

WHEN RECORDED MAIL TO:

8630

BOOK 8182 PAGE 612

RECORDED IN OFFICIAL RECORDS
SAN BERNARDINO COUNTY CALIF.
RECORDED IN OFFICIAL RECORDS

NEVADA-WHITECLIFF CORPORATION
344 W. THIRD STREET, SUITE 309
SAN BERNARDINO, CALIF. 92402

30
A

116

1973 MAY 14 AM 8 53

RECORDED
201 LIST OF

Title Insurance And Trust Company

DECLARATION OF COVENANTS AND RESTRICTIONS
ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP

YOUR COPY

A. WHITECLIFF CORPORATION, being business as NEVADA-WHITECLIFF CORPORATION, a corporation, (hereinafter called "Grantor") is the owner of all that certain real property located in the County of San Bernardino, State of California, described as follows:

Lot 1 as designated on the map entitled "Tract No. 8630" which map was filed in the office of the County Recorder of San Bernardino County in Book 116 of Maps at pages 36 to 37, inclusive.

B. Said property is a condominium project within the meaning of California Civil Code Section 1350 (3), and is subject to the provisions of the California Condominium Act (Title 6, Part 4, Division Second of the Civil Code), and it is the desire and intention of Grantor to divide the project into condominiums by means of deeds substantially in the form attached hereto and marked Exhibit A (said form being herein-after called "the Deed");

C. It is Grantor's intention to impose upon said property mutually beneficial restrictions under a general plan of improvement for the benefit of all of said condominiums and the owners thereof;

NOW, THEREFORE, Grantor hereby declares that the project is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the following limitations, restrictions, covenants and conditions,

This instrument is a full, true and correct copy
of the original as recorded in the
County Recorder of San Bernardino County,
California, in Book 116 of Maps at pages 36 to 37,
In Book 8182 of Official Records
of the County of San Bernardino, California,
By *Richard R. [Signature]*
TITLE INSURANCE AND TRUST COMPANY

RECORDING OF NATIONAL ORDER

116

all of which are declared and agreed to be in furtherance of a plan for the improvement of said property and the division thereof into condominiums and are established and agreed upon for the purpose of enhancing and perfecting the value, desirability and attractiveness of the project and every part thereof. All of the limitations, covenants, restrictions and conditions shall run with the real property and shall be binding on all parties having or acquiring any right, title or interest therein or any part thereof, and shall be for the benefit of each owner of any portion of said project or any interest therein, and shall inure to the benefit of and be binding upon each successor in interest of the Owners thereof.

1. Definitions. For the purposes of this Declaration the terms used shall have the following meanings:

(a) "Common Area" shall mean the Common Area or any portion thereof as shown and defined on the Condominium Plan recorded MAY 11, 1973 as Instrument No. 766 in Book 8181 at pages PAGES 1144 TO 1221, inclusive, Official Records of San Bernardino County, California, excepting therefrom Units 1 through 184, inclusive as said Units are herein defined and as shown and defined on said Condominium Plan.

(b) "Condominium" shall mean the entire property conveyed by the Deed to a Grantee;

(c) "Owner" or "Owners" shall mean the person(s) or entity(ies) in whose name(s) title to a condominium is vested;

(d) "Mortgage" shall mean a Deed of Trust as well as a mortgage;

(e) "Mortgagee" shall mean a beneficiary under or holder of a Deed of Trust as well as a mortgagee;

(f) "Board" or "Board of Governors" shall mean the governing body of the project, elected pursuant to Paragraph 6 hereof.

(g) "Unit" shall mean the elements of a condominium which are not owned in common with the Owners of other condominiums in the project, as more particularly described in the Condominium Plan referred to in subparagraph (a) of this Paragraph 1.

(h) "Lynwood Owners' Association" shall be the name of the organization of owners described in Paragraphs 3 through 8 herein.

(i) The term "Manager" shall mean the person or corporation appointed as such pursuant to subparagraph (f) of Paragraph 7 hereof.

