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CORONADO SHORES CONDOMINIUM ASSOCIATION

NO. 9

AMENDED, RESTATED AND SUPERSEDING
SUPPLEMENTAL DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS AS TO PARCEL C

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4187

AMENDED, RESTATED AND SUPERSEDING
SUPPLEMENTAL DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS AS TO PARCEL C

This document is recorded for the purpose of amending, restating and superseding that certain SUPPLEMENTAL DECLARATION of COVENANTS, CONDITIONS, and RESTRICTIONS recorded May 12, 1977 as File No. 77-181246 and the Amendment to Supplemental Declaration of Covenants, Conditions and Restrictions recorded December 9, 1982 as File No. 82-377401 both in the Official Records of the San Diego County Recorder (hereinafter collectively "Declaration").

This amendment is adopted by the Members ("Members") of Coronado Shores Condominium Association No. 9, a California nonprofit mutual benefit corporation pursuant to Section 14.2 of the Declaration which requires the approval by the owners of 75% of the units.

The undersigned President and Secretary of the Association certify that, to the best of their knowledge, the requisite percentage of Members have agreed to amend the Declaration in accordance with the terms set forth below:

NOW THEREFORE, by this amendment, the following AMENDED DOCUMENTS RESCIND AND RESTATE, IN THEIR ENTIRETY, THE ORIGINAL DECLARATION.

I. RECITALS, INTENT AND PURPOSE:

1.1 RECITALS.

(a) The Project is located on Parcel C within that certain real property in the City of Coronado, County of San Diego, State of California, more particularly described as Parcel C, Parcel Map No. 1262, recorded January 31, 1973, in the Book of Parcel Maps at page 262, as File No. 73-027793 in the Office of the County Recorder of San Diego County ("Property").

(b) The Property is a Condominium Project, as defined in Section 1351(f) of the California Civil Code, and consists of one hundred forty-eight (148) Condominium Units and related Common Areas.

(c) The Declaration establishes a plan for the individual ownership of the real property estates consisting of the area of space contained in each of the living units in said multi-family structure, and the co-ownership by the individual and separate Owners thereof, as tenants-in-common, of all of the remaining portions of the Property, whether within or without said multi-family structure, said remaining portions of the Property being hereinafter defined and referred to as the Common Areas.

(d) This Restated Declaration establishes and declares that the Property is held and shall continue to be held, conveyed, hypothecated, encumbered, leased, rented, occupied and improved subject to the following limitations, restrictions, covenants, conditions and easements, all of which are declared and agreed to be in furtherance of the plan for the subdivision, improvement and sale of condominium estates within the Property, and is established and agreed upon for the purpose of enhancing and perfecting the value and attractiveness of the Property and every part thereof. All of the remedies, covenants, restrictions, conditions and easements shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall be for the benefit of each Owner of any portion of the Property or any interest therein, and shall inure to the benefit of and be binding upon each successor in interest of Owners of all or any part of a Condominium.

1.2 INTENT AND PURPOSE.

(a) The Recitals set forth above are hereby expressly incorporated and made a part of these covenants, conditions and restrictions.

(b) Covenants, restrictions, limitations, conditions and uses to which the Property and improvements thereon, consisting of

one hundred forty-eight (148) unit multi-family structure and appurtenances, hereby specify that the Restated Declaration shall constitute covenants to run with the land and shall be binding on all owners of any part of the Property, together with their grantees, successors, heirs, executors, administrators, devisees or assigns.

(c) The Declaration establishes a plan of condominium ownership for the Property, and divides said real property into the following separate freehold estates:

(1) One hundred forty-eight (148) separately designated and legally described freehold estates hereinafter defined and referred to as "Units".

(2) A freehold estate consisting of the remaining portion of the real property hereinafter defined and referred to as the "Common Area".

II. DEFINITIONS.

2.1 In addition to definitions appearing elsewhere in this Restated Declaration, as used herein or elsewhere in any documents affecting the Property, unless otherwise provided or unless the context requires otherwise, the following terms shall be defined as in this Article provided:

(a) ACT shall mean the Davis-Stirling Common Interest Development Act, commencing at California Civil Code Section 1350, as the same may be amended from time to time.

