Property. Such right of Declarant shall expire (i) with respect to any Phase, upon Close of Escrow for the sale of all Condominiums in such Phase or (ii) with respect to all Phases, upon expiration of five (5) years from the date of original issuance by the DRI of the Final Subdivision Public Report for Phase 1, whichever comes first.

(e) Encroachments Declarant, the Association and Owners of contiguous Units shall have a reciprocal easement appurtenant to each of the Units over the Units and the Common Property for the purpose of (1) accommodating any existing encroachment of any wall of any Improvement, and (2) maintaining the same and accommodating authorized construction, reconstruction, repair, shifting, movement or natural settling of the Improvements or any other portion of the Project housing their respective Units. Easements and reciprocal negative easements for utility services and repairs, replacement and maintenance of the same over all of the Common Property are specifically reserved for the benefit of the Owners. Declarant expressly reserves for the benefit of the Common Area, and for the benefit of the Owners and the Association, reciprocal nonexclusive easements for drainage of water over, across and upon the Common Area. The foregoing easements shall not unreasonably interfere with each Owner's use and enjoyment of adjoining Units. No portion of the Common Property, including without limitation parking spaces and other amenities contemplated as a part of the Property, are proposed to be leased by Declarant to the Owners or to the Association.

(f) Completion of Improvements Declarant expressly reserves for its benefit the right and easement to enter the Property to complete any Improvement which Declarant deems desirable to implement Declarant's development plan.

6.2 Rights of Entry The Board of Directors shall have a limited right of entry in and upon the Common Area and the interior of all Units (including without limitation the residential and garage portions of Units) for the purpose of inspecting the Project, and taking whatever corrective action may be deemed necessary or proper by the Board of Directors, consistent with the provisions of this Declaration. However, such entry upon the interior of the residential and garage portions of a Unit shall be made, except in effect emergency repairs or other emergency measures, only after three (3) days prior written notice to the Owner of such Unit and after authorization of two-thirds (2/3rds) of the Board of Directors. Nothing herein shall be construed to impose any obligation upon the Association to maintain or repair any property or Improvements required to be maintained or repaired by the Owners. Nothing in this Article VI shall in any manner limit the right of the Owner to exclusive occupancy and control over the interior of

93 2370006

DEC 03 1993

the residential and garage portions of his Unit. However, an Owner shall permit a right of entry to the Board of Directors or any other person authorized by the Board of Directors as reasonably necessary, such as in case of any emergency originating in or threatening the residential and garage portions of his Unit, whether the Owner is present or not. Any damage caused to the residential and garage portions of a Unit by such entry by the Board of Directors or by any person authorized by the Board of Directors shall be repaired by the Association as a Common Expense of the Association. Furthermore, an Owner shall permit other Owners, or their representatives, to enter his Unit (including the residential and garage portions thereof) for the purpose of performing required installations, alterations or repairs to the mechanical or electrical services to a Residence, provided that such requests for entry are made in advance and entry is made at a time reasonably convenient to the Owner whose Unit is to be entered, and provided further that the entered Unit is left in substantially the same condition as existed immediately preceding such entry. In case of an emergency, such right of entry shall be immediate. Any damage caused to a Unit by such entry by an Owner or its representatives shall be repaired by such Owner. Upon receipt of reasonable notice from the Association (which shall in no event be less than fifteen (15) days nor more than thirty (30) days) each Owner shall vacate his Unit in order to accommodate efforts by the Association to perform any other maintenance or repairs pursuant to the Declaration. The Board shall have the right of entry to the Units and the right to remove Owners from their Units, as necessary, to accomplish its duties as provided herein. The cost of performing any such maintenance or repairs shall be a Common Expense of the Association, however, each Owner shall bear his own costs of temporary relocation. If the Association acts to eradicate any wood destroying pests or organisms, then the procedure established in Section 2.7 shall control.

ARTICLE VII

7. Declarant's Rights and Reservation: Nothing in the Restrictions shall limit, and no Owner or the Association shall do anything to interfere with, the right of Declarant to subdivide or re-subdivide any portion of the Property, or to complete improvements to and on the Common Property or any portion of the Property owned solely or partially by Declarant, or to alter the foregoing or its construction plans and designs, or to construct such additional improvements as Declarant deems advisable in the course of development of the Property so long as any Condominium in the Project remains unsold. The rights of Declarant hereunder shall include, but shall not be limited to, the right to install and maintain such structures, displays, signs, billboards, flags and sales offices as may be reasonably necessary for the conduct of its business of completing the work and disposing of the Condominiums by sale, lease, lease or otherwise. Each Owner by accepting a deed to a Condominium hereby acknowledges that the activities of Declarant may temporarily or permanently impair the view of such Owner and may constitute an inconvenience or nuisance to the Owners, and hereby consents to such impairment, inconvenience or nuisance. This Declaration shall not limit the right of Declarant at any time prior to acquisition of title to a Condominium in the Project by a purchaser from Declarant to

93 2370006

DEC 03 1993

establish on that Condominium additional licenses, easements, reservations and rights-of-way to itself, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the Property. Declarant may use any Condominiums owned by Declarant in the Project as model home complexes or real estate sales or leasing offices. Declarant need not seek or obtain Architectural Committee approval of any improvement constructed or placed on any portion of the Property by Declarant. The rights of Declarant hereunder and elsewhere in these Restrictions may be assigned by Declarant to any successor in interest to any portion of Declarant's interest in any portion of the Property by a written assignment. Notwithstanding any other provision of this Declaration, the prior written approval of Declarant, as developer of the Property, will be required before any amendment to this Article shall be effective. Each Owner hereby grants, upon acceptance of his deed to his Unit, an irrevocable, special power of attorney to Declarant to execute and Record all documents and maps necessary to allow Declarant to exercise its rights under this Article. Declarant and its prospective purchasers of Condominiums shall be entitled to the nonexclusive use of the Common Property and any recreational facilities thereon, without further cost for access, ingress, egress, use or enjoyment, in order to show the Property to its prospective purchasers and dispose of the Property as provided herein. Declarant, its successors and tenants, shall also be entitled to the nonexclusive use of any portions of the Property which comprise private streets, drives and walkways for the purpose of ingress, egress and accommodating vehicular and pedestrian traffic to and from the Property and Annexable Territory. The use of the Common Property by Declarant shall not unreasonably interfere with the use thereof by other Members. The Association shall provide Declarant with all notices and other documents to which a Beneficiary is entitled pursuant to this Declaration, provided that Declarant shall be provided such notices and other documents without making written request therefor.

7.1 Obligation to Refrain from Discrimination. Declarant covenants and agrees for itself, and on behalf of its successors, its assigns and every successor in interest to Declarant's interest in the Project, or any portion thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, physical handicap, sex, sexual orientation, or family composition in the sale, transfer, use, occupancy, tenure or enjoyment of the Project nor shall Declarant or any person claiming under or through it establish or knowingly permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of vendee or transferee of the Project, or any portion thereof.

#### ARTICLE VIII

8. Residence and Use Restrictions. All of the Property shall be held, used and enjoyed subject to the following limitations and restrictions, subject to the exemptions of Declarant set forth in this Declaration.

**8.1 Single Family Residences** That portion of the unit comprising the "residential elements" shall be used as a residence for a single family and for no other purpose. An Owner may rent his Unit to a single Family provided that the Unit is rented pursuant to a lease or rental agreement which is (a) in writing, (b) for a term of at least seven (7) days, and (c) subject to all of the provisions of this Declaration.

**8.2 Parking and Vehicular Restrictions** No Owner shall park, store, or keep anywhere on the Project any commercial-type vehicle, dump truck, cement mixer truck, oil or gas truck, or delivery truck, or any truck with a load capacity which exceeds three-quarter (3/4) ton, any recreational vehicle (camper unit, house-car, motor home), bus, trailer, trailer coach, camper-trailer, boat, aircraft, mobilehome, or inoperable vehicle, unless such vehicle is completely obscured from view of other units by a fence or other appropriate screening device approved by the committee which does not in and of itself constitute a nuisance. With the exception of normal washing and polishing, no Owner shall conduct repairs or restorations of any motor vehicle, boat, trailer, aircraft, or other vehicle upon any portion of his unit, unless such activities are conducted within a closed garage. Garage doors shall remain closed, except for reasonable periods of time while the garages are being entered or exited. Garages shall be used for garage purposes only and shall not be converted to other uses. Vehicles owned, operated, or within the control of any Owner shall be parked in the garage of such Owner to the extent of the space available therein, and each Owner shall insure that his garage is maintained so as to be capable of accommodating at least two (2) full-sized automobiles. Notwithstanding the foregoing, these restrictions shall not be interpreted in such a manner as to permit any activity which would be contrary to any governmental ordinance or regulation.

The Board may establish additional regulations as it deems appropriate in its sole discretion with regard to any parking area not assigned to individual Units, including without limitation designating "parking," "guest parking," and "no parking" areas thereon, and shall have the power to enforce all parking and vehicle use regulations applicable to the Property, including the power to remove violating vehicles from any portion of the Property pursuant to California Vehicle Code Section 22658.2 or other applicable statutes. If the Board fails to enforce any of the parking or vehicle use regulations, the City may, but need not, enforce such regulations in accordance with state and local laws and ordinances.

**B.3 Nuisances** No noxious or offensive activities (including but not limited to the repair of motor vehicles, the generation of loud noises and the generation of noxious odors) shall be carried on upon the Property or on any public street abutting or visible from the Property. No horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of a Residence and its contents, shall be placed or used in any such Residence. No noisy or smoky vehicles, large power equipment or large power tools, off-road motor vehicles or items which may unreasonably interfere with television or radio reception of any Owner in the Project, shall be located, used or placed on any portion of the Property or on any public street abutting or visible from the Property, or exposed to the view of other Owners without the prior

31

93 2370006

DEC 03 1993

written approval of the Architectural Committee. The Board of Directors of the Association shall have the right to determine if any noise, odor, or activity producing such noise or odor constitutes a nuisance. No Owner shall permit or cause anything to be done or kept upon the Property or on any public street abutting or visible from the Property which may increase the rate of insurance on Units or on the Property, or result in the cancellation of such insurance, or which will obstruct or interfere with the rights of other Owners. No Person shall commit or permit any nuisance on the Property or on any public street abutting or visible from the Property. Each Owner shall comply with all of the requirements of the local or state health authorities and with all other governmental authorities with respect to the occupancy and use of each Unit. Each Owner shall be accountable to the Association and other Owners for the conduct and behavior of children residing in or visiting his Unit and other family members or persons residing in or visiting his Unit. Any damage to the Common Property, personal property of the Association, or property of another Owner, caused by such children or other family members, shall be repaired at the sole expense of the Owner of the Unit where such children or other family members or persons are residing or visiting.

**8.4 Signs.** No sign, poster, billboard, advertising device, or other display of any kind shall be displayed to the public view on any portion of the Project or on any street abutting the Project without the prior written consent of the Committee, except one (1) sign for each unit of not larger than eighteen (18) inches by thirty (30) inches advertising the Unit for sale or rent, or except signs, regardless of size, used by Declarant, its successors or assigns to advertise the Project. All signs or billboards and the conditions promulgated for the regulation thereof shall conform to the requirements of all applicable governmental ordinances. This Section shall not apply to any signs used by Declarant or its agents in connection with the sale of Condominiums or the construction or alteration of the Units or Common Property, traffic and visitor parking signs installed by Declarant, and traffic and parking control signs installed with the consent of the Board. Notwithstanding the foregoing, nothing contained in this Section shall be construed in such manner as to permit the maintenance of any sign which is not in conformance with any ordinance of the City. The right of Declarant to place signs pursuant to this Section 8.4, shall terminate the earlier of (i) three (3) years from the conveyance of the first Unit by Declarant or (ii) the sale by Declarant of all Units within the Project.

**8.5 Antennae.** No radio station or shortwave operators of any kind shall operate from any Unit or any other portion of the Property unless approved by the Architectural Committee. With the exception of any master antenna maintained by the Association, no exterior radio antenna, "C B" antenna, television antenna, earth receiving station, satellite dish or other antenna of any type shall be erected or maintained anywhere in the Property.