2. No Partition. There shall be no judicial partition of the project or any part thereof, nor shall Grantor or any person acquiring any interest in the project or any part thereof seek any such judicial partition, until the happening of (a) the conditions set forth in Paragraph 16 hereof or (b) the conditions set forth in California Code of Civil Procedure Section 752b(3), provided, however, that if any condominium shall be owned by two or more co-tenants as tenants-in-common or as joint tenants, nothing herein contained shall be deemed to prevent a judicial partition as between such co-tenants.

3. Voting. Whenever votes of the Owners are required pursuant to the terms hereof, each Owner, including Grantor, shall be entitled to cast one vote for each Unit owned by said

Owner, except that votes may be cumulated for purposes of election of the Board of Governors as provided in Paragraph 6(a) hereof. Any Owner may attend meetings of the Owners and vote in person, or by an agent duly appointed by an instrument in writing signed by the Owner and filed with the Board or the Manager. Any designation of an agent to act for an Owner may be revoked at any time by written notice to the Board or Manager, and shall be deemed revoked when the Board or the Manager shall receive actual notice of the death or judicially declared incompetence of such Owner or of the conveyance by such Owner of his condominium. Where there is more than one record Owner, any or all of such persons may attend any meeting of the Owners, but it shall be necessary for those present to act unanimously in order to cast the votes to which they are entitled. Any designation of an agent to act for such persons must be signed by all such persons. Grantor shall be entitled to vote with respect to any condominium owned by Grantor.

4. Meetings; Quorum; Failure to Have a Quorum. The presence, in person or by proxy, at any meeting of Owners having at least fifty percent (50%) of the total votes shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the Owners upon the affirmative vote of a majority of the voting power. If any meeting cannot be held because a quorum is not present, the Owners present, either in person or by proxy, may, as otherwise provided by law, adjourn the meeting to a time not less than forty-eight (48) hours nor more than thirty (30) days from the time the original meeting was called, at which subsequent meeting the quorum requirement shall be at least twenty-five percent (25%) of the voting power.

(a) Annual Meeting. There shall be a first meeting of the Owners called as promptly as practicable after the sale of one hundred forty (140) condominiums or six (6) months from the close of the sale of the first condominium, whichever first occurs. Thereafter, meetings shall be held annually upon the Common Area or at such other reasonable place or time (not more than sixty (60) days before or after such date) as may be designated by written notice of the Board delivered to the Owners not less than ten (10) days nor more than sixty (60) days prior to the date fixed for said meeting. At the annual meeting, the Board shall present a certified audit of the maintenance fund, itemizing receipts and disbursements for the preceding calendar year, the allocation thereof to each Owner, and the estimated maintenance for the coming calendar year. Within ten (10) days after the annual meeting, said statement shall be delivered to the Owners not present at said meeting.

(b) Special Meetings. Special meetings of the Owners may be called at any time for the purpose of considering matters which, by the terms of these Restrictions, require the approval of all or some of the Owners, or for any other reasonable purpose. Said meetings shall be called by written notice, signed by a majority of the Board, or by the Owners having one-third (1/3) of the total votes and delivered not less than ten (10) days nor more than sixty (60) days prior to the date fixed for said meeting. Said notices shall specify the date, time and place of the meeting, and the matters to be considered thereat.

(c) Majority Vote. No action shall be taken by the Owners unless approved by a majority of the vote in person or by proxy.

5. Notices. Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered twenty-four (24) hours after a copy of same has been deposited in the United States mail, postage prepaid, addressed to each such person at the address given by such person to the Board for the purpose of service of such notice or to the Unit of such person if no address has been given. Such address may be changed from time to time by notice in writing to the Board.

6. Election and Proceedings of the Board.

(a) Election. At each annual meeting, the Owners shall elect a Board for the forthcoming year, consisting of five (5) Owners or duly authorized officers of corporate or partnership Owners; provided, however, that the first Board elected hereunder may be elected at a special meeting duly called, said Board to serve until the first annual meeting. The first Board shall be elected not later than six (6) months after conveyance of the first condominium subject hereto to an Owner. Every Owner entitled to vote at any election of members of the Board may cumulate his votes and give one candidate a number of votes equal to the number of members of the Board to be elected, multiplied by the number of votes to which such Owners are otherwise entitled, or distribute his votes on the same principle among as many candidates as he thinks

116

fit. The candidates receiving the highest number of votes up to the number of members of the Board to be elected shall be deemed elected.