(b) ARTICLES means the Articles of Incorporation of Coronado Shores Condominium Association No. 9, filed in the Office of the Secretary of State of the State of California on May 16, 1977 as Document No. 0795658 and any amendments thereto.

(c) ASSOCIATION shall mean and refer to CORONADO SHORES CONDOMINIUM ASSOCIATION NO. 9, a nonprofit corporation, its successors and assigns.

(d) BYLAWS means the Bylaws of the Association and any duly adopted amendments thereto, which are incorporated herein by reference.

(e) COMMON AREAS shall mean and refer to the entire Project, excepting those portions thereof which lie within the boundaries of any Unit, as hereinabove defined.

(f) CONDOMINIUM means an estate in real property consisting of a separate interest in a Unit, the boundaries of which are shown

and described on the Condominium Plan, a fractional undivided interest, subject to percentages shown in Section 7.1, as a tenant-in-common in the Common Area of the Project, a membership in the Association and right to use any Exclusive Use Common Area appurtenant to each Unit as shown on the Condominium Plan or deed of conveyance.

(g) CONDOMINIUM PLAN means that certain Condominium Plan for Coronado Shores Condominium No. 9, recorded May 5, 1977, as File/Page No. 77-171012 in the Official Records of the County Recorder of San Diego County and the Amended Condominium Plan of Parcel C of Coronado Shores, recorded December 9, 1977, File No. 77-510406, in the Official Records of the County Recorder of San Diego County. "Condominium Plan" shall include any other amendments to the above documents.

(h) FINES can be considered a separate category of assessments which are imposed to bring an Owner and/or his or her Unit into compliance with the requirements of the Governing Documents or rules and regulations.

(i) GOVERNING DOCUMENTS shall mean this Restated Declaration and any other documents, such as Bylaws, Rules and Regulations, or Articles of incorporation which govern the operation of the Project or the Association, as each may be amended from time to time.

(j) MEMBER shall mean and refer to every person or entity who holds membership in the Association.

(k) MORTGAGE means a mortgage or deed of trust encumbering a Condominium or any other portion of the Project. "First Mortgage" means a mortgage that has priority over all other mortgages encumbering the same Condominium or other portions of the Project.

(l) MORTGAGEE means a Person to whom a Mortgage is made and includes the beneficiary of a deed of trust and any guarantor or insurer of a mortgage. "Institutional Mortgagee" means a mortgagee that is a financial intermediary or depository, such as a bank, savings and loan, or mortgage company, that is chartered under federal or state law and that lends money on the security of real property or invests in such loans, or any insurance company or governmental agency or instrumentality. "First Mortgagee" means a mortgagee that has priority over all other mortgages or holders of mortgages encumbering the same Condominium or other portions of the Project. The term "Beneficiary" shall be synonymous with the term Mortgagee.

(m) MORTGAGOR means a person who mortgages his, her 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."

(n) OWNER shall mean and refer to the record owner, firm, corporation, partnership, trust, whether one or more persons or entities, of a Condominium which is a part of the Project, including contract sellers, but excluding those having such interest merely as a security for the performance of an obligation. "Owner" shall not include any persons or entities who hold an interest in a Condominium merely as security for performance of an obligation. For purposes of exercising membership rights and incurring membership obligations when an Owner is a corporation, any director, officer, employee or agent designated by corporate resolution may exercise the membership rights attributable to the corporation. When an Owner is a trust, the trustee may exercise the membership rights attributable to the trust unless otherwise designated in writing by the trustee.

(o) PROJECT refers to and means the entire Parcel C Parcel Map No. 1262, divided into Condominiums, including all structures thereon and the Common Area and Units within Parcel C.

(p) REGULAR ASSESSMENTS or COMMON ASSESSMENTS are the budgeted expenses of the Association for a given fiscal year, and are divided among the Unit Owners according to the schedule of Section 7.1. Regular assessments can be comprised of many different categories, more particularly described in the budget. There is no requirement that all categories of regular assessments be separated and individually labeled.