**8.6 Inside and Outside Installations.** No outside installation of any type, including but not limited to clotheslines, shall be constructed, erected or maintained in any Residence, excepting antennae installed by Declarant as a part of the initial construction of the Property and except as may be installed by, or with the prior consent of the Architectural Committee. No balcony, patio or deck covers, wiring, or installation of air conditioning, water softeners, or other

93 2370006

DEC 03 1993

machines shall be installed on the exterior of the Condominium Buildings of the Project or be allowed to protrude through the walls or roofs of the Condominium Buildings (with the exception of those items installed during the original construction of the Project), unless the prior written approval of the Architectural Committee is secured. Outdoor patio or lounge furniture, plants and barbecue equipment may be maintained pursuant to rules and procedures of the Architectural Committee. The type and color of all exposed window coverings shall be subject to the prior written approval of the Architectural Committee. No window in any Dwelling Unit or garage shall be covered with newspaper, aluminum foil, cardboard, paint, or any similar material or substance whether temporarily or permanently, provided, however, that for a period not to exceed sixty (60) days following the Close of Escrow for a Dwelling Unit, the Owner of such Dwelling Unit shall be entitled to cover windows with pressed clean white sheets pending installation of permanent draperies, shutters or similar decorator items. Notwithstanding the specificity of the foregoing, no exterior addition, change or alteration to any Residence shall be commenced without the prior written approval of the Architectural Committee. Nothing shall be done in any Unit or in, on or to the Common Property which will or may tend to impair the structural integrity of any Condominium Building in the Property or which would structurally alter any such Condominium Building except as otherwise expressly provided herein. There shall be no alteration, repair or replacement of wall coverings within Units which may diminish the effectiveness of the sound control engineering within the Condominium Buildings in the Project. No Improvement may be installed, constructed or planted in such a manner in any Unit such that the Improvement extends or grows beyond the boundaries of the airspace "cube" comprising the Unit. The Association shall have the authority to trim, prune or remove any landscaping Improvement which grows beyond the boundaries of the Unit, and the costs of such trimming, pruning or removal shall be a Special Assessment chargeable to the Owner of the Unit wherein such landscaping Improvement is located. No Owner shall cause or permit any mechanic's lien to be filed against any portion of the Project for labor or materials alleged to have been furnished or delivered to the Project or any Condominium Unit for such Owner, and any Owner who does so shall immediately cause the lien to be discharged within five (5) days after notice to the Owner from the Board. If any Owner fails to remove such mechanic's lien, the Board may discharge the lien and charge the Owner a Special Assessment for such cost of discharge.

**8.7 Animal Regulations.** No animals, livestock, reptiles, insects, poultry or other animals of any kind shall be kept in any Residence except that usual and ordinary domestic dogs, cats, fish, and birds inside bird cages may be kept as household pets within any Residence provided that they are not kept, bred or raised therein for commercial purposes or in unreasonable quantities or sizes. As used in the Declaration, "unreasonable quantities" shall ordinarily mean more than two (2) pets per Unit, provided, however, that the Board may determine that a reasonable number in any instance may be more or less. The Board shall have the right to limit the size of pets and may prohibit maintenance of any animal which constitutes, in the opinion of the Board of Directors, a nuisance to any other Owner. Animals belonging to Owners, occupants or their licensees, tenants or invitees within the Property must be either kept within an enclosure, an enclosed patio or balcony or on a leash held by a person capable of controlling the animal. Furthermore, any Owner shall be liable to each and all remaining Owners, their

93 2370006

DEC 03 1993

families, guests and invitees, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon the Property by an Owner or by members of his family, his tenants or his guests, and it shall be the duty and responsibility of each such Owner to clean up after such animals which have deposited droppings or otherwise used any portion of the Property or public street abutting or visible from the Property.

**8 8 Business or Commercial Activity** No part of the Property shall ever be used for any business, commercial (including auctions or similar events), manufacturing, mercantile, storage, vending or other nonresidential purposes, including without limitation any activity for which the provider is compensated in any way or receives any form of consideration, regardless of whether the activity is engaged in full or part-time, generates or does not generate a profit, or requires or does not require a license, except Declarant, its successors and assigns may use any portion of the Property for a model home site and display and sales offices in accordance with Article VII hereof. The provisions of this Section 8 8 shall not preclude any of the above-described activities without external evidence thereof, provided that all of the following conditions are fulfilled: (a) such activities are conducted in conformance with all applicable governmental ordinances, (b) the patrons or clientele of such activities do not visit the Unit or park automobiles or other vehicles within the Property, (c) the existence or operation of such activities is not apparent or detectable by sight, sound or smell from the outside of the boundaries of the Unit, (d) no such activity increases the liability or casualty insurance obligation or premium of the Association, and (e) such activities are consistent with the residential character of the Property and conform with the provisions of this Declaration.

**8 9 Trash** No rubbish, trash, or garbage or other waste material shall be kept or permitted upon any Unit, except in sanitary containers located in appropriate areas screened and concealed from view, and no odor shall be permitted to arise therefrom so as to render the Project, or any portion thereof, unsanitary, unsightly, offensive, or detrimental to any other property in the vicinity thereof or to its occupants. Trash containers shall be exposed to the view of neighboring Units only when set out for a reasonable period of time not to exceed twelve (12) hours before and after scheduled trash collection hours. There shall be no exterior fires whatsoever, except barbecue fires contained within receptacles or fire pits commercially designed therefor. No clothing or household fabrics shall be hung, dried, or aired in such a way in the Project as to be visible from the other Units in the Project, and no lumber, grass, scrap, tree clippings, plant waste, metals, bulk materials, refuse, or trash shall be kept, stored, or allowed to accumulate on any portion of the Project, except within an enclosed structure or appropriately screened from view, and so long as no fire hazard is created thereby.

**8 10 Further Subdivision** Except as otherwise provided herein, no Owner shall physically or legally further subdivide his Unit in any manner, including without limitation, the division of his Unit or his Condominium into time-share estates or time-share uses, however, the right of an Owner to rent or lease all of his Unit by means of a written lease or rental agreement subject to the Restrictions shall not be impaired. Any failure by the lessee of the Unit to comply with the terms of this Declaration or the Bylaws of the Association shall constitute a default under the

lease or rental agreement. Notwithstanding the foregoing, no Unit in the Project may be partitioned or subdivided without the prior written approval of the Beneficiary of any first Mortgage on that Unit. This Section may not be amended without the prior written approval of the Beneficiaries of at least seventy-five percent (75%) of the first Mortgages of Condominiums in the Project.

8.11 Drainage. There shall be no interference with the established drainage pattern over the Property, unless an adequate alternative provision is made for proper drainage with the prior written approval of the Architectural Committee. For the purpose hereof, "established" drainage is defined as the drainage which exists at the time of the first Close of Escrow for the sale of a Condominium, or that which is shown on any plans approved by the Architectural Committee.

8.12 Water Supply System. No individual water supply or water softener system shall be permitted in any Unit unless such system is designed, located, constructed and equipped in accordance with the requirements, standards, and recommendations of any applicable water district, the City and all other applicable governmental authorities. Any sewage disposal system shall be installed only after approval by the Architectural Committee and any governmental health authority having jurisdiction.

8.13 View Obstructions. No vegetation or other obstruction shall be planted or maintained in such location or of such height as to extend beyond the boundaries of the airspace "cube" comprising the Unit in which the item was installed, constructed or planted, or to unreasonably obstruct the view from any other Residence in the vicinity thereof. The Association shall have the authority to trim, prune or remove any landscaping improvement which grows beyond the boundaries of the Unit, and the cost of such trimming, pruning or removal shall be a Special Assessment chargeable to the Owner of the Unit wherein such landscaping improvement is located. If there is a dispute between Owners concerning the obstruction of a view from a Residence, the dispute shall be submitted to the Architectural Committee, whose decision in such matters shall be binding. Any such obstruction shall, upon request of the Architectural Committee, be removed or otherwise altered to the satisfaction of the Architectural Committee, by the Owner of the Residence upon which the obstruction is located. Any item of vegetation maintained upon any patio or balcony, which item or vegetation is exposed to the view of any Owner, shall be removed or otherwise altered to the satisfaction of the Architectural Committee, if such Committee determines that the maintenance of such item or vegetation in its then existing state is contrary to the purposes or provisions of this Declaration. The Architectural Committee shall ensure that the vegetation on the Common Property maintained by the Association is cut frequently, so that the view of any Owner is not unreasonably obstructed.

8.14 Rights of Handicapped. Subject to the provisions of Article IV of this Declaration, each Owner shall have the right to modify his Residence and the route leading to the front door of his Residence, at his sole cost and expense, in order to facilitate access to his Residence by persons who are blind, visually handicapped, deaf or physically disabled, or to alter conditions which could be hazardous to such persons.

93 2370006

DEC 03 1993



8.15 No Hazardous Activities No activities shall be conducted on any Unit, and no Improvements shall be constructed on any Unit which are or might be unsafe or hazardous to any Person or property.

8.16 No Mining and Drilling No oil drilling, oil, gas or mineral development operations, oil refining, geothermal exploration or development, quarrying or mining operations of any kind shall be permitted upon or in any Unit, nor shall oil wells, tanks, tunnels or mineral excavations or shafts be permitted upon the surface of any Unit or within five hundred fifty feet (550') below the surface of the Project. No derrick or other structure designed for use in boring for water, oil, geothermal heat or natural gas shall be erected, maintained or permitted upon any Unit.

#### ARTICLE IX

##### 9 Insurance

9.1 Duty to Obtain Insurance Types The Board shall cause to be obtained and maintained adequate blanket public liability insurance (including medical payments), insuring the Association, Board, Owners, Declarant, HCD or any appointed manager, against any liability to the public or to the owners incident to the use of, or resulting from any accident or intentional act occurring in or above any unit, or the Common Area. The minimum limits of such insurance shall be determined by the Board (not less than \$1 million covering all claims for personal injury and property damage arising out of a single occurrence) and established to provide such coverage and protection as is customarily earned to provide such coverage and protection as is customarily earned by prudent owners of similar property in the County in which the project is situated. The board shall review the limits and coverage of such insurance at least every year and shall increase or adjust the same, if necessary to provide adequate coverage and protection to the Association, Board, Owners, Declarant, HCD and any appointed manager. Such policy or policies shall provide cross liability endorsements or severability of interest endorsements insuring each insured against the liability of each other insured. An individual Owner may carry such personal liability insurance as they may desire, provided, however, that any such policy shall include a waiver of subrogation clause.

The Board shall also cause to be obtained and maintained fire and casualty insurance with extended coverage, without deduction for depreciation, in an amount as near as possible to the full replacement value of the Common Property and those portions of the Units consisting of all fixtures, installations or additions comprising a part of the Condominium Buildings and all built-in or set-in appliances, cabinets and initial basic floor coverings, as initially installed or

93 2370006

DEC 03 1993

replacements thereof in accordance with the original plans and specifications for the Project, or as installed by or at the expense of the Owners. Such insurance shall be maintained for the benefit of the Association, the Owners, and the Mortgagees as their interests may appear as stated insured, subject, however, to loss payment requirements as set forth herein. The Board of Directors shall purchase such other insurance as necessary including but not limited to errors and omissions, directors, officers and agents liability insurance, plate glass insurance, medical payments, malicious mischief, liquor liability and vandalism insurance, fidelity bonds and worker's compensation, and such other risks as shall customarily be covered with respect to condominium projects similar to construction, location and use. Fidelity bond coverage which names the Association as an obligee must be obtained, if reasonably available, by or on behalf of the Association for any Person handling funds of the Association, including, but not limited to, officers, directors, trustees, employees and agents of the Association and employees of the Manager of the Association, whether or not such Persons are compensated for their services, in an amount not less than the estimated maximum of funds, including reserve funds, in the custody of the Association or the Manager, as the case may be, at any given time during the term of each bond. However, in no event may the aggregate amount of such bonds be less than the sum equal to one hundred and fifty percent (150%) of the Annual Assessments on all Condominiums in the Project, plus reserve funds. In addition, the Association shall continuously maintain in effect such casualty, flood and liability insurance and fidelity bond coverage meeting the insurance and fidelity bond requirements for condominium projects established by VA, FNMA, GNMA and FHLMC, so long as any of which is a Mortgagee or Owner of a Condominium within the Project, except to the extent such coverage is not available or has been waived in writing by VA, FNMA, GNMA and FHLMC, as applicable.