(b) Term. Members of the Board shall serve for a term of one (1) year and until their respective successors are elected, or until their death, resignation or removal; provided that if any member ceases to be an Owner, his membership on the Board shall thereupon terminate.

(c) Resignation and Removal. Any member may resign at any time by giving written notice to the Board, and any member may be removed from membership on the Board by vote of the Owners; provided that unless the entire Board is removed, an individual member shall not be removed if the number of votes cast against his removal exceeds sixteen and two-thirds percent (16-2/3%) of the total vote.

(d) Proceedings. Three (3) members of the Board shall constitute a quorum and, if a quorum is present, action taken shall be the act of the Board. The Board shall elect a chairman, who shall preside over both its meetings and those of the Owners. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt. The Board may also act without a meeting by unanimous written consent of its members.

(e) Grantor Performs Functions. Until the first election of the Board, the rights, duties and functions of the Board shall be exercised by Grantor, except that Grantor shall have no power to bind the Board or Owners

to any service contract for a period longer than one (1) year.

(f) Notice of Election. After the first election of the Board, Grantor shall execute, acknowledge and record an affidavit stating the names of all of the persons elected to membership on the Board. Thereafter, any two persons who are designated of record as being members of the most recent Board (regardless of whether or not they shall still be members) may execute, acknowledge and record an affidavit stating the names of all of the members of the then current Board. The most recently recorded of such affidavits shall be prima facie evidence that the persons named therein are all of the incumbent members of the Board and shall be conclusive evidence thereof in favor of all persons who rely thereon in good faith.

7. Authority of the Board. The Board, for the benefit of the condominiums and the Owners, shall have the power, obligation and duty to enforce the provisions of this Declaration, and shall do, acquire and shall pay for out of the maintenance fund hereinafter provided for, the following:

(a) Water, sewer, garbage, electrical, telephone and gas and other necessary utility service for the Common Area, and to the extent not separately metered or charged, for the Units;

(b) Maintenance, repair and replacement of all conduits, ducts, plumbing, wiring and other facilities for the furnishing of utilities, television and other similar services which may run in, under or upon the Common Area and buildings, but the

association shall not be obligated to repair or maintain any appliances or plumbing fixtures within Units.

(c) A policy or policies of fire insurance with extended coverage endorsement, for the full insurable replacement value of the buildings and other structures bounding the Units and other Common Area, and any materials, supplies, furniture and equipment owned in common by the Condominium Owners and used in the operation and maintenance of the project, payable as provided in Paragraph 17, or such other fire and casualty insurance as the Board shall determine gives substantially equal or greater protection to the Owners, and their mortgagees, as their respective interests may appear, which said policy or policies shall provide for a separate loss payable endorsement in favor of the mortgagee or mortgagees of each condominium if any;

(d) A policy or policies insuring the Board, the Owners, and any Manager appointed as hereinafter provided, jointly and severally, against any liability to the public or to the Owners (of Units and of the Common Area, and their invitees, or tenants), incident to the ownership, maintenance and repair of the Common Area. Limits of liability under such insurance shall not be less than Three Hundred Thousand Dollars (\$300,000) for any one person injured, Five Hundred Thousand Dollars (\$500,000) for any one accident, and Fifty Thousand Dollars (\$50,000) for property damage for each occurrence (such limits and coverage to be reviewed at least

annually by the Board and increased in its discretion). Said policy or policies shall be issued on a comprehensive liability basis and shall be cross-liability endorsed so that the rights of named insureds under the policy or policies shall not be prejudiced as respects his, her or their action against another named insured;

(e) Workmen's compensation insurance to the extent necessary to comply with any applicable laws;

(f) The services of a person or firm to manage its affairs (herein called "the Manager") to the extent deemed advisable by the Board as well as such other personnel as the Board shall determine shall be necessary or proper for the performance of its functions or operation of the project, whether such personnel are employed directly by the Board or are furnished by the Manager;