(q) REIMBURSEMENT ASSESSMENTS are imposed on one or more, but less than all, Owners to reimburse the Association for expenses incurred due to the actions or inactions of those Owners. This assessment may be used to recover the cost incurred by the Association for corrective action performed pursuant to provisions of this Restated Declaration and of the Bylaws of the Association, plus interest thereon at the maximum rate allowed by law in the State of California from the date of demand for payment.

(r) RESTATED DECLARATION means this Amended and Restated Declaration of Restrictions and any amendments hereto.

(s) RESTRICTED COMMON AREAS AND FACILITIES shall mean a portion of the Common Areas set aside and allocated for the restricted use of respective Units as is or may hereinafter be designated in the Condominium Plan. The Restricted Common Areas and Facilities are: (i) the designated assigned covered parking space or spaces, together with (ii) any balcony adjacent to the Unit to be used exclusively in conjunction with the respective Unit, and together with (iii) any Sun Deck adjacent to a balcony adjacent to a Unit to be used exclusively in conjunction with the use of the respective Unit.

(t) SPECIAL ASSESSMENTS are usually imposed to cover an expense which was not anticipated when calculating the budget.

(u) THE BOARD OF DIRECTORS shall mean and refer to the Board of Directors of the Association.

(v) UNIT shall mean and refer to the elements of a Condominium which are not owned in common with other owners or other Condominiums. The boundaries of a Unit shall be the interior surfaces of the perimeter walls, floors, ceiling, windows and doors of each Unit, where they exist, and otherwise to the vertical or horizontal plans to the limits of the dimensions shown on the Condominium Plan. The Unit shall include both the portions of the building so described and the air space so encompassed. In interpreting deeds and plans, the existing physical boundaries of a Unit, or of a Unit reconstructed in substantial accordance with the original plans, shall be conclusively presumed to be its boundaries, rather than the metes and bounds, or other description, expressed in the deed or plan, regardless of settling or lateral movement of building and regardless of minor variance between boundaries shown on the plan or in the deed and those of the building.

2.2 OTHER. To the extent not inconsistent with this Restated Declaration, the definitions set forth in Civil Code Section 1351 shall apply, as the same may be amended from time to time.

III. COMMON EXPENSES.

"Common Expenses" shall be divided into the following categories:

3.1 BUILDING ASSESSMENT. Costs and expenses of, or reasonable reserves for future costs and expenses of, the normal maintenance, management, operation, anticipated repair and replacement of the multi-family structure in which the Units are located (excluding any recreation facilities that may be located within the structure and available for use by all Owners at Coronado Shores), together with appurtenances that are for the principal use of the Owners in said structure only, shall be designated "Building Assessment".

3.2 GROUNDS AND RECREATION ASSESSMENT. The costs and expenses of, or reasonable reserves for, future costs and expenses of the maintenance, management, operation, repair and replacement of the landscaped areas, walkways, driveways, parking areas, swimming pools, various recreational facilities (whether located within or without the multi-family structures located on Lots and Parcels within the Coronado Shores Project as shown on Map No. 6641 and Parcel Map No. 1262) including buildings, tennis courts, lakes, lagoons, fish ponds and other recreational and artistic landscaping

facilities and devices as may be located on the Project, or on said Lots or Parcels, or partly on Parcel C and partly on other of said Lots or Parcels (or so much as said landscaping and recreational costs and expenses as shall be allocable to the Project as provided in Article VIII hereof) shall be designated "Grounds and Recreation Assessment".

3.3 INSURANCE ASSESSMENT. The premiums on all insurance purchased by the Association pursuant to the provisions of Article XI hereof, together with any expenses incurred by the Association in employing the services of an independent insurance analyst, consultant, or broker as may be authorized by the provisions of said Article 11, shall be designated "Insurance Assessment".

3.4 SEAWALL AND PRIVATE ROADWAY ASSESSMENT. The Owners of Parcel C or portions thereof shall share the costs and expenses of maintaining and repairing the seawall and the private nondedicated roadway. The share of said costs and expenses allocable to the Owner or Owners of Parcel C under the provisions of Article III of the Basic Amended Restated Covenants shall be designated "Seawall and Private Roadway Assessment" and shall forthwith become a part of the Common Expenses of the Project and thus may be levied and collected by the Association in the same manner as other Common Expenses subject to the Common Assessment.