All Board obtained policies allowed under this Article and, (1) include as an insured The East Los Angeles Community Union, a California nonprofit corporation, (2) include as an additional insured HFD and its officers, agents, employees and servants, (3) include a cancellation clause which would notify HFD 30 days prior to cancellation of the insurance policy, (4) include a notification clause which would notify HFD prior to cancellation or lapse of coverage or in the event of any claim. Any notification pursuant to this Article shall be as follows:

The Department of Housing and Community Development  
 Century Freeway Housing Program  
 111 N. La Brea Avenue, Suite 500  
 Inglewood, California 90301  
 Attention: Executive Director

9.2 Waiver of Claims Against Association. As to all policies of insurance maintained by or for the benefit of the Association and the Owners, the Association and the Owners hereby waive and release all claims against one another, the Board of Directors and Declarant, to the extent of the insurance proceeds available, whether or not the insurable damage or injury is caused by the negligence of or breach of any agreement by any of said Persons.

93 2370006

DEC 03 1993

**9.3 Right and Duty of Owners to Insure.** It is the responsibility of each Owner to provide insurance on his personal property and upon all other property and improvements within his Unit for which the Association has not purchased insurance in accordance with Section 9.1 hereof. Said insurance is to be limited to the type and nature of coverage commonly known as tenant's insurance. All such insurance that is individually carried must contain a waiver of subrogation rights by the carrier as to other Owners, the Association and Declarant.

Nothing herein shall preclude any Owner from carrying any public liability insurance as he deems desirable to cover his individual liability for damage to person or property occurring inside his individual Unit or elsewhere upon the Property. Such policies shall not adversely affect or diminish any liability under any insurance obtained by or on behalf of the Association, and duplicate copies of such other policies shall be deposited with the Board upon request. If any loss intended to be covered by insurance carried by or on behalf of the Association shall occur and the proceeds payable thereunder shall be reduced by reason of insurance carried by any Owner, such Owner shall assign the proceeds of such insurance carried by him to the Association, to the extent of such reduction, for application by the Board to the same purposes as the reduced proceeds are to be applied.

Except as provided in this section, no Owner can separately insure his Condominium or any part of it against loss by fire or other casualty. If any Owner violates this provision, any diminution in insurance proceeds otherwise payable pursuant to this Article that results from the existence of such other insurance will be chargeable to the Owner who acquired other insurance, and the Owner will be liable to the Association to the extent of any such diminution.

**9.4 Notice of Expiration Requirements.** If available, each of the policies of insurance maintained by the Association shall contain a provision that said policy shall not be cancelled, terminated, materially modified or allowed to expire by its terms, without ten (10) days' prior written notice to the Board and Declarant, and to each Owner and Beneficiary, insurer and guarantor of a first Mortgage who has filed a written request with the carrier for such notice, and every other Person in interest who requests such notice of the insurer. In addition, fidelity bonds shall provide that they may not be cancelled or substantially modified without ten (10) days' prior written notice to any insurance trustee named pursuant to Section 9.6 and to each FNMA servicer who has filed a written request with the carrier for such notice.

**9.5 Insurance Premiums.** Insurance premiums for any blanket insurance coverage obtained by the Association and any other insurance deemed necessary by the Board of Directors shall be a Common Expense to be included in the Annual Assessments levied by the Association and collected from the Owners. That portion of the Annual Assessments necessary for the required insurance premiums shall be separately accounted for by the Association in the Reserve Fund, to be used solely for the payment of premiums of required insurance as such premiums become due.

93 2370006

DEC 03 1993

**96 Trustee for Policies.** A Commercial Bank which shall be selected through the Board that is within the city limits of Los Angeles shall act as trustee of the interests of all named insureds under policies of insurance purchased and maintained by the Association. Said Commercial Bank shall agree in writing to accept the trust offered by the Board. All insurance proceeds under any such policies as provided for in Section 9.1 of this Article shall be paid to the Commercial Bank as trustee. The Commercial Bank acting as trustee shall have full power to receive and to receipt for the proceeds and to deal therewith as provided herein. Insurance proceeds shall be used by for the repair or replacement of the property for which the insurance was carried or otherwise disposed of as provided in Article X of this Declaration. The Commercial Bank acting as trustee is hereby granted the authority to negotiate loss settlements with the appropriate insurance carriers, with participation, to the extent they desire, of first Mortgagees who have filed written requests within ten (10) days of receipt of notice of any damage or destruction as provided in Section 10.4 of this Declaration. The Commercial Bank acting as trustee may sign a loss claim form and release form in connection with the settlement of a loss claim, and such signatures shall be binding on all the named insureds.

**97 Actions by Trustee.** Except as otherwise specifically provided in this Declaration, the Commercial Bank as trustee, acting on behalf of the Association and all Owners, shall have the exclusive right to bind such parties in respect to all matters affecting insurance carried by the Association, the settlement of a loss claim, and the surrender, cancellation, and modification of all such insurance, in a manner satisfactory to Beneficiaries of seventy-five percent (75%) of the first Mortgages held by first Mortgagees who have filed requests under Section 9.4. Duplicate originals or certificates of all policies of fire and casualty insurance maintained by the Association and of all renewals thereof, together with proof of payment of premiums, shall be delivered by the Association to all Owners and Mortgagees who have requested the same in writing.

**98 Annual Insurance Review.** The Board shall review the insurance carried by or on behalf of the Association at least annually, for the purpose of determining the amount of the casualty and fire insurance referred to in Section 9.1 above. If economically feasible, the Board shall obtain a current appraisal of the full replacement value of the improvements on the Property except for foundations and footings, without deduction for depreciation, from a qualified independent insurance appraiser, prior to each such annual review.

**99 Required Waiver.** All policies of physical damage insurance shall provide, if reasonably possible, for waiver of the following rights, to the extent that the respective insurers would have the rights without such waivers:

- (a) subrogation of claims against the Owners and tenants of the Owners
- (b) any defense based upon coinsurance.

93 2370006

DEC 03 1993

(c) any right of setoff, counterclaim, apportionment, proration or contribution by reason of other insurance not carried by the Association,

(d) any invalidity, other adverse effect or defense on account of any breach of warranty or condition caused by the Association, any Owner or any tenant of any Owner, or arising from any act, neglect, or omission of any named insured or the respective agents, contractors and employees of any insured.

(e) any right of the insurer to repair, rebuild or replace, and, if the Improvement is not repaired, rebuilt or replaced following loss, any right to pay under the insurance an amount less than the replacement value of the Improvements insured.

(f) notice of the assignment of any Owner of his interest in the insurance by virtue of a conveyance of any Condominium, and

(g) any right to require any assignment of any Mortgage to the insurer

#### ARTICLE X

##### 10 Destruction of Improvements

10.1 Restoration of the Property Except as otherwise provided in this Declaration, in the event of any destruction of any portion of the Property, the repair or replacement of which is the responsibility of the Association, it shall be the duty of the Association to restore and repair the same to its former condition, as promptly as practical. The proceeds of any insurance maintained pursuant to Article IX hereof for reconstruction or repair of the Property shall be used for such purpose, unless otherwise provided herein. The Board shall be authorized to have prepared the necessary documents to effect such reconstruction as promptly as practical. The Property shall be reconstructed or rebuilt substantially in accordance with the Condominium Plan and the original construction plans if they are available, unless changes recommended by the Architectural Committee have been approved in writing by sixty-seven percent (67%) of the Owners and by the Beneficiaries of fifty-one percent (51%) of first Mortgages upon the Condominiums. If the amount available from the proceeds of such insurance policies for such restoration and repair is at least eighty-five percent (85%) of the estimated cost of restoration and repair, a Reconstruction Assessment shall be levied by the Board of Directors to provide the necessary funds for such reconstruction, over and above the amount of any insurance proceeds available for such purpose. If the amount available from the proceeds of such insurance policies for such restoration and repair is less than eighty-five percent (85%) of the estimated cost of restoration and repair, the Board may levy a Reconstruction Assessment and proceed with the restoration and repair only if both of the following conditions ("Conditions to Reconstruction")

40

93 2370006

DEC 03 1993

have first been satisfied (a) the levy of a Reconstruction Assessment to pay the costs of restoration and repair of the Property is approved by the affirmative vote or written consent of sixty-seven percent (67%) of the Owners and by the written consent of the Beneficiaries of fifty-one percent (51%) of the First Mortgages on the Condominiums in the Project, and (b) within six (6) months after the date on which the destruction occurred, the Board Records a certificate of the resolution authorizing the restoration and repair ("Reconstruction Certificate"). If either of the Conditions to Reconstruction does not occur following a destruction for which insurance proceeds available for restoration and repair are less than eighty-five percent (85%) of the estimated cost of restoration and repair, it shall be conclusively presumed that the Owners have determined not to proceed with restoration and repair and not to allow the Board to levy a Reconstruction Assessment, in which case the Owners may proceed as provided in Section 10.2 below.

**10.2 Sale of Property and Right to Partition.** No Owner shall have the right to partition of his interest in the Condominium and there shall be no judicial partition of the Project, or any part thereof, except as provided in Section 1159(b) of the California Civil Code as amended or in any successor statute. For purposes of Subsection 4 of said Section 1159(b), partition may occur only if all of the following conditions are satisfied: (a) either or both of the Conditions to Reconstruction described in Section 10.1 above have failed to occur, and (b) within six (6) months after the date on which destruction occurred, restoration or repair has not actually commenced, and (c) the Owners of sixty-seven percent (67%) of the Condominiums in the Project approve the partition by vote or written consent. In such event, the Association, acting through a majority of the Board, shall prepare, execute and Record, as promptly as practical, a certificate stating that a majority of the Board may properly exercise an irrevocable power of attorney to sell the Project for the benefit of the Owners, and such other documents and instruments as may be necessary for the Association to consummate the sale of the Property at the highest and best price obtainable, either in its damaged condition, or after damaged structures have been razed. Such certificate shall be conclusive evidence of such authority for any Person relying thereon in good faith. The net proceeds of such sale and the proceeds of any insurance carried by the Association shall be divided proportionately among the Owners, such proportions to be determined in accordance with the relative appraised fair market valuation of the Condominiums as of a date immediately prior to such destruction (or condemnation), expressed as percentages, and computed by dividing such appraised valuation of each Condominium by the total of such appraised valuations of all Condominiums in the Project. For purposes of calculating the portion of the sale and insurance proceeds or condemnation proceeds allocable to Declarant, the value of the Condominiums owned by Declarant shall include the value of Declarant's right to construct Condominium buildings containing Units which were not yet built as of the date of such destruction or condemnation and the value of the undivided interest in the Common Area which would be appurtenant to such Units. The Board is hereby authorized to hire one (1) or more appraisers for such purpose and the cost of such appraisals shall be a Common Expense of the Association. Notwithstanding the foregoing, the balance then due on any valid encumbrance of record shall be first paid in order of priority, before the distribution of any proceeds to an Owner whose Condominium is so encumbered. Nothing herein shall be deemed

93 2370006

DEC 03 1993

to prevent partition of a co-tenancy in any Condominium. Except as provided above, each Owner and the successors of each Owner, whether by deed, gift, devise or by operation of law, for their own benefit and for the Units and for the benefit of all other Owners, specifically waive and abandon all rights, interests and causes of action for a judicial partition of the tenancy in common ownership of the Project and do further covenant that no action for such judicial partition shall be instituted, prosecuted or reduced to judgment.

10.3 Interior Damage With the exception of any casualty or damage insured against by the Association pursuant to Section 9.1 of this Declaration, restoration and repair of any damage to the interior of any individual Residence, including without limitation all fixtures, cabinets and improvements therein, together with restoration and repair of all interior paint, wall coverings and floor coverings, shall be made by and at the individual expense of the Owner of the Residence so damaged. In the event of a determination to rebuild the Property after partial or total destruction, as provided in this Article X, such interior repair and restoration shall be completed as promptly as practical and in a lawful and workmanlike manner, in accordance with plans approved by the Architectural Committee as provided herein.