(g) Legal and accounting services necessary or proper in the operation of the project or the enforcement of these Restrictions;

(h) A fidelity bond naming the Manager, and such other persons as may be designated by the Board as principals and the Owners as obligees, for the first year in an amount at least equal to the estimated cash requirement for that year as determined under Paragraph 10 hereof, and for each year thereafter in an amount at least equal to the total sum collected through the maintenance fund during the preceding year;

(i) Exterior painting, maintenance, repair and all landscaping of the Common Area and such furnishings and equipment for the Common Area as the Board shall

determine are necessary and proper, and the Board shall have the exclusive right and duty to acquire the same except as expressly otherwise provided herein; provided, however, that the interior surfaces of each Unit (including entire windows, sliding glass doors and other glazing, doors, carpets and other furnishings) shall be painted, and/or paneled, and/or wallpapered, maintained and repaired by the Owners thereof, all such painting, paneling, papering, maintenance and repair to be at the sole cost and expense of the particular Owner; and provided further that all maintenance and repair of any and all internal fixtures and installations in a Unit such as appliances, light fixtures, air conditioners, sanitary facilities and garbage disposals shall be accomplished by the Owner thereof at his sole cost and expense;

(j) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board is required to secure or pay for pursuant to the terms of these Restrictions or by law or which in its opinion shall be necessary or proper for the operation of the project or for the enforcement of these Restrictions, provided that if any such materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, taxes or assessments are provided for particular Units, the cost thereof shall be specially assessed to the Owners of such Units;

(k) Any amount necessary to discharge any lien or encumbrance levied against the entire property or any

part thereof which may in the opinion of the Board constitute a lien against the Common Area, rather than merely against the interests therein of particular Owners, provided that where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Board by reason of said lien or liens shall be specially assessed to said Owners;

(l) Maintenance and repair of any Unit, if such maintenance or repair is reasonably necessary in the opinion of the Board to protect the Common Area or preserve the appearance and value of the project, and the Owner or Owners of said Unit have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said Owner or Owners, provided that the Board shall levy a special assessment against the condominium of such Owner or Owners for the cost of said maintenance or repair;

(m) Assign, rent, or utilize for common purposes, in its discretion, garages or storage areas which are Common Area.

(n) Adopt such rules as it deems necessary for the management and control of the project.

The Board's powers hereinabove enumerated shall be limited in that the Board shall have no authority to acquire and pay for out of the maintenance fund capital additions and improvements (other than for purposes of replacing portions of the Common Area, subject to all the provisions of these Restrictions) having

a cost in excess of One Thousand Dollars (\$1,000) except as expressly provided herein, and the Board shall have no authority to enter into a service contract of a duration of more than one (1) year except with the approval of a majority of the Owners.

8. Board Powers, Exclusive. The Board shall have the exclusive right and obligation to contract for all goods, services and insurance, payment for which is to be made from the maintenance fund except as expressly otherwise provided herein.

9. Owner's Obligations to Repair. Except for those portions which the Board is required to maintain and repair hereunder each Owner shall, at his sole cost and expense, maintain and repair his Unit, keeping the same in good condition.

10. Maintenance Fund Assessments.

(a) Within thirty (30) days prior to the beginning of each calendar year the Board shall estimate the net charges to be paid during such year (including a reasonable provision for contingencies and replacements and less any expected income and any surplus from the prior year's fund). Said "estimated cash requirement" shall be assessed to each condominium equally. Grantor shall be liable for payment of any assessment against condominiums owned by Grantor. If said estimated sum proves inadequate for any reason, including nonpayment of any Owner's assessment, the Board may at any time levy a further assessment, which shall be assessed equally, unless otherwise provided herein. Assessments made pursuant to this paragraph shall be paid to the Board in equal monthly installments on or before the first day of each month during such year, or in such other reasonable manner as the Board shall designate.

(b) The rights, duties and functions of the Board set forth in this paragraph shall be exercised by Grantor for the period ending thirty (30) days after the election of the first Board hereunder.

(c) All funds collected hereunder shall be expended for the purposes designated herein.

No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his or her condominium.