3.5 OTHER ASSESSMENTS. In addition to the four categories of expenses set forth in 3.1, 3.2, 3.3 and 3.4 above, costs and expenses, or reasonable reserves for costs and expense to be incurred, by the Association in the following activities shall be included as Common Expenses:

(a) Maintenance, management, operation, repair and replacement of the Common Areas as to which, pursuant to the provisions of this Restated Declaration, it is the responsibility of the Association to maintain, repair and replace, including the cost of unpaid Special Assessments, together with capital improvements to Common Areas which the Association may from time to time authorize.

(b) Management and administration of the Association, including without limitation, compensation paid by the Association to managers, accountants, attorneys or other employees and agents.

(c) Any other item or items designated by or in accordance with other provisions of this Restated Declaration to be Common Expenses, and any other expenses reasonably incurred by the Association.

IV. RECITALS CONCERNING AMENDED DECLARATION.

4.1 The Project is a condominium development under the provisions of the Davis-Stirling Common Interest Development Act.

4.2 The original Supplemental Declaration, in Section 14.2 provided that it may be amended by the affirmative vote or written consent of seventy five percent (75%) of the total voting power of the Association. The undersigned President and Secretary of the Association certify that, to the best of their knowledge, the affirmative vote or written consent of at least the required percentage of Association Members has been obtained.

4.3 The amendment as published herein rescinds and replaces the original Declaration. Every Owner and resident of the Project shall be bound by the provisions of this Restated Declaration.

V. THE PROJECT AND ASSOCIATION MEMBERSHIP.

5.1 COVENANTS. The Owners and all future Owners of the Units, by their acceptance of their deeds, covenant and agree as follows:

(a) That the Units shall be occupied and used by the respective Owners only as a private dwelling for the Owner, his family, tenants and social guests and for no other purpose.

(b) That the Ownership of each respective Unit shall not be deemed to include the undecorated and/or unfinished surfaces of the perimeter walls, floors and ceilings surrounding the respective Unit, nor shall said Ownership be deemed to include pipes, wires, conduits or other public utility lines running through said respective Unit, which are utilized for, or serve more than one Unit, except as tenant-in-common with the other Owners. An Owner, however, shall be deemed to own the walls and partitions which are contained in the Owners respective Unit, and also shall be deemed to own the interior decorated and/or finished surfaces of the perimeter walls, floors, and ceilings, including plaster, paint, wallpaper, etc.

(c) That the administration of the Project shall be in accordance with the provisions of this Restated Declaration, the Bylaws and Articles of Incorporation of the Association.

5.2 MEMBERSHIP. Every person or entity who is an Owner of a Condominium which is subject by covenants of record to assessment by the Association, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership.

Membership shall be appurtenant to and may not be separated from the ownership of any Condominium which is subject to assessment by the Association. Ownership of such Condominium shall be the sole qualification for membership.

5.3 TRANSFER. The membership held by an Owner of a Condominium shall not be transferred, pledged or alienated in any way, except upon the sale or encumbrance of such Condominium, and then only to the purchaser or the Mortgagee of such Condominium. Any attempt to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association.

VI. VOTING RIGHTS.

6.1 VOTING. All members shall be entitled to one (1) vote for each Condominium owned. When more than one person holds title to a Condominium, the vote for that Condominium shall be exercised as the Owners among themselves determine.

6.2 VOTING RIGHTS. The voting rights provided in this Article VI shall be subject to the restrictions and limitations provided hereinafter and in the Articles and Bylaws of the Association.