10.4 Notice to Owners and Listed Mortgagees The Board, immediately upon having knowledge of any damage or destruction affecting a material portion of the Common Property, shall promptly notify all Owners and Beneficiaries, insurers and guarantors of first Mortgages on Condominiums in the Project who have filed a written request for such notice with the Board. The Board, immediately upon having knowledge of any damage or destruction affecting a Unit, shall promptly notify any Beneficiary, insurer or guarantor of any Mortgage encumbering such Unit who has filed a written request for such notice with the Board.

#### ARTICLE XI

11 Eminent Domain The term "taking" as used in this Article shall mean condemnation by exercise of the power of eminent domain or by sale under threat of the exercise of the power of eminent domain. The Board shall represent the Owners in any proceedings, negotiations, settlements, or agreements regarding takings. All takings proceeds shall be payable to the Association for the benefit of the Unit Owners and their Mortgagees, and shall be distributed to such Owners and Mortgagees as provided in this Article XI.

11.1 Project Condemnation If there is a taking of an interest in all or part of the Project such that the ownership, operation and use of the Project in accordance with the provisions of

93 2370006

DEC 03 1993

this Declaration is substantially and adversely affected ("Project Taking"), and within one hundred twenty (120) days after the effective date of the taking the Owners of Units (a) not taken, or (b) only partially taken but the Residences and garages of which are capable of being restored to at least ninety-five percent (95%) of their floor area and to substantially their condition prior to the taking (collectively, the "Remaining Units") do not by affirmative vote of at least one-third of their voting power approve the continuation of the Project and the repair, restoration and replacement to the extent feasible of the Common Property and the Remaining Units, then the Board shall proceed with the sale of that portion of the Project which was not taken and distribute the net proceeds of such sale after deducting any incidental fees and expenses, in the same proportion and manner as provided in Section 10.2.

**11.2. Condemnation of Common Property.** If there is a taking of (a) all or any portion of the Common Area, or any interest therein, other than the taking of an undivided interest therein taken as a result of the taking of a Condominium, or (b) all or any portion of the Association Property (other than Exclusive Use Area), or any interest therein, then the award in condemnation shall be paid to the Association and shall be deposited in the Operating Fund.

**11.3. Condemnation of Exclusive Use Area.** If there is a taking of all or any portion of an Exclusive Use Common Area which is not taken in connection with the taking of all or any portion of the Unit to which it is appurtenant, the award in condemnation shall be paid to the Owner of the Unit to which the taken Exclusive Use Common Area was appurtenant, provided, however, that such award shall first be applied to the balance then due on any Mortgages encumbering such Owner's Condominium, in order of priority.

**11.4. Condemnation of Condominiums.** If there is a taking of a Condominium, the award in condemnation shall be paid to the Owner of the Condominium, provided, however, that such award shall first be applied to the balance then due on any Mortgages encumbering such Owner's Condominium, in order of priority.

**11.5. Condemnation of Portions of Units**

**(a) Minor Takings Within Limits.** If (i) there is a taking of a portion of one or more Units such that the Residences and garages located therein are capable of being restored to at least ninety-five percent (95%) of their floor area and substantially their condition prior to the taking, and (ii) such restoration can be accomplished at a cost less than or equal to the sum of (A) the amount of the condemnation awards for such takings plus (B) any amounts the Owners of the taken Units wish to contribute to restoration plus (C) an amount less than or equal to five percent (5%) of the Budgeted gross expenses of the Association for that Fiscal Year ("Allowable Cost"), then the Board shall contract for such restoration and levy a Reconstruction Assessment in an amount equal to the Allowable Cost minus the amount of the condemnation awards and Owners' contributions, and the condemnation awards, Owners' contributions and Reconstruction Assessment shall be applied to such restoration.

93 2370006

DEC 03 1993



(b) Minor Takings Exceeding Limits. If (i) there is a taking of a portion of one or more Units such that the Residences and garages located therein are capable of being restored to at least ninety-five percent (95%) of their floor area and substantially their condition prior to the taking, and (ii) such restoration cannot be accomplished at a cost less than or equal to the Allowable Cost, then the Board shall call a Special Meeting of the Members. If more than fifty percent (50%) of the Members are represented at such Special Meeting, either in person or by proxy, and a majority of the votes cast at such Special Meeting are in favor of levying a Reconstruction Assessment in an amount equal to the restoration costs minus the sum of the amount of the condemnation awards and the amounts the Owners of the taken Units wish to contribute to such restoration, then the Board shall contract for such restoration and levy a Reconstruction Assessment, and the condemnation awards, Owners' contributions and Reconstruction Assessment shall be applied to such restoration.

(c) Major Takings. If the requisite approval is not obtained at the Special Meeting referred to in Section 11.5(b), or if there is a taking of a portion of one or more Units such that the Units are not capable of being restored to at least ninety-five percent (95%) of their floor area and substantially their condition prior to the taking, then the award in condemnation shall be paid to the Owners of the taken Units provided, however, that such award shall first be applied to the balance then due on any Mortgages encumbering such Owner's Condominium, in order of priority. The Board shall have the remaining portions of the taken Units razed. The remaining portions of the taken Units and appurtenant Exclusive Use Areas shall become part of the Association Property, and the Owners of such taken Units in any Phase of Development, by acceptance of the award allotted to them in taking proceedings, hereby relinquish (i) to the Association such remaining portion of the taken Units and appurtenant Exclusive Use Area, (ii) to the other Owners in such Phase of Development, on the basis of their relative ownership of the Common Area therein, such Owners' undivided interest in the Common Area, each Owner relinquishing his interests pursuant to this Section shall, at the request of the Board and at the expense of the Association, execute and acknowledge such deeds and other instruments which the Board deems necessary or convenient to evidence such relinquishment. Each Owner of a taken Unit or Residence shall not be liable for assessments under this Declaration which accrue on or after the date such Owner accepts his condemnation award.

11.6 Portions of Awards in Compensation Not Contingent on the Value of Real Property. Those portions of awards in condemnation which do not directly compensate Owners for takings of real property (e.g., awards for takings of personal property, relocation expenses, moving expenses, or other allowances of a similar nature intended to facilitate relocation) shall be paid to the Owners whose personal property is taken, or whose relocation is intended to be facilitated.

11.7 Notice to Owners and Mortgagees. The Board, upon learning of any taking affecting

a material portion of the Property, or any threat thereof, shall promptly notify all Owners and those Beneficiaries, insurers and guarantors of Mortgages or Condominiums in the Project who have filed a written request for such notice with the Association. The Board, upon learning of any taking affecting a Unit, or any threat thereof shall promptly notify any Beneficiary, insurer or guarantor of a Mortgage encumbering such Unit who has filed a written request for such notice with the Association.

## ARTICLE XII

12. Rights of Mortgagees. Notwithstanding any other provisions of this Declaration, no amendment or violation of this Declaration shall operate in defect or render invalid the rights of the Beneficiary under any Deed of Trust upon one or more Condominiums made in good faith and for value, provided that after the foreclosure of any such Deed of Trust such Condominium(s) shall remain subject to this Declaration, as amended. For purposes of this Declaration, "first Mortgage" shall mean a Mortgage with first priority over other Mortgages or Deeds of Trust on a Condominium, and "first Mortgagee" shall mean the Beneficiary of a first Mortgage. For purposes of any provision of this Declaration or the other Restrictions which require the vote or approval of a specified percentage of first Mortgagees, such vote or approval shall be determined based upon one (1) vote for each Condominium encumbered by each such first Mortgage. In order to induce VA, FHLMC, GNMA, and FNMA to participate in the financing of the sale of Condominiums within the Project, the following provisions are added hereto (and to the extent these added provisions pertain to the rights of Mortgagees, VA, FHLMC, FNMA, and GNMA conflict with any other provisions of this Declaration or any other of the Restrictions, these added restrictions shall control):

(a) Each Beneficiary, insurer and guarantor of a first Mortgage encumbering any Condominium, upon filing a written request for notification with the Board, is entitled to written notification from the Association of:

- (1) any condemnation or casualty loss which affects either a material portion of the Project or the Unit(s) securing the respective first Mortgage, and
- (2) any delinquency of sixty (60) days or more in the performance of any obligation under the Restrictions, including without limitation the payment of assessments or charges owed by the Owner(s) of the Unit(s) securing the respective first Mortgage, which notice each Owner hereby consents to and authorizes, and
- (3) a lapse, cancellation, or material modification of any policy of insurance or fidelity bond maintained by the Association and

93 2370006

DEC 03 1993

(4) any proposed action of the Association which requires assent by a specified percentage of First Mortgagees

(b) Every Owner, including every first Mortgagee of a Mortgage encumbering any Condominium who obtains title to such Condominium pursuant to the remedies provided in such Mortgage, or pursuant to a foreclosure of the Mortgage, or by deed (or assignment) in lieu of foreclosure, shall be exempt from any "right of first refusal" created or purported to be created by the Restrictions.

(c) Each first Mortgagee of a Mortgage encumbering any Condominium, which obtains title to such Condominium, pursuant to judicial foreclosure or the powers provided in such Mortgage, shall take title to such Condominium free and clear of any claims for unpaid assessments or charges against such Condominium which accrued prior to the time such Mortgagee acquires title to such Condominium in accordance with Section 5.10.

(d) Unless at least sixty-seven percent (67%) of the First Mortgagees or sixty-seven percent (67%) of the Owners (other than Declarant) have given their prior written approval, neither the Association nor the Owners shall

(1) by act or omission seek to abandon or terminate the Property or

(2) change the pro rata interest or obligations of any Condominium order to levy assessments or charges, allocate distributions of hazard insurance proceeds or condemnation awards or determine the pro rata share of ownership of each Condominium in the Common Area, or

(3) partition or subdivide any Condominium Unit, or

(4) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Property (The granting of easements for public utilities or for other purposes consistent with the intended use of the Common Property under this Declaration shall not be deemed a transfer within the meaning of this clause), or

(5) by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design, the exterior appearance or the maintenance of the Units or the Common Property, or

(6) fail to maintain or cause to be maintained Fire and Extended Coverage insurance on insurable Common Property as provided in Article IX of this Declaration, or

(7) use hazard insurance proceeds for losses to any condominium property (i.e., Improvements to the Units or Common Property) for other than the repair, replacement or reconstruction of such condominium property, subject to the provisions of Article X of this

93 2370 006

DEC 03 1993

Declaration, or

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

(e) All Beneficiaries, insurers and guarantors of first Mortgages, upon written request to the Association, shall have the right to

(1) examine current copies of the Association's books, records and financial statements and the Restrictions during normal business hours, and

(2) require the Association to submit an annual audited financial statement if one is available, or have one prepared at the expense of the requesting entity if such statement is not otherwise prepared by the Association, provided that, upon annexation of additional Units to the Project such that fifty (50) or more Units are subject to this Declaration, the Association may be required to submit such a statement without expense to the requesting entity, and

(3) receive written notice of all meetings of Owners, and

(4) designate in writing a representative who shall be authorized to attend all meetings of Owners

(f) All Beneficiaries, insurers and guarantors of first Mortgages, upon written request, shall be given thirty (30) days' written notice prior to the effective date of (1) any proposed, material amendment to the Restrictions or Condominium Plans, (2) any termination of an agreement for professional management of the Property following any decision of the Owners to assume self-management of the Project, and (3) any proposed termination of the Property as a condominium project

(g) The Reserve Fund described in Article V of this Declaration must be funded by regular scheduled monthly, quarterly, or semiannual payments rather than by large special assessments

(h) The Board shall secure and cause to be maintained in force at all times a fidelity bond for any Person handling funds of the Association, including, but not limited to, employees of the professional Manager

(i) In addition to the foregoing, the Board may enter into such contracts or agreements on behalf of the Association as are required in order to satisfy the guidelines of VA, FILLMC, FNMA or GNMA or any similar entity, so as to allow for the purchase, guaranty or insurance, as the case may be, by such entities of first Mortgages encumbering Condominiums. Each Owner hereby agrees that it will benefit the Association and the membership of the Association, as a class of potential Mortgage borrowers and potential sellers of their residential Condominiums.