11. Default; Liens; Creation; Enforcement.

(a) Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the Owner of the condominium against which the same are assessed. The amount of any assessment, whether regular or special, assessed to the Owner of any condominium plus interest at nine percent (9%), and costs, including reasonable attorneys' fees, shall become a lien upon such condominium upon recordation of a notice of assessment as provided in Section 1356 of the Civil Code of the State of California. A certificate executed and acknowledged by a majority of the Board stating the indebtedness secured by the lien upon any condominium created hereunder, shall be conclusive upon the Owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any Owner upon request at a reasonable fee, not to exceed Fifteen Dollars (\$15.00). Said lien may be enforced by sale by the Board, its Attorney or designee duly authorized, after failure of the Owner to pay the assessment in

116

accordance with its terms, such enforcement sale to be conducted in accordance with the provisions of Section 2924, 2924b and 2924c of the Civil Code of the State of California, or in any other manner permitted by law. Unless extended by recordation by the Board of a Notice of Extension of Lien, any lien created hereunder shall expire one year from the date of recordation of the notice of assessment unless sooner discharged or satisfied or proceedings are commenced to enforce same.

(b) Suspension of Voting Rights. In the event the Owner shall fail to pay an assessment as required herein, after a hearing duly held by the Board and a finding based thereon that such Owner is in violation of the assessment requirements hereof, the Owner's right to vote at any special or regular meeting of the Owners may be suspended for a period of up to thirty (30) days from and after the date of such finding.

12. Mortgage Protection. Notwithstanding any provision to the contrary herein contained:

(a) The liens created hereunder upon any condominium shall be subject and subordinate to, and shall not affect the rights of the holder of the indebtedness secured by any mortgage upon such interest made in good faith and for value; provided, however, that after the foreclosure of any such mortgage a lien may be again created pursuant to Paragraph 11 hereof on the interest of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such purchaser as an Owner after the date of such foreclosure sale, which said lien, if any claimed,

shall have the same effect and be enforced in the same manner as provided herein;

(b) No amendment of this paragraph shall affect the rights of the holder of any such mortgage recorded prior to recordation of such amendment who does not join in the execution thereof.

13. Delegation to Manager. To the extent not inconsistent with the laws of the State of California and upon such conditions as are otherwise deemed advisable by the Board, the Board may delegate any of its duties, powers or functions, including, but not limited to, the authority to give the certificate provided for in Paragraph 11 hereof, to any person or firm to act as Manager, provided that the employment of any such Manager shall not be for a term in excess of one (1) year without the approval of a majority of the Owners. The members of the Board shall not be liable for any omission or improper exercise by the Manager of any such duty, power or functions so delegated. In the absence of any appointment, the Chairman of the Board shall act as Manager.

14. Use of Units and Common Area. The Units and Common Area shall be occupied and used as follows:

(a) Each Unit shall be used for residential purposes by the Owner, his Lessees or guests and for no other purpose; provided, however, that Grantor may use six (6) Units as sales models for three (3) years from the date hereof, and one (1) Unit may be used as a management office;

(b) There shall be no obstruction of the Common Area. Nothing shall be stored in the Common Area without the prior consent of the Board except in designated storage or parking areas;

(c) Nothing shall be done or kept in any Unit or in the Common Area which will increase the rate of insurance on the Common Area or any part of the project, without the prior written consent of the Board. No Owner shall permit anything to be done or kept in his Unit or in the Common Area which will result in the cancellation of insurance on any Unit or any part of the Common Area, or which would be in violation of any law; no waste will be committed in the Common Area;

(d) No sign of any kind shall be displayed to the public view on or from any Unit or the Common Area, without the prior consent of the Board; provided, however, that nothing herein shall be deemed to prohibit the display of signs of customary and reasonable dimensions advertising any Unit for sale; and provided further, that Grantor shall have the right to maintain unlighted, non-moving signs in connection with the operation of its model units and the conduct of selling activities in connection therewith;

(e) No animals, livestock or poultry of any kind shall be raised, bred, or kept in any Unit or in the Common Area, except that dogs, cats or other household pets may be kept in Units, subject to rules and regulations adopted by the Board;

(f) No noxious or offensive activity shall be carried on in any Unit or in the Common Area, nor shall

anything be done therein which may be or become an annoyance or nuisance to the other Owners;

(g) Nothing shall be altered or constructed in or removed from the Common Area, including garages and parking areas, except upon the written consent of the Board.