VII. COMMON AREAS.

7.1 PERCENTAGE OF UNDIVIDED INTEREST IN COMMON AREAS.

The undivided interest in the Common Areas hereby established and which shall be conveyed with each respective Unit is based on the following formula:

(a) A numerical value for each Unit and the total number of all numerical values has been determined and the proportionate undivided interest in the Common Areas of each respective Unit shall be determined by the ratio that the individual Unit's numerical value bears to the total numerical value of all Units. In determining numerical value the following formula shall apply:

- (i) One-Bedroom Unit. 1.1
- (ii) Two-Bedroom Unit. 1.5
- (iii) Three-Bedroom Unit. 1.7
- (iv) Two-Bedroom and Den Unit. 1.7
- (v) Two-Bedroom and Den Suite Unit. 2.0
- (vi) Three-Bedroom and Den Suite Unit. 2.5

(b) The respective undivided interests in the Common Areas hereby established are to be conveyed with the respective Units as indicated above and cannot be changed. The Owners agree that the undivided interests in the Common Areas and the fee titles to the

respective Units conveyed therewith, shall not be separated or separately conveyed, and each said undivided interest shall be deemed to be conveyed or encumbered with its respective Unit even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to the Unit; provided, however, that this restriction against severability shall not extend beyond the period in which the right to partition may be suspended under Section 1359 of the California Civil Code.

7.2 MEMBERS' EASEMENTS of ENJOYMENT. Every member shall have a right and non-exclusive easement of enjoyment in and to the Common Areas, and such easement shall be appurtenant to and shall pass title to every assessed Condominium, subject to the following provisions:

(a) The right of the Association to limit or exclude the number of guests of Members.

(b) The right of the Association to establish uniform rules and regulations pertaining to the use of the Common Areas and the recreational facilities thereon.

(c) The right of the Association to charge reasonable admission and other fees for the use of any Common Areas facility.

(d) The right of the Association to suspend the voting rights and right to use the recreational facilities on the Common Areas by a Member for any period during which any assessment against his Condominium remains unpaid and delinquent; and for a period not to exceed thirty (30) days for any single infraction of the rules and regulations of the Association, provided that any suspension of such voting rights or right to use said recreational facilities, except for failure to pay assessments, shall be made only by the Board of Directors of the Association after notice and hearing given and held in accordance with the Bylaws of the Association.

7.3 MEMBERS' EASEMENTS OF INGRESS, EGRESS AND SUPPORT. Every Member shall have a right and non-exclusive easement for ingress, egress and support through the Common Areas, and such easement shall be appurtenant to and shall pass with title to every assessed Condominium.

7.4 DELEGATION of USE. Any Member may delegate in accordance with the Bylaws, his right of enjoyment to the Common Areas to the members of his family who reside with him in his Condominium, and to his tenants or contract purchasers who reside in his Condominium. An Owner who has sold his or her Condominium to a contract purchaser or who has leased or rented the Condominium shall be deemed to have delegated his or her rights to use and enjoy the Common Area to the contract purchaser or tenant who resides in the Owner's Condominium, subject to reasonable

regulation by the Board. If the Owner is deemed to have delegated such rights, the Owner and Owner's family, guests, employees, and invitee shall not be entitled to use and enjoy the Common Area for so long as the delegation remain effective, except for those Common Area facilities which provide reasonable access to such Owners' Unit.

7.5 WAIVER OF USE. No Member may exempt himself from liability for assessments duly levied by the Association, nor release the Condominium owned by him from the liens and charges thereof, by waiver of the use and enjoyment of the Common Areas and the facilities thereon or by abandonment of his Condominium.

7.6 ADDITIONAL PROVISIONS RELATING TO COMMON AREAS AND UNITS. All Owners and all future Owners of the Condominiums, by their acceptance of their respective deeds, covenant and agree as follows:

(a) That the Common Areas shall remain undivided and no Owner shall bring any action for partition, it being agreed that this restriction is necessary in order to preserve the rights of the Owners with respect to the operation and management of the Project; provided, however, this suspension of the right of partition shall in no event last beyond the period during which the right of partition may be suspended under Section 1359 of the California Civil Code.

(b) That if any portion of the Common Areas encroaches upon the Units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. In the event a multi-family structure is partially or totally, destroyed, and then rebuilt, the Owners of Units agree that minor encroachments of parts of the Common Areas due to construction shall be permitted and that valid easements for said encroachment and the maintenance thereof shall exist.

(c) That the Common Areas are and shall always be subject to easements for minor encroachments thereon of the Unit and that a non-exclusive easement for ingress, egress and support through the unrestricted Common Areas is appurtenant to each Unit and the Common Areas are subject to such easements.