93 2370006

DEC 03 1993

if such agencies approve the Property as a qualifying subdivision under their respective policies, rules and regulations, as adopted from time to time. Mortgagees are hereby authorized to furnish information to the Board concerning the status of any Mortgage encumbering a Condominium.

(j) Each Owner hereby authorizes the First Mortgagee of a first Mortgage on his Condominium to furnish information to the Board concerning the status of such first Mortgage and the lien which it secures.

(k) When professional management has been previously required by a Beneficiary, insurer or guarantor of a first Mortgage, any decision to establish self-management by the Association shall require the approval of sixty-seven percent (67%) of the voting power of the Association and the Beneficiaries of fifty-one percent (51%) of the first Mortgages of Condominiums in the Project.

(l) First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Property and may pay any overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for Common Property, and First Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

#### ARTICLE XIII

##### 13. Duration and Amendment

13.1 Duration This Declaration shall continue in full force for a term of fifty (50) years from the date of Recordation hereof, after which time the same shall be automatically extended for successive periods of ten (10) years, unless a Declaration of Termination is Recorded, satisfying the requirements of an amendment to this Declaration as set forth in Section 13.2. There shall be no severance by sale, conveyance, encumbrance or hypothecation of an interest in any Unit from the concomitant Membership in the Association, as long as this Declaration shall continue in full force and effect. The provisions of this Article are subject to the provisions of Sections 10.2 and 11.5 of this Declaration.

##### 13.2 Amendment

(a) Notice of the subject matter of a proposed amendment to this Declaration in reasonably detailed form shall be included in the notice of any meeting or election of the Association at which a proposed amendment is to be considered. The resolution shall be adopted by the vote, in person or by proxy, or written consent of Members representing not less than (i) sixty-seven percent (67%) of the voting power of the Association, and (ii) sixty-seven percent (67%) of the voting power of the Association residing in Members other than Declarant, provided that the specified percentage of the voting power of the Association necessary to amend a specified Section or provision of this Declaration shall not be less than

93 2370006

DEC 03 1993

the percentage of affirmative votes prescribed for action to be taken under that Section or provision.

(b) In addition to the required notice and consent of Members and Declarant provided above, the Beneficiaries of fifty-one percent (51%) of the first Mortgage on all the Condominiums in the Project who have requested the Association to notify them of proposed action requiring the consent of a specified percentage of such first Mortgages must approve any amendment to this Declaration which is of a material nature, as follows:

(1) Any amendment which affects or purports to affect the validity or priority of encumbrances or the rights or protection granted to Beneficiaries, insurers or guarantors of first Mortgages as provided in Articles V, IX, X, XI, XII and XIII hereof.

(2) Any amendment which would necessitate an encumbrance after it has acquired a Condominium through foreclosure to pay more than its proportionate share of any unpaid assessment or assessments accruing after such foreclosure.

(3) Any amendment which would or could result in an encumbrance being cancelled by forfeiture, or in a Condominium not being separately assessed for tax purposes.

(4) Any amendment relating to the insurance provisions as set out in Article IX hereof, or to the application of insurance proceeds as set out in Article X hereof, or to the disposition of any money received in any taking under condemnation proceedings.

(5) Any amendment which would or could result in partition or subdivision of a Condominium Unit in any manner inconsistent with the provisions of this Declaration.

(6) Any amendment which would subject any Owner to a right of first refusal or other such restriction, if such Condominium is proposed to be sold, transferred, or otherwise conveyed.

(7) Any amendment concerning

(A) Voting rights,

(B) Rights to use the Common Property,

(C) Reserves and responsibility for maintenance, repair and replacement of the Common Property,

(D) Boundaries of any Unit,

(E) Owners' interests in the Common Area.

(f) Convertibility of Common Property into Units or Units into Common Property.

(g) Leasing of Units.

(h) Establishment of self-management by the Association where professional management has been required by any Beneficiary, holder or guarantor of a first Mortgage.

(i) Annexation or de-annexation of real property to or from the Property, or

(j) Assessments, assessment liens, or the subordination of such liens.

(c) Termination of this Declaration shall require approval by the Members as provided in subsection (a) of this Section 13.2. No such termination shall be effective unless it is also approved in advance either by fifty-one percent (51%) of the Beneficiaries of the first Mortgages on all of the Condominiums in the Project or said termination is proposed by reason of the substantial destruction or condemnation of the Project or by sixty-seven percent (67%) of such Beneficiaries if said termination is for reasons other than such substantial destruction or condemnation.

(d) Each Beneficiary of a first Mortgage on a Condominium in the Project which receives proper written notice of a proposed amendment or termination of this Declaration by certified or registered mail with a return receipt requested shall be deemed to have approved the amendment or termination if the Beneficiary fails to submit a response to the notice within thirty (30) days after the Beneficiary receives the notice.

(e) A copy of each amendment shall be certified by at least two (2) officers of the Association, and the amendment shall be effective when a Certificate of Amendment is Recorded. The Certificate, signed and sworn to by two (2) officers of the Association that the requisite number of Owners and mortgagees have either voted for or consented in writing to any amendment adopted as provided above, when Recorded, shall be conclusive evidence of that fact. The Association shall maintain in its files the record of all such votes or written consents for a period of at least four (4) years.

(f) Notwithstanding any other provisions of this Section 13.2, at any time prior to the first Close of Escrow for the sale of a Condominium within the Project, Declarant may unilaterally amend or terminate this Declaration by Recording a written instrument which effects the amendment or termination and is signed and acknowledged by Declarant.

50

93 2370006

DEC 03 1993



(g) Notwithstanding any other provisions of this Section 13.2, for so long as Declarant is an Owner, Declarant may unilaterally amend this Declaration by Recording a written instrument signed by Declarant in order to conform this Declaration to the requirements of DRE, VA, FKMA, GNMA or FHLMC then in effect.

13.3 Protection of Declarant The prior written approval of Declarant, as developer of the Property, will be required before any amendment which would impair or diminish the rights of Declarant to complete the Property or sell or lease Condominiums therein in accordance with this Declaration shall become effective. Notwithstanding any other provisions of the Restrictions, until such time as Declarant no longer owns any Condominiums in the Property, the following actions, before being undertaken by the Association, shall first be approved in writing by Declarant:

(a) Any amendment or action requiring the approval of first Mortgagees pursuant to this Declaration, including without limitation all amendments and action specified in Sections 13.2;

(b) The levy of a Capital Improvement Assessment for the construction of new facilities not constructed on the Common Property by Declarant; or

(c) Subject to Section 5.4 regarding limitations on Annual Assessment increases, any significant reduction of Association maintenance or other services.

ARTICLE XIV

14 Enforcement of Certain Bonded Obligations

14.1 Consideration by Board of Directors If (1) the Improvements to be located on the Common Property are not completed prior to the issuance of a Final Subdivision Public Report by the DRE for the sale of Condominiums in the Project, and (2) the Association is obligee under a bond or other arrangement ("Bond") required by the DRE to secure performance of the commitment of Declarant to complete such Improvements, the Board of Directors of the Association shall consider and vote on the question of action by the Association to enforce the obligations under the Bond, with respect to any such Improvement for which a Notice of Completion has not been filed within sixty (60) days after the completion date specified for that Improvement in the Planned Construction Statement appended to the Bond. If the Association has given an extension in writing for the completion of any Improvement on the Common Property, the Board shall be directed to consider and vote on the aforesaid question (if a Notice of Completion has not been filed), within thirty (30) days after the expiration of the extension.

93 2370006

DEC 03 1993



14.2 Consideration by the Members A special meeting of Members for the purpose of voting to override a decision by the Board not to initiate action to enforce the obligations under the Bond or on the failure of the Board to consider and vote on the question shall be held no fewer than thirty-five (35) days nor more than forty-five (45) days after receipt by the Board of a petition for such a meeting signed by Members representing five percent (5%) of the total voting power of the Association residing in Members other than Declarant. A vote at such meeting to take action to enforce the obligations under the Bond by Members representing a majority of the total voting power of the Association residing in Members other than Declarant shall be deemed to be the decision of the Association, and the Board shall thereafter implement this decision by initiating and pursuing appropriate action in the name of the Association.

## ARTICLE XV

15 General Provisions

15.1 Legal Proceedings Failure to comply with any of the terms of the Restrictions by an Owner, his family, guests, employees, invitees or tenants, shall be grounds for relief which may include, without limitation, an action to recover sums due for damages and shall be subject to enforcement and collection by the Board in accordance with the procedures provided for in this Declaration. The Board may also adopt a schedule of reasonable fines or penalties which, in its reasonable discretion, it may assess against an Owner for the failure of such Owner, or of a resident of or visitor to such Owner's unit, to comply with any provision of the Restrictions. Such fines or penalties may only be assessed by the Board after Notice and Hearing.

15.2 Violations of Restrictions Without in any way limiting the generality of the foregoing, if the Board of Directors determines that there is a violation of any provision of this Declaration, or the Architectural Committee determines that an improvement which is the maintenance responsibility of an Owner is in need of installation, repair, restoration or painting, then the Board shall give written notice to the responsible Owner of the condition or violation complained of. Unless the Architectural Committee has approved in writing corrective plans proposed by the Owner to remedy the condition complained of within such period of time as may be determined reasonable by the Board after it has given said written notice, and such corrective work so approved is completed thereafter within the time allotted by the Board, the Board, after Notice and Hearing, shall undertake to remedy such condition or violation complained of, and the cost thereof shall be charged to the Owner and his Condominium whose Residence is the subject matter of the corrective work. Such cost shall be deemed to be a Special Assessment to such Owner and shall be subject to enforcement and collection by the Board in accordance with the procedures provided for in this Declaration. The Board may also adopt a schedule of reasonable fines or penalties which, in its reasonable discretion, it may assess against an Owner for the failure of such Owner, or of a resident of or visitor to such Owner's unit, to comply with

93 2370006

DEC 03 1993

any provisions of the Restrictions. Such fines or penalties may only be assessed by the Board after Notice and Hearing.

15.3 Severability. The provisions hereof shall be deemed independent and severable, and a determination of invalidity or partial invalidity or unenforceability of any one provision or portion hereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.

15.4 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the creation and operation of a residential condominium development and for the maintenance of Common Property, and any violation of this Declaration shall be deemed to be a nuisance. The Article and Section headings, titles and captions have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction. As used herein, the singular shall include the plural and the masculine, feminine and neuter shall each include the other, unless the context dictates otherwise.

15.5 Mergers or Consolidations. Upon a merger or consolidation of the Association with another association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer and enforce the covenants, conditions and restrictions established by this Declaration governing the Property, together with the covenants and restrictions established upon any other property, as one plan.

15.6 Use of Recreational Facilities. The Board of Directors shall have the right to limit the number of guests that an Owner or such Owner's tenant may permit to use the open parking and recreational facilities on the Common Property, and the Board shall have the right to set further reasonable restrictions on the time and manner of use of said parking areas and recreational facilities, in accordance with the Rules and Regulations, including, without limitation, Rules and Regulations restricting or prohibiting the use of all or designated portions of the Property recreational facilities by numerous guests of an Owner or his tenants.

15.7 No Public Right or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Property to the public, or for any public use.

15.8 No Representations or Warranties. No representations or warranties of any kind, express or implied have been given or made by Declarant, its agents or employees in connection with the Property, or any portion thereof, its physical condition, zoning, compliance with applicable laws, fitness for intended use, or in connection with the subdivision, sale,

93 2370006

DEC 03 1993

operation, maintenance, cost of maintenance, taxes or regulation thereof as a Condominium Project, except as specifically and expressly set forth in this Declaration and except as may be filed by Declarant from time to time with the DRI.