(h) There shall be no violation of rules for the use of the Common Area adopted by the Board and furnished in writing to the Owners, and the Board is authorized to adopt such rules;

(i) Garages and uncovered parking spaces shall be used solely for parking of non-commercial passenger motor vehicles, and no such area shall be used for repair, construction or reconstruction of any vehicle, boat or any other item or things; there shall be no overnight parking or storage of trailers, boats, campers, motor homes or trucks other than pickup trucks in said parking spaces;

(j) Recreational vehicular storage areas shall be used solely for storage of recreational vehicles such as boats, trailers and other recreational vehicles and equipment designated by the Board, and no such areas shall be used for parking of passenger motor vehicles of any kind nor used for repair, construction or reconstruction of any vehicle, boat or any other item or thing;

(k) There shall be no parking of vehicles of any kind upon the Common Area, except in designated garages, uncovered parking areas and recreational vehicular storage areas;

(l) None of the rights and obligations of the Owners created herein, or by the Deed creating the condominiums shall be altered in any way by encroachments due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful conduct of said Owner or Owners;

(m) Each Owner shall be responsible for compliance with the provisions hereof by his guests and Lessees.

15. Entry for Repairs. The Board or its agents may enter any Unit when necessary in connection with any maintenance, landscaping or construction for which the Board is responsible. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Board at the expense of the maintenance fund.

16. Easements. There are hereby specifically granted to and reserved for the benefit of the Owners, in common for each other severally, as their respective interests shall obtain, the easements, reciprocal negative easements, secondary easements and rights of way as particularly identified in this paragraph.

(a) Each Unit Owner has, for the benefit of his Unit, an appurtenant easement through all other Units and the Common Area shown upon the plan, for all facilities for the furnishing of utility services, which facilities shall include, but not be limited to, conduits, ducts, plumbing and wiring; provided however, that the easements for such facilities through the Units

shall be substantially in accordance with the plans and specifications of the building as originally constructed.

(b) Each Unit Owner has, for the benefit of his Unit, an appurtenant easement for ingress and egress through and upon the Common Area; and an easement for the support and maintenance of each Unit through all other Units and Common Area.

(c) The Board and each Unit Owner shall have an easement appurtenant to the Common Area and all other Units, through all Units for the maintenance, repair and replacement of the Unit and Common Area.

(d) Each Unit Owner shall have, for the benefit of himself, his family, tenants and social guests, a right to use an easement of enjoyment in and to the Common Area and the facilities and structures constructed or to be constructed thereon, which right shall be subject, however, to the provisions of this Declaration and any and all rules, regulations, decisions or resolutions duly passed and adopted by the Board pertaining thereto.

17. Damage and Destruction. If any of the buildings is damaged by fire or other casualty,

(a) If the available insurance proceeds initially offered or paid by the insurer do not exceed the sum of Ten Thousand Dollars (\$10,000) and the cost of repairing or rebuilding does not exceed the amount of available insurance proceeds by more than One Thousand Dollars (\$1,000) such insurance proceeds shall be paid to the insurance trustee hereinafter designated. The

Board shall thereupon contract to repair or rebuild the damaged portions of the Common Area, in accordance with the original plans and specifications therefor and the funds held in the insurance trust fund shall be used for this purpose. If the insurance proceeds are insufficient to pay all of the costs of repairing or rebuilding, the Board shall levy a special assessment on all Owners, in proportion to the interest of each Owner in the Common Area, to make up any deficiency;

(b) If subparagraph (a) is inapplicable, then:

(1) All insurance proceeds shall be paid to a bank or trust company designated by the Board to be held for the benefit of the Owners and their mortgagees as their respective interest may appear. The Board is authorized to enter on behalf of the Owners into such agreement, consistent with these Restrictions, with such insurance trustee, relating to its powers, duties and compensation, as the Board may approve;