(d) That the Association shall have the responsibility (subject to the provisions of Article VII hereof) to manage and maintain all of the Common Areas, including without limitation the exteriors of all buildings, and other improvements, if any, on the Project and such maintenance shall be of a high quality so as to keep the entire Project in a first class condition and in a good state of repair; provided, however, that each Owner shall have the exclusive right to paint, repaint, tile, wax, paper or otherwise refinish and decorate the inner surfaces of the walls, ceilings,

floors, windows and doors bounding his own Unit.

(e) That the Association shall have the authority to employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, provided that any contract with a person or firm appointed as a manager or managing agent shall not exceed a period of one (1) year unless approved by a majority of a quorum of the Association.

(f) An Owner shall grant the right of entry to the manager or management agent or to any other person authorized by the Board of Directors or the Association in case of an emergency originating in or threatening his Unit, whether the Owner is present at the time or not.

(g) An Owner shall grant the right of entry to the manager or management agent or to any other person authorized by the Board of Directors or the Association when so required, to enter his Unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that entry is at the time convenient to the Owner, In case of an emergency, such right of entry shall be immediate.

(h) The Board of Directors has the power to adopt reasonable Rules and Regulations governing the use of the Units, the Common Area, any common facilities and Association owned property, and the conduct at Board and Members' meetings, in accordance with the following:

- (1) The Rules and Regulations may include, but are not limited to:
 - (i) Reasonable restrictions on use of the Common Area, Units and Restricted Common Areas by the Owners and their families, guests, employees, tenants and invitees.
 - (ii) Reasonable restrictions on the conduct of Owners and their families, guests, employees, tenants and invitees as to activities on the Common Area, Units and Restricted Common Areas.
 - (iii) The setting of reasonable fees, deposits and use fees for any recreational facilities.
 - (iv) In accordance with the Bylaws, the establishment of reasonable hearing

procedures and a schedule of monetary penalties and fines which may be imposed for violations of any provisions of the Governing Documents.

- (2) A copy of the current Rules and Regulations, if any, and all modifications, revisions and updates shall be given to each Owner within thirty (30) days of adoption by means of a newsletter or any other reasonable method of notification.
- (3) If any provision of the Rules and Regulations conflicts with any provision of this Restated Declaration, the Articles, or the Bylaws, the Restated Declaration, Articles, or Bylaws shall control to the extent of the inconsistency.

(i) An Owner may erect a video or television antenna, including a satellite dish, as allowed by any applicable statute or law, with Board approval. The Board may impose reasonable restrictions on its approval.

(j) No Owner may raise or keep pet(s) or other animal(s) in derogation of the following:

- (1) Owners may keep and raise pets on the Project subject to the provisions of the Rules and Regulations; provided, however, that no Owner or other occupant of a Unit may raise or keep pets which interfere with, or have a reasonable likelihood of interfering with, the rights of any Owner or other occupant of a Unit to the peaceful and quiet enjoyment of the Unit. In the event the Board determines that any such pet(s) or other animal(s) create an unreasonable annoyance or nuisance to any Owner or other occupant of a Unit, the raising or keeping thereof shall be discontinued within a reasonable time after such determination.
- (2) No pets or other animals shall be permitted in the Common Area except as specifically permitted by the Rules and Regulations, and then only when on a leash held by a person capable of controlling the animal.

- (3) No Owners may raise or keep animals for commercial purposes.
- (4) The Association, its Board, officers, employees and agents shall have no liability to any Owner, their family members, guests, invitees, tenants and contract purchasers, or any other person on the Project, for any damage or injury to persons or property caused by any pet, absent any willful or wanton negligence on the part of the Association, or its Board, officers, employees and agents.

(k) No Owner may engage in any illegal, noxious or offensive activity in any part of the Project, or do any act which unreasonably threatens the health, safety and welfare of other residents of the Project.

(l) The balconies, sun decks, and parking spaces which are portions of the Restricted Common Areas and Facilities to which an Owner acquires an exclusive appurtenant easement in the case of a balcony and sun deck and the right to use and occupy in the case of *the parking space or spaces, shall be and be deemed to be a portion of the Condominium acquired for use by the Owner, and as such cannot be transferred, conveyed or severed from the Condominium with which such use and right were acquired by such owner, and a subsequent conveyance of the Unit will convey such uses and rights.