#### 15.9. Negligibility and Indemnification

(a) General Liability Except as specifically provided in the Restrictions or as required by law, no right, power, or responsibility conferred on the Board or the Architectural Committee by this Declaration, the Articles or the Bylaws shall be construed as a duty, obligation or disability charged upon the Board, the Architectural Committee, any member of the Board or of the Architectural Committee, or any other officer, employee or agent of the Association. No such Person shall be liable to any party (other than the Association or a party claiming in the name of the Association) for injuries or damage resulting from such Person's acts or omissions within what such Person reasonably believed to be the scope of his Association duties ("Official Acts"), except to the extent that such injuries or damage result from such Person's willful or malicious misconduct. No such Person shall be liable to the Association for to any party claiming in the name of the Association for injuries or damage resulting from such Person's Official Acts, except to the extent that such injuries or damage result from such Person's negligence or willful or malicious misconduct.

(b) Bodily Injury Damages Limitation No person who suffers bodily injury (including without limitation emotional distress or wrongful death) as a result of the tortious act or omission of a volunteer Board member or volunteer Association officer shall receive damages from such Board member or officer if all of the following conditions are satisfied:

(1) At the time the act or omission occurred, the Board member or officer resided in the Project as either a tenant or an Owner of two (2) or fewer Condominiums.

(2) The act or omission was performed within the scope of the Board member's or officer's Association duties.

(3) The act or omission was performed in good faith.

(4) The act or omission was not willful, wanton or grossly negligent, and

(5) The Association maintained and had in effect at the time the act or omission occurred and at the time a claim was made general liability insurance in the amount of at least five hundred thousand dollars (\$500,000.00).

A Board member or Association officer who at the time of the act or omission was the Declarant or received direct or indirect compensation as an employee from Declarant or from a financial institution which purchased a Condominium at a judicial or non-judicial foreclosure of

93 2370006

DEC 03 1993

a Mortgage is not a volunteer for purposes of this Section 15.9(b). The payment of actual expenses incurred by a Board member or Association officer does not affect the member's or officer's status as a volunteer for purposes of this Section 15.9(b).

(c) Indemnification. The Association shall pay all expenses incurred by and satisfy any judgment or fine levied against any person as a result of any action or threatened action against such Person to impose liability on such Person for his Official Acts, provided that:

(1) The Board determines that such Person acted in good faith and in a manner such Person reasonably believed to be in the best interests of the Association;

(2) In the case of a criminal proceeding, the Board determines that such Person had no reasonable cause to believe his conduct was unlawful; and

(3) In the case of an action or threatened action by or in the right of the Association, the Board determines that such Person acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

Any determination of the Board required under this Section 15.9(c) must be approved by a majority vote of a quorum consisting of Directors who are not parties to the action or threatened action giving rise to the indemnification. If the Board fails or refuses to make any such determination, such determination may be made by the vote or written consent of a majority of a quorum of the Members of the Association, provided that the Person to be indemnified shall not be entitled to vote. Payments made hereunder shall include amounts paid and expenses incurred in settling any such action or threatened action. This Section 15.9(c) shall be construed to authorize payments and indemnification to the fullest extent now or hereafter permitted by applicable law. The entitlement to indemnification hereunder shall inure to the benefit of the estate, executor, administrator, heirs, legatees, or devisees of any Person entitled to such indemnification.

15.10 Notices. Except as otherwise provided in this Declaration, in each instance in which notice is to be given to an Owner, the same shall be in writing and may be delivered personally to the Owner, in which case personal delivery of such notice to one or more co-owners of a Condominium or to any general partner of a partnership owning a Condominium shall be deemed delivery to all co-owners or to the partnership, as the case may be. Personal delivery of such notice to any officer or agent for the service of process on a corporation shall be deemed delivery to the corporation. In lieu of the foregoing, such notice may be delivered by regular United States mail, postage prepaid, addressed to the Owner at the most recent address furnished by such Owner to the Association or, if no such address shall have been furnished, to the street address of such Owner's Unit. Such notice shall be deemed delivered three (3) business days after the time of such mailing, except for notice of a meeting of Members or of the Board of Directors in which case the notice provisions of the Bylaws of the Association shall control. Any notice

to be given to the Association may be delivered personally to any member of the Board, or sent by United States mail, postage prepaid, addressed to the Association at such address as shall be fixed from time to time and circulated to all Owners.

15.11 Priority and Inconsistencies. If there are conflicts or inconsistencies between this Declaration and either the Articles of Incorporation or the Bylaws of the Association, the terms and provisions of this Declaration shall prevail.

15.12 Entry Gate Disclosure. Each Owner, by acceptance of a deed to a Condominium, acknowledges that entry gates were installed by Declarant, however, no warranties, promises or warranties, express or implied, oral or written, are made by Declarant or the Association as to the continued existence or location of the gates, and no representations, promises or warranties, express or implied, oral or written, are made by Declarant or the Association regarding providing protection, or security for the Project, in general, and each Owner, Owner's family, guests, invitees, agents or employees or any of their personal property.

15.13 Approval by FHA or VA. So long as there is a Class B membership, the following shall require the prior approval of FHA or VA: Annexation or de-annexation, mergers or consolidations of additional properties outside of Lot 1 of Tract Number 9779, any special assessments, and any amendment of this Declaration. A draft of any amendment to this Declaration should be submitted to the VA for its approval prior to its approval by the membership of the Association.

15.14 Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Condominium or other portion of the Property does hereby consent and agree, and shall be conclusively deemed to have consented and agreed, to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired and interest in the Property, or any portion thereof.

#### ARTICLE XVI

16. Annexation of Additional Property. Additional real property may be annexed to Phase 1 and such additional real property may become subject to this Declaration by any of the methods set forth hereinafter.

16.1 Additions by Declarant. Declarant or its successors or assigns shall have the right from time to time to add the Annexable Territory, or any portion or portions thereof (including any recreational facilities located thereon), to the Property and to bring such added territory within

46

93 2370006

DEC 03 1993

the general plan and scheme of this Declaration without the approval of the Association, its Board of Directors or members provided that such a note of Declarant and its successors and assigns shall terminate on the earlier to occur of the third (3rd) anniversary of the original issuance of the most recently issued Final Subdivision Public Report for the most recent Phase of Development, or the seventh (7th) anniversary of the date of Recording of this Declaration. As each Phase of Development is developed, Declarant may, with respect thereto, record a supplemental declaration ("Supplemental Declaration") which may supplement this Declaration with such additional covenants, conditions, restrictions, reservations and easements as Declarant may deem appropriate for that Phase of Development.

16.2 Other Additions. In addition to the provision for annexation specified in Section 16.1 above, additional real property may be annexed to the property and brought within the general plan and scheme of this Declaration upon the approval by vote or written consent of Members entitled to exercise no less than two-thirds (2/3rds) of the voting power of the Association. Notwithstanding the foregoing, any additional real property annexed to the Property after the seventh (7th) anniversary of the Recording of this Declaration shall not effect a change in the percentage interests of Owners in the Common Area which existed prior to the date of annexation.

16.3 Rights and Obligations-Added Territory. Subject to the provisions of Section 16.4, upon the Recording of a Notice of Addition of Territory containing the provisions set forth in this Section, all provisions contained in this Declaration shall apply to the real property described in such notice of Addition of Territory (the "added territory") in the same manner as if it were originally covered by this Declaration. Hereafter, the rights, powers and responsibilities of the parties to this Declaration with respect to the added territory shall be the same as with respect to the property originally covered hereby, and the rights, powers and responsibilities of the owners, lessees and occupants of Units within the added territory, as well as within the property originally subject to this Declaration, shall be the same as if the added territory were originally covered by this Declaration. From and after the first day of the month following the first Close of Escrow for the sale of a Condominium in the added territory, the Owner of Condominiums located in the added territory shall share in the payment of assessments to the Association to meet Common Expenses of the entire Property as provided in Section 5.5 hereof. Voting rights attributable to the Condominiums in the added territory shall not vest until Annual Assessments have commenced as to such Condominiums.

16.4 Notice of Addition of Territory. The additions authorized under Sections 16.1 and 16.2 shall be made by Recording a notice of Addition of Territory or other similar instrument (which notice or instrument may contain the Supplemental Declaration, if any, affecting each such Phase of Development), with respect to the added territory ("Notice of Addition") which shall extend the general plan and scheme of this Declaration to such added territory. The Notice of Addition of any addition under Section 16.1 shall be signed by Declarant. The Notice of Addition of any addition under Section 16.2 shall be signed by at least two (2) officers of the Association to certify that the requisite approval of the Members under Section 16.2 was

93 2370006

DEC 03 1993

obtained. The Recording of said Notice of Addition shall constitute and effectuate the annexation of the added territory described therein, and thereupon said added territory shall become and constitute a part of the property, become subject to this Declaration and encompassed within the general plan and scheme of covenants, conditions, restrictions, reservation of easements and equitable servitudes contained herein, and become subject to the functions, powers and jurisdiction of the Association, and the Owners of Condominiums in said added territory shall automatically become Members of the Association. Such Notice of Addition may contain a Supplemental Declaration with such additions and modifications of covenants, conditions, restrictions, reservation of easements and equitable servitudes contained in this Declaration as may be necessary to reflect the different character, if any, of the added territory, or as Declarant may deem appropriate in the development of the added territory, and as are not inconsistent with the general plan and scheme of this Declaration. In no event, however, shall such Notice of Addition or Supplemental Declaration revoke, modify or add to the covenants, conditions, restrictions, reservation of easements, or equitable servitudes established by this Declaration as the same shall pertain to the real property originally covered by this Declaration. Concurrently with the first Close of Escrow for the sale of a Condominium in any Phase of Development annexed to the Property in accordance herewith, Declarant shall pay to the Association an appropriate amount (as determined by DRI) for reserves for replacement or deferred maintenance of the Common Property in such Phase necessitated by or arising out of the use and occupancy of the Condominiums in such Phase under a rental program conducted by Declarant if such rental program was in effect for at least one (1) year prior to such first Close of Escrow.

**16.5 Disconnection and Amendment.** Declarant may amend a Notice of Addition or delete all or a portion of a Phase of Development from coverage of this Declaration and the jurisdiction of the Association, so long as Declarant is the owner of all of such Phase of Development, and provided that (1) any amending instrument or a Notice of Deletion of Territory, as applicable, is Recorded in the same manner as the applicable Notice of Addition was Recorded, (2) Declarant has not exercised any Association vote with respect to any portion of such Phase of Development, (3) assessments have not yet commenced with respect to any portion of such Phase of Development, (4) Close of Escrow has not occurred for the sale of any Condominium in such Phase of Development, and (5) the Association has not made any expenditures or incurred any obligations with respect to any portion of such Phase of Development.

**16.6 Power of Attorney.** Each Owner of a Condominium in the Project, by accepting a deed to a Condominium, shall be deemed to have (a) agreed and acknowledged that the Owners own no interest in the Annexable Territory which may be developed, if at all, by Declarant in its sole and absolute discretion and (b) constituted and irrevocably appointed Declarant, for so long as Declarant owns all or any portion of the Annexable Territory, as his Attorney-in-Fact, for himself and each of his Mortgagees, optionees, grantees, licensees, trustees, executors, lessees, tenants, judgment creditors, heirs, legatees, devisees, administrators, receivers, legal representatives, successors and assigns, whether voluntary or involuntary, and thereby to have conveyed a Power of Attorney coupled with an interest to Declarant as his Attorney in Fact to prepare, execute, acknowledge and Record any Condominium Plan or amendment to the

58

93 2370006

DEC 03 1993



Condominium Plans for all or any portion of the Annexable Territory. However, nothing set forth herein shall be deemed or construed as an agreement by Declarant that any owner shall be entitled to any participation in or discretion over the preparation and Recordation of a Condominium Plan or Plans for all or any portion of the Annexable Territory. The acceptance or creation of any Mortgage or other encumbrance whether or not voluntary created in good faith, or given for value, shall be deemed to be accepted or agreed subject to each of the terms and conditions of the Power of Attorney described in this Section.