(2) The Board shall obtain firm bids (including an obligation to obtain a performance bond) from two or more responsible contractors to rebuild the project in accordance with its original plans and specifications and shall, as soon as possible thereafter, call a special meeting of the Owners to consider such bids. If the Board fails to do so within sixty (60) days after the casualty occurs, any Owner may obtain such bids, and call and conduct such meeting as herein provided (failure to call such meeting, or to repair such casualty damage, within

twelve (12) months from the date such damage occurred shall be deemed for all purposes a decision not to rebuild said project). At such meeting, the Owners may by sixty-six and two-thirds percent (66-2/3%) vote elect to reject all of such bids and thus not to rebuild, or by fifty-one percent (51%) vote elect to reject all such bids requiring amounts more than One Thousand Dollars (\$1,000) in excess of available insurance proceeds. Failure to reject all bids shall authorize the Board to accept the unrejected bid it considers most favorable;

(3) If a bid is to be accepted, the Board shall levy a special assessment in proportion to the interest of each Owner in the Common Area, to make up any deficiency between the total insurance proceeds and the contract price for such repair or rebuilding, and such assessment and all insurance proceeds, whether or not subject to liens of mortgagees, shall be paid to said insurance trustee to be used for such rebuilding. If any Owner shall fail to pay the special assessment within thirty (30) days after the levy thereof, the Board shall make up the deficiency by payment from the maintenance fund, provided however, that payment from the maintenance fund will in no way relieve an Owner from his obligation to pay said special assessment. Upon payment, the Board shall let the contract to the successful bidder.

(c) Within sixty (60) days after any such damage occurs, the Manager, or the Board, or if they do not, any

Owner, the insurer, the insurance trustee, or any mortgagee of any Owner, shall record a sworn declaration stating that such damage has occurred, describing it, identifying the building suffering such damage, the name of any insurer against whom claim is made, and the name of any insurance trustee, reciting that the sworn declaration is recorded pursuant to this paragraph of these Restrictions, and that a copy of such sworn declaration has been served pursuant to the provisions of Paragraph 5 hereof on the Owners.

(d) If the Owners decide not to rebuild, either by calling a meeting or rejecting all bids presented or by failing to call such a meeting and failing to repair such damage within twelve (12) months after the damage occurs, then the Manager, or the Board, or if they do not, any Owner or mortgagee of any Owner, shall record a sworn declaration setting forth such decision and reciting that under the provisions of these Restrictions the prohibition against judicial partition provided for in Paragraph 2 hereof has terminated and that judicial partition of the project may be obtained pursuant to Section 752b(4) of the Code of Civil Procedure of the State of California. Upon final judgment of a Court of competent jurisdiction decreeing such partition, these Restrictions shall terminate.

(e) The provisions of this paragraph cannot be amended without the unanimous consent of the Owners in writing.

18. Alterations, Additions and Improvements of Common Area. There shall be no structural alterations, capital additions to, or capital improvements of the Common Area requiring an expenditure from the maintenance fund in excess of One Thousand Dollars (\$1,000) without the prior approval of Owners holding a majority of the total votes.

19. Audit. Any Owner may at any time at his own expense cause an audit or inspection to be made of the books and records of the Manager or Board. The Board, at the expense of the maintenance fund, shall obtain a certified audit of all books and records pertaining to the project at no greater than annual intervals and furnish copies thereof to the Owners within ninety (90) days after the end of the fiscal year.

20. Prohibition Against Severability of Component Interests. No Owner shall separately convey his Unit, or any of the elements of which it is composed, from the undivided interest in the Common Area for any purpose. Neither of said component interests may be severally sold, conveyed, encumbered, hypothecated or otherwise dealt with, and any attempt so to do shall be of no effect.

21. Interpretation. The provisions of these Restrictions shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of a condominium project. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provision or any other provision hereof.

22. Amendment. Except as otherwise provided herein, the provisions of these Restrictions may be amended by an instrument in writing signed and acknowledged by record Owners holding seventy-five percent (75%) of the total vote hereunder, which

amendment shall be effective upon recordation in the office of the Recorder of the County of SAN BERNARDINO.

23. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof.

24. Limitation of Liability. The liability of any Owner for performance of any of the provisions hereof shall terminate upon sale, transfer, assignment or other divestiture of said Owner's entire interest in his or her condominium with respect to obligations arising hereunder from and after the date of such divestiture.

IN WITNESS WHEREOF, the undersigned have executed this instrument this 20th day of April, 1973.

WHITECLIFF CORPORATION, dba
NEVADA-WHITECLIFF CORPORATION

By William D. Watts
Executive Vice President

By Patsy L. Hampton
Assistant Secretary

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) SS.

On April 25, 1973, before me, the undersigned, a Notary Public in and for said State, personally appeared William D. Watts, known to me to be the Executive Vice President, and Patsy L. Hampton, known to me to be the Assistant Secretary of the corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

OFFICIAL SEAL
MARION R. JEHUE
NOTARY PUBLIC CALIFORNIA
SAN BERNARDINO COUNTY

Marion R. Jehue
Notary Public

416

GRANT DEED

WHITECLIFF CORPORATION, doing business as NEVADA-
WHITECLIFF CORPORATION, a corporation (hereinafter called
"Grantor") grants to _____

(hereinafter called "Grantee") that certain real property
located in the County of San Bernardino, State of California,
described as follows:

PARCEL A:

All that portion of Lot 1 of Tract No. 8630, as per
Map recorded in the Office of the Recorder of the
County of San Bernardino, State of California, on
September 26, 1972 in Book 116,
of Maps, at page 36, shown and defined as Unit
 on that certain Condominium Plan recorded
MAY 11, 1973 as Instrument No. 766
in Book 8181 of Condominiums at pages 1144
TO 1221, inclusive, Official Records of said
County.

PARCEL B:

An undivided 1/184 interest as tenant in common in
and to all that portion of Lot 1 of said Tract No.
8630 shown and defined on said Condominium Plan as
Common Area.

Each of the foregoing grants is subject to a lien for
real property taxes and assessments not delinquent, and all
covenants, conditions, easements, restrictions and liens of

EXHIBIT "A"

116

record. The property herein granted is a condominium as defined in Section 783 of the California Civil Code and the Subdivided Property as hereinafter defined is subject to the provisions of the California Condominium Act, Title 6, Part 4, Division Second of said Code.

This Deed is made and accepted together with all rights conferred and subject to all reservations, covenants, and servitudes imposed by the provisions of that certain Declaration of Covenants and Restrictions Establishing A Plan of Condominium Ownership executed by Grantor on _____ and recorded in the Office of the Recorder of the County of San Bernardino, State of California, as Instrument No. _____ in Book _____ at Page _____ and following, all of which are incorporated herein by reference with the same effect as though fully set forth herein.

IN WITNESS WHEREOF, the undersigned have executed this Deed this _____ day of _____, 1973.

WHITECLIFF CORPORATION, dba
NEVADA-WHITECLIFF CORPORATION

By _____
Executive Vice-President

By _____
Assistant Secretary

116

CONSENT AND SUBORDINATION

The undersigned holder of a beneficial interest under the Deed of Trust applicable to the real property described in Paragraph A of the foregoing Declaration consents to said Declaration and agrees that the lien of said Deed of Trust shall be subject and subordinate to the provisions of said Declaration, reserving to the undersigned the benefits of mortgage protection as set forth in Paragraph 12 of said Declaration.

Dated: April 20, 1973

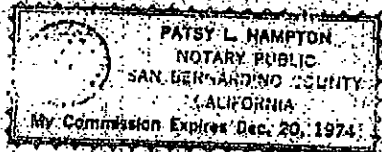
SECURITIES-INTERMOUNTAIN, INC.

By Gregory A. Hudson
Assistant Vice President

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) ss.

On April 20, 1973, before me, the undersigned, a Notary Public in and for said State, personally appeared Gregory A. Hudson, known to me to be the Assistant Vice President of the corporation that executed the within instrument, known to me to be the person who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



Patsy L. Hampton
Patsy L. Hampton
Notary Public

11