(m) The windows located in the exterior walls of each Unit in the Project will be made of clear glass.

In the interest of preserving the aesthetic qualities of the Project, the Owners may, upon written approval from the manager, tint or coat existing windows in shades specified by the Board. To insure a uniform appearance from the outside, Owners shall use closely woven lined draperies or blinds of white or off-white color.

* (n) Part of the Common Area making up the grounds surrounding the structures on the Project will consist of outside parking spaces. Owners by acceptance of their deeds, covenant and agree that said outside parking spaces shall be used solely by standard size passenger automobiles; sport utility vehicles or open bed trucks, including trucks with camper shells, that do not exceed one-half (1/2) tons in gross carrying capacity; any van or minivan-type vehicle designed for passenger, noncommercial use. In no event may such parking spaces be used for the parking of other types of trucks, campers, panel vans, trailers, motor homes, or other recreational vehicles.

The Board shall have the power to remove any vehicle within the Project parked in violation of this Restated Declaration or the Rules and Regulations in accordance with the provisions of California Vehicle Code Section 22658.2 and any amendments thereto.

(o) Each Owner shall have the right to lease his Condominium. However, no Owner shall be permitted to lease his Unit for less than one (1) month. The lease must be in writing and require the lessee to be obligated to comply with the provisions of this Restated Declaration, the Bylaws and Rules and Regulations. The failure to comply with the provisions of the Governing Documents shall be a default of the Owner under the lease which may be enforced by the Association.

The Owner may not lease his or her Unit separate and apart from ownership of his interest in the Common Area and appurtenant Restricted Common Area. The Owner shall be deemed to have assigned the right to enjoyment of the Common Area upon leasing of his Unit.

No Unit or Units or any portion thereof in the Project shall be leased, subleased, occupied, rented, let, sublet, or used for or in connection with any time sharing agreement, plan, program, or arrangement, including with limitation, any so called "vacation license", "travel club", "extended vacation", or other membership or time-interval ownership arrangement. The term "time sharing" as used herein shall be deemed to include, but shall not be limited to, any agreement, plan, program, or arrangement under which the right to use, occupy or possess the Unit or Units or any portion thereof in the Project rotates among various persons, either corporate, partnership, individual, or otherwise on a periodically recurring basis for value exchanged, whether monetary or like-kind privileges, according to a fixed or floating interval or period of time of thirty (30) consecutive calendar days or less. Provided, this section shall not be construed to limit the personal use of any Unit or portion thereof in the Project by any Owner or his social or family guests.

(p) All storage areas that are located within the Project, exclusive of the Units, will be under the exclusive control and jurisdiction of the Association. Said areas will be within and a part of the Restricted Common Areas and Facilities. Each Owner will be entitled to a reasonable portion of the storage areas for his exclusive use; provided, however, that the size and location of the particular area to be used by an Owner shall be determined by the Association and such determination shall be final and binding upon the Owner.

(q) An Owner shall not make structural modifications or alterations in his Unit or installations located therein:

(1) without previously notifying the Association in

writing, through the manager or managing agent, if any, or through the President or a member of the Board of Directors, if no manager or management agent is employed. Where modifications require approval by any governmental entity written permission must first be obtained from the Board of Directors. Structural modifications must be performed by a contractor holding a valid current California license who shall provide evidence of bodily injury and property damage liability insurance including product and completed operations of not less than \$1,000,000/\$1,000,000. The Association shall be named as an additional insured on any such policies, if possible. The Association shall have the obligation to approve or disapprove the plans submitted to it within thirty (30) days;

- (2) that would result in the creation of more bedrooms within his Unit than originally appear on the original Condominium Plan recorded with the San Diego Recorder;
- (3) that modify the boundaries of the Unit that appear on the Condominium Plan; or
- (4) that impair the structural integrity of the Unit or Common Area.

VIII. LANDSCAPING and RECREATIONAL FACILITIES of CORONADO SHORES DEVELOPMENT; RECIPROCAL EASEMENTS.

Coronado Shores Map No, 6641 consists of Lots 1 through 10, inclusive. Parcel Map No. 1262 rearranged the lot lines of Lots 7, 8, 9 and 10 of Coronado Shores, Map No, 6641, resulting in a division of said Lots 7, 8, 9 and 10 of Coronado Shores, Map No, 6641, into Parcels A, B, C and D, Parcel Map No. 1262, Provided that the provisions of this Article VIII are satisfied, it is intended that all lots and Parcels at Coronado Shores will be operated as a single common operation insofar as the landscaping and recreational facilities are concerned. Owners of the living units located on said Lot or Parcel shall share the costs of all landscaping and recreational facilities located on any other Lot or Parcel theretofore or thereafter included in said single, common operation scheme. All Owners of living units located on any Lot or Parcel within Coronado Shores theretofore or thereafter included in said single, common operation scheme shall automatically have reciprocal, non-exclusive rights and privileges of using the recreational and landscaping facilities covered by said common maintenance scheme.

8.1 COMMON OPERATION. Coronado Shores Condominium Association No. 9 Parcel C, has been included in a single common operation of landscaping and recreational facilities, such that the cost and expenses of maintenance, management, operation, repair and replacement of landscaping and recreational facilities will be allocated to each of said Lots and Parcels so operated on the basis that the numerical value (as determined pursuant to a formula similar in concept to that contained in subparagraph (e) of Paragraph 10.3 hereof) of the living units, including Condominiums in each of said Lots and Parcels bears to said numerical value of the whole of all of said living units, rather than having the Owner or Owners of each Lot or Parcel pay only with reference to the facilities located within his or their respective Lot or Parcel.

8.2 RECIPROCAL EASEMENTS. The Owner of each Unit located on Parcel C shall have a non-exclusive easement for the benefit of and appurtenant to his Unit, to use the recreational and landscaping facilities situated on other Lots or Parcels within Coronado Shores Map No. 6641 which have been included in the common operation scheme, and the Owner of a living unit located on such other Lots or Parcels within Coronado Shores Map No. 6641 which have been included in the common operation scheme shall have a reciprocal, non-exclusive easement for the benefit of, and appurtenant to, his living unit to use the recreational and landscaping facilities situated on Parcel C. Said reciprocal, non-exclusive easements of use shall include reciprocal, nonexclusive rights of ingress and egress to and from the recreational and landscaping facilities and shall be subject to the same limitations, rules, regulations and admission or other fees imposed upon the Owners of living units located on the Lots and Parcels on which the recreational and landscaping facilities are located. An Owner or lessee of a living unit located on a Lot or Parcel within Coronado Shores Map No. 6641 which shall be included within the common operation scheme described herein and who therefore, shall enjoy the non-exclusive easement of use described herein, may delegate his right of enjoyment to members of his family who reside with him in his living unit, and to his tenants or contract purchasers who reside in his living unit.

IX. LANDSCAPING AND RECREATIONAL COMMITTEE.

9.1 MEMBERSHIP. A Landscaping and Recreational Committee was formed for the purpose of administering the single, common operation of landscaping and recreational facilities within the Coronado Shores development. A member of the board of directors of each Coronado Shores association shall represent the associations on the committee.

(a) In such case, the person named by the Board of Directors shall be deemed a qualified member of the Landscaping and

Recreational Committee when an authorized representative of the Board sends written notice of such fact to the Landscaping and Recreational Committee.

(b) The Association's Landscaping and Recreational Committee member shall serve at the will of the Board. The Committee member may be removed with or without cause upon majority vote of the Board. The Committee member shall continue as a member of the Landscaping and Recreational Committee until such time as another Board member has been appointed. If a vacancy occurs and the Board fails to fill such vacancy within thirty (30) days, the remaining members of the Committee may fill such vacancy by majority vote and by filing an acknowledged Notice of the naming of the person chosen by such vote in the Office of the County Recorder of San Diego County. The person so named to fill such vacancy shall serve for one year from the date of the recordation of the document as above provided, unless sooner removed and replaced by the Board.

9.2 DUTIES. The Landscaping and Recreational Committee shall have the duty and authority on behalf of, and as agent for, the various associations represented thereon (i) to cause all necessary work