This Declaration is dated for identification purposes Nov. 12, 1993

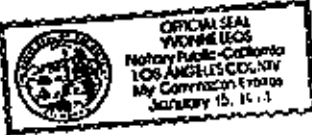
City View Terrace

a California Limited Partnership  
 BY: THE EAST LOS ANGELES COMMUNITY  
 UNION, a California Corporation,  
 General Partner

By [Signature]  
 ANTHONY P. SOUZA  
 Executive Vice President  
 5400 E. OLYMPIC BOULEVARD  
 LOS ANGELES, CALIFORNIA 90022

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of CA  
 County of Los Angeles  
 On 11-12-93 before me, Yvonne Lane  
 personally appeared Anthony P. Souza  
 personally known to me - OR -  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



WITNESS my hand and official seal

[Signature]  
 SIGNATURE OF NOTARY

**OPTIONAL SECTION**

**CAPACITY CLAIMED BY SIGNER**

Though state laws may vary, the capacity to act in the state below, or to sign, may differ and is liable to persons relying on the document.

- INDIVIDUAL
- CORPORATE OFFICER(S)  
Exec. VP
- PARTNER(S)  LIMITED GENERAL
- ATTORNEY IN FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER

**SIGNER IS REPRESENTING:**

NAME OF FIRM OR ORGANIZATION

93 2370006

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT

**OPTIONAL SECTION**

TITLE OR TYPE OF DOCUMENT \_\_\_\_\_  
 NUMBER OF PAGES 59 DATE OF DOCUMENT 11-12-93  
 SIGNER(S) OTHER THAN NAMED ABOVE \_\_\_\_\_

Though the date requested here is not required by law, it could prevent fraudulent attachment of this form.





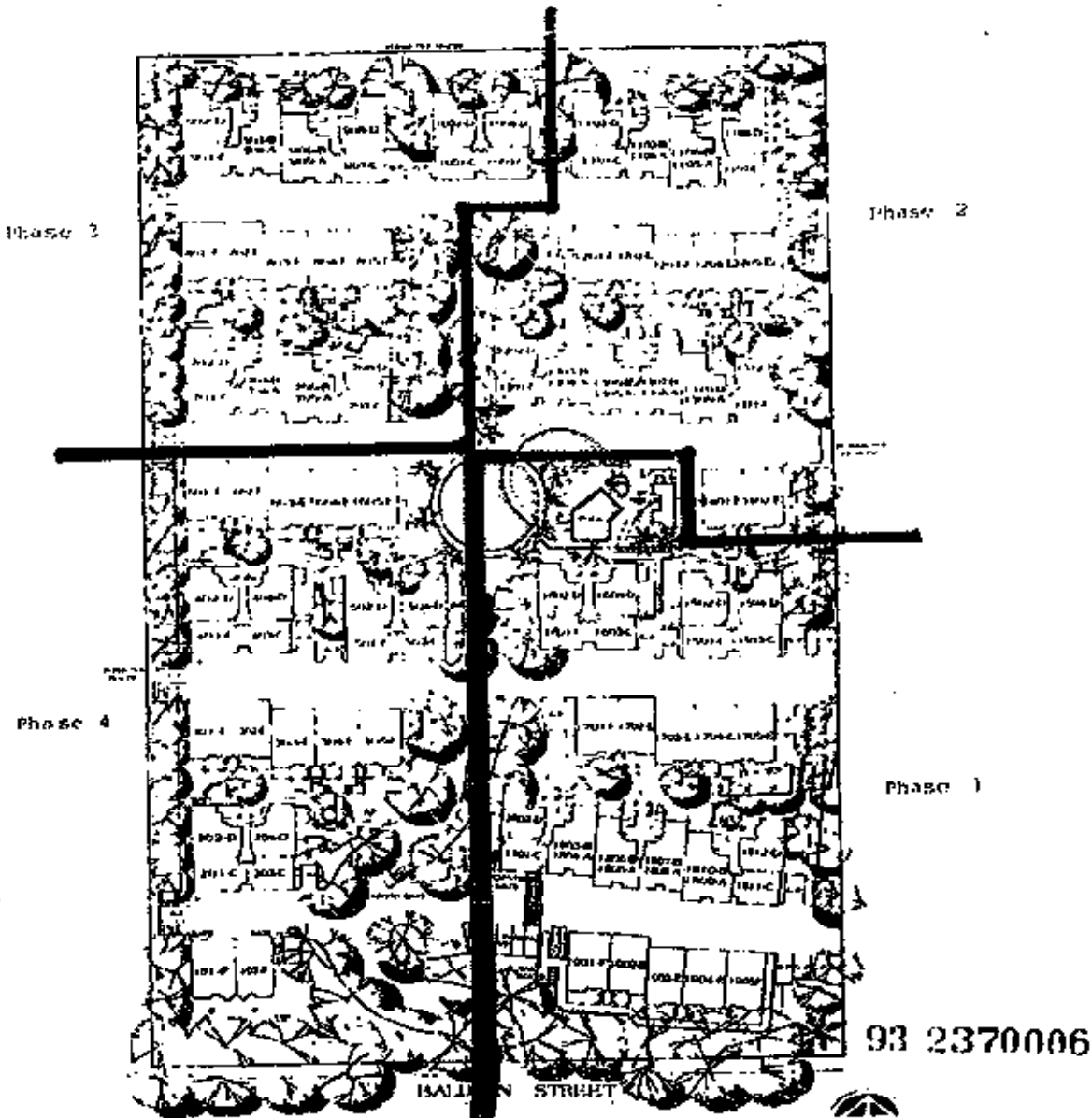


EXHIBIT A: DRAWING/UNIT DEPICTION: INCREMENT

TRACT #59779

# CITY VIEW TERRACE

## Site Plan



DEC 03 1993

## EXHIBIT "B"

PHASE 1 SUBSIDY AMOUNT

UNIT TYPE	ASSESSMENT	SUBSIDIZED ASSESSMENT	DIFFERENCE	NUMBER OF UNITS	TOTAL
A	150.89	111.63	39.26	4	157.04
B	159.90	120.51	39.39	4	157.56
C	160.55	121.15	39.40	6	236.40
D	167.32	127.82	39.50	6	237.00
E	181.98	142.26	39.72	7	278.04
F	192.30	152.43	39.87	3	119.61
<b>MONTHLY TOTAL</b>					<b>1185.65</b>

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DEC 03 1993

## EXHIBIT "B"

PHASE 2 SUBSIDY AMOUNT

UNIT TYPE	ASSESSMENT	SUBSIDIZED ASSESSMENT	DIFFERENCE	NUMBER OF UNITS	TOTAL
A	119.53	111.63	7.90	10	79.00
B	128.56	120.51	8.05	10	80.50
C	129.21	121.15	8.06	10	80.60
D	136.00	127.82	8.18	10	81.80
E	150.69	142.26	8.43	13	109.59
F	161.02	152.43	8.59	4	34.36
<b>MONTHLY TOTAL</b>					<b>465.85</b>

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DEC 03 1993

## EXHIBIT "B"

PHASE 3 SUBSIDY AMOUNT

UNIT TYPE	ASSESSMENT	SUBSIDIZED ASSESSMENT	DIFFERENCE	NUMBER OF UNITS	TOTAL
A	112.98	111.63	1.38	14	18.90
B	122.08	120.51	1.57	14	21.98
C	122.74	121.15	1.59	16	25.44
D	129.58	127.82	1.76	16	28.16
E	144.39	142.26	2.13	17	36.21
F	154.81	152.43	2.38	5	11.90
MONTHLY TOTAL					142.59

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DEC 03 1993

## EXHIBIT "B"

PHASE 3 SUBSIDY AMOUNT

UNIT TYPE	ASSESSMENT	SUBSIDIZED ASSESSMENT	DIFFERENCE	NUMBER OF UNITS	TOTAL
A	112.98	111.63	1.38	14	18.90
B	122.08	120.51	1.57	14	21.98
C	122.74	121.15	1.59	16	25.44
D	129.58	127.82	1.76	16	28.16
E	144.39	142.26	2.13	17	36.21
F	154.81	152.43	2.38	5	11.90
<b>MONTHLY TOTAL.</b>					<b>142.59</b>

93 2370006

DEC 03 1993

RECORDING REQUESTED BY:  
NORTH AMERICAN TITLE  
MAIL TO:  
TELECO AFFORDABLE HOUSING  
3400 E. OLYMPIC BLVD.  
SUITE 300  
LOS ANGELES, CA 90022  
ATTN: JANE B.

93 2370007

**NOTICE OF ADDITION OF TERRITORY  
AND SUPPLEMENTAL DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS FOR  
CITY VIEW TERRACE CONDOMINIUM HOMEOWNER'S  
ASSOCIATION**

THIS NOTICE OF ADDITION OF TERRITORY AND SUPPLEMENTAL  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
("NOTICE OF ADDITION") IS MADE BY CITY VIEW TERRACES, A  
CALIFORNIA LIMITED PARTNERSHIP ("DECLARANT").

**P R E A M B L E:**

A. Declarant has executed a Declaration of Covenants, Conditions and  
Restrictions and Reservation of Easements for City View Terrace Condominium  
Homeowners' Association ("Declarant"). The Declaration was Recorded on  
12/3, 1993, as Instrument No. 93- in the Official Records of Los  
Angeles California ("Official Records"). The Declaration is binding upon all  
owners of Condominiums in the condominium development known as "City View  
Terrace Condominium Homeowners' Association" ("Property").

B. Declarant is the owner of certain real property ("Annexed Territory")  
in the City of Los Angeles, County of Los Angeles, State of California, described  
as follows:

Modules A and B as shown on the Condominium  
Plan ("plan") recorded on 12/3/93,  
1993, as Instrument No. 93- in  
Official Records of Los Angeles,  
California located on lot 1 of Tract 50779,  
as shown on a Subdivision map recorded in  
Book 1202, Pages 3 to 4, inclusive, of  
Miscellaneous maps, in the office of the  
Los Angeles County Recorder.



... .. 88901 2001

... .. MILITARY ASSOCIATION - 8236 Sunset Ave. P O Box 7184 - Caroga Park, CA 95008-7184

DEC 03 1993

C. Pursuant to the Declaration, Declarant now desires to add the Annexed Territory to the Property as a phase of Development thereof

THEREFORE, DECLARANT HEREBY DECLARES AS FOLLOWS

1. Annexation of Territory. Declarant is the owner of the Annexed Territory and hereby declares that the Annexed Territory is annexed to and made a part of the residential development comprising the Property, subject to the Declaration, as phase \_\_\_ thereof.

2. Membership in Association. Each purchaser from Declarant of one (1) or more Condominium units within the Annexed territory, pursuant to a Final Subdivision Public Report issued by the California Department of Real Estate ("DRE") covering the Annexed territory, shall become an "Owner" as defined in the declaration and shall automatically become a member of the City View Terrace Condominium Homeowners' Association, a California nonprofit corporation ("Association"), as set forth in the declaration.

3. Interests in Common Areas. Each Owner of a Condominium in the Annexed Territory shall have an equal undivided interest in the Common Area which is located in the Annexed Territory. Such Common Area shall be conveyed in fee simple to the Owners of Condominiums in the Annexed Territory as tenants in common, subject to certain reservations and easement grants.

4. Annexation of Association Property. Declarant is the Owner of certain real property ("Annexed Association Property"), described as module A as shown on the Plan excluding all Units. Declarant hereby declares that the Annexed Association Property herein described is hereby annexed to the Declaration. The Annexed Association Property shall be conveyed lien free to the Association prior to the first Close of Escrow for the sale of Condominium unit in the Annexed Territory to a purchaser from Declarant, subject to the provisions of the Declaration and this Notice of Addition. The Association's obligation to maintain the Annexed Association property shall commence upon the commencement of Annual Assessments on Condominium units within the Annexed Territory as described

93 2370007

NOTARY ASSOCIATION - 800 National Ave., P.O. Box 7784, Orange, CA 92667-7784

DEC 03 1993

below Declarant hereby expressly reserves for the benefit of certain Owners of Condominiums in the Annexed Territory, exclusive easements for use of the Exclusive use Areas (as defined in the declaration ) for purposes as shown as assigned in the Condominium Plan or deeds, as applicable, for the Annexed Territory

5 Maintenance Obligations. The respective maintenance obligations of the Association, the owners, and Declarant shall be as described in the Declaration.

6 Conformity With Development Plan. This Notice of Addition is in conformity with the development plan currently on file with the DRE, and is being Recorded prior to the seventh (7th) anniversary of the Recordation of the Declaration. This Notice of Addition is being Recorded prior to the third (3rd) anniversary of the original issuance of the most recently issued Final Subdivision Public Report from the DRE for a Phase of Development, as described in the Declaration.

7 Assessment obligations. The rights and obligations of all Owners of Condominium Units located in the Annexed Territory with respect to assessments shall be the same as the rights and obligations of the Owners of Condominium Units currently affected by the Declaration. The Annual Assessments provided for in the Declaration shall commence as to all Condominium units in the Annexed Territory on the first day of the month following the date on which the first deed is Recorded conveying a Condominium Unit in the Annexed Territory to a purchaser from Declarant pursuant to a Final Subdivision Public Report issued by the DRE covering the Annexed Territory.

8 Miscellaneous. The provisions of this Notice of Addition shall run with all of the Annexed Territory and all the Property, and shall be binding upon all persons having or acquiring an interest in the Property, the Annexed Territory and any interest therein, and shall inure to the benefit of, and be binding upon, each successor in interest of Declarant, and may be enforced by any Owner, Declarant, the Association, or their successive owners. Unless otherwise provided herein, the capitalized terms in this Notice of Addition shall have the same meanings as set forth in the Declaration. Except as otherwise expressly provided,

93 2370007

COMMERCIAL MUTUAL ASSOCIATION • 8720 Beverly Ave. • P.O. Box 1104 • Century Park • CA 91308 7184

DEC 03 1993



all of the provisions of the Declaration are hereby incorporated by this reference as if fully set forth herein

This Notice of Addition has been executed by Declarant on 11-15-93 1993

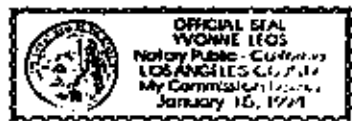
CITY VIEW TERRACES  
a California Limited Partnership  
By: THE EAST LOS ANGELES CREDIT UNIT,  
a California Corporation, General Partner

By: Anthony P. Souza  
Its: Executive Vice President  
5400 E. Olympic Boulevard  
Los Angeles, California, 90022

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of CA  
County of Los Angeles  
On 11-15-93 before me,  
personally appeared Anthony P. Souza

Yvonne Lee  
Notary Public - California  
My Commission Expires  
January 10, 1994



personally known to me - OR - I 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

WITNESS my hand and official seal  
Yvonne Lee

OPTIONAL SECTION  
CAPACITY CLAIMED BY SIGNER  
 INDIVIDUAL  
 OFFICER OR DIRECTOR  
 PARTNER  
 MEMBER  
 ATTORNEY IN FACT  
 SPOUSE  
 FIDUCIARY  
 OTHER  
SIGNER IS REPRESENTING:  
93 2370007

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT  
Through the designated field is not required by the filer could prevent back and forth movement of this form  
FILE OR TYPE OF DOCUMENT  
NUMBER OF PAGES 4 DATE OF DOCUMENT 11-15-93  
SIGNER(S) OTHER THAN NAILED ABOVE  
1993 NATIONAL INSTRUMENTS CORPORATION 20701 Hummer Ave. P.O. Box 1164 - Long Beach, CA 90801-1164

DEC 03 1993

95 1614316

#13

Recording Requested By:

RECORDING REQUESTED BY:  
NORTH AMERICAN TITLE CO.

And When Recorded Mail to:

Law Offices of Timothy S. Murakami  
5750 Wilshire Blvd., Suite 500  
Los Angeles, California 90036

RECORDED/FILED IN OFFICIAL RECORDS  
RECORDER'S OFFICE  
LOS ANGELES COUNTY  
CALIFORNIA  
OCT 05 1995 AT 8 A.M.

SPACE ABOVE FOR RECORDER'S USE

FIRST AMENDMENT TO THE  
DECLARATION OF COVENANTS, CONDITIONS  
AND RESTRICTIONS AND RESERVATION OF EASEMENTS  
FOR  
CITY VIEW TERRACE CONDOMINIUM HOMEOWNERS' ASSOCIATION

FEE \$13 C  
3

32-80203-03

THIS FIRST AMENDMENT to the Declaration of Covenants, Conditions, and Restrictions and Reservation of Easements for City View Terrace Condominium Homeowners' Association ("First Amendment") is made and executed this 25th day of September, 1995 by City View Terraces, a California limited partnership, ("Declarant"), being the owner of that certain real property subject to this First Amendment.

RECITALS

WHEREAS, a Declaration of Covenants, Conditions, and Restrictions and Reservation of Easements for City View Terrace Condominium Homeowners' Association ("Declaration") was recorded December 3, 1993, as Instrument No. 93-2370006, Official Records of Los Angeles County affecting that certain real property in the City of Los Angeles of said County, State of California described as:

Modules A and B as shown on the Condominium Plan recorded on December 3, 1993 as Instrument No. 93-2370004 in Official Records of Los Angeles County, California, located on Lot 1 of Tract No. 50779, as shown on a Subdivision Map filed in Book 1202, Pages 3 and 4 of Maps, in the Office of the Los Angeles County Records.

WHEREAS, no Condominiums have been conveyed in the property, therefore pursuant to Article XIII, Section 13.2 of the Declaration, the Declarant desires to amend the Declaration,

[Telsol/Amend CCR: 09/29/95]

NOW, THEREFORE, the Declaration is hereby amended as follows:

Article II, Section 2.9, Repair and Maintenance by Owners, is revised to include the following paragraph:

"Power Vent Water Heaters will be, if not already, installed in the following Units:

101-F; 201-C; 202-D; 203-C; 204-D; 401-C; 402-D; 403-C;  
404-D; 501-C; 502-D; 503-C; 504-D; 1501-C; 1502-D; 1503-C;  
1504-D; 1601-C; 1602-D; 1603-C; 1801-C; 1802-D; 1803-B;  
1804-A; 1805-A; 1806-B; 1807-B; 1808-A; 1809-A; 1810-B;  
1811-C; and 1812-D.

Power Vent Water Heaters ("Heaters") have an electronically controlled gas ignition system designed for energy conservation as well as an electronically powered venting system. When replacement of these Heaters is required, the Owners (including Declarant) of said Units shall replace the Heaters only with the same type of Heaters and not with any conventionally vented water heaters. This provision herein relating to the Heaters shall not be revised, modified, or amended without the consent of the City of Los Angeles."

EXCEPT AS SO AMENDED, the Declaration shall be and remain in full force and effect.


95 1614316

IN WITNESS WHEREOF, the undersigned has executed the following First Amendment to the Declaration of Covenants, Conditions, and Restrictions and Reservation of Easements for City View Terrace Condominium Homeowners' Association.

"Declarant"

CITY VIEW TERRACES, a California limited partnership

By: THE EAST LOS ANGELES COMMUNITY UNION, a California corporation, General Partner

X   
By: ANTHONY P. SOUZA  
its: Executive Vice-President

STATE OF CALIFORNIA )  
COUNTY OF ) ss.

On 9-25, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared: Anthony P. Souza,  Personally known to me, - OR -  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. WITNESS my hand and official seal.

(SEAL)



  
Notary Public

95 1614316

95 935204

#14

Recorded at the request of and mail to:

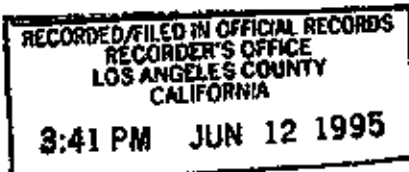
JUAN M. ZATARAIN

(Name)

13557 SAVANNA

(Address)

Tustin, CA 92680



FEE \$7 Z

SPACE ABOVE THIS LINE FOR RECORDER'S USE

MODEL DWELLING AFFIDAVIT

As a condition of the issuance by the Department of Building and Safety of a permit or permits for model dwellings on lots within an approved or conditionally approved subdivision or any final map unit thereof in the A, RE, RS, R1, RU, RZ, RMP, or RW1 Zones with respect to one-family homes, and in the R2, RD, RW2, R3, R4, and R5 Zones with respect to multiple unit structures described as:

LOT 13 BLOCK B TRACT 50779

ADDRESS 3711 Baldwin Street, Lincoln Heights, Los Angeles, CA 90031

STATEMENT

The undersigned hereby certify that we are the owners of the above described property and assume all risks and agree to all the conditions set forth in Section 12.22-A, 10 of the Los Angeles Municipal Code regarding Model Dwellings. With respect to one-family detached structures, we further agree that in the event that a final map which includes the property whereon the Model Dwelling is located is not recorded, all buildings or structures authorized by said permit shall be removed within 90 days from the expiration of the tentative tract, and that if all buildings and structures are not removed they may be confiscated and removed or demolished by the City without further notice.

Dated this 17 of May, 1995

Signature of Owner [Signature] (Sign)

(Two Officers' signatures required for Corporations) [Signature] (Sign)  
City View Terrace a California Limited Partnership

Owner's Mailing Address 5400 E. Olympic Blvd, Suite 300, Los Angeles, CA 90022

(STATE OF CALIFORNIA, COUNTY OF Los Angeles)

On May 17, 1995 before me, Yvonne Leos, personally appeared Anthony F. Souza, personally known to me (or proved to me 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.

WITNESS my hand and official seal.



Signature [Signature]

FOR DEPARTMENT USE ONLY:

MUST BE APPROVED BY Dept. of Building & Safety prior to recording

District Map 129A275 Branch Of LA

APPROVED BY [Signature]

AFFIDAVIT NUMBER \_\_\_\_\_

CD 5.8.95 Rev 10/27/94

Entered on Map by \_\_\_\_\_ DATE \_\_\_\_\_

#15

96 1150570

Recorded at the request of and mail to:

CITY VIEW TERRACES  
(Name)

5400 E. OLYMPIC BLVD.  
(Address)

LOS ANGELES, CA 90022

RECORDED/FILED IN OFFICIAL RECORDS  
RECORDER'S OFFICE  
LOS ANGELES COUNTY  
CALIFORNIA

1:01 PM JUL 17 1996

FFEE \$7 N  
DAE \$2

SPACE ABOVE THIS LINE FOR RECORDER'S USE

COVENANT AND AGREEMENT NCPF Code 19 \$3  
REGARDING MAINTENANCE OF BUILDING

The undersigned hereby certify that we are the owners of the hereinafter legally described real property located in the City of Los Angeles, State of California.

LEGAL DESCRIPTION: Lot 1 Tract No. 50779 in the City of Los Angeles, being a subdivision of Lot 13, in Block 5 of Park Tract, P.D. 18

as recorded in Book 1212, Page 334-3-495 Records of Los Angeles County, which property is located and known as (ADDRESS): 3711 Baldwin Avenue, Los Angeles, California. 071796

And in consideration of the City of Los Angeles allowing occupancy under authority of temporary certificate of occupancy,

on said property, we do hereby covenant and agree to and with said City to Maintain temporary and permanent sanitation services in area containing Blocks 6-14.

This Covenant and agreement shall run all of the above described land and shall be binding upon ourselves, and future owners, encumbrancers, their successors, heirs or assignees and shall continue in effect until released by the authority of the Superintendent of Building of the City of Los Angeles upon submittal of request, applicable fees and evidence that this Covenant and agreement is no longer required by law.

SIGNATURES Owner's Name (Please type or print) CITY VIEW TERRACES, A California Limited Partnership. (Sign)  
Signature of Owners [Signature]  
MUST BE Two Officer's Signatures Required for Corporations [Signature] (Sign)  
NOTARIZED Name of Corporation TELACU Affordable Housing  
Dated this 21 day of JUNE 19 96

STATE OF CALIFORNIA, COUNTY OF Los Angeles  
On June 21, 1996 before me, Josephine Cerinias, personally appeared John Cleat and sister, D. L. [unclear], personally known to me (or proved to me the truth 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) in the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature [Signature]



FOR DEPARTMENT USE ONLY:  
MUST BE APPROVED BY Dept. of Building & Safety prior to recording District Map 1884 207 Branch Ofc LA  
APPROVED BY [Signature] AFFIDAVIT NUMBER \_\_\_\_\_  
(B & S Com-1 Rev 6/7/94) Entered on Map by \_\_\_\_\_ DATE \_\_\_\_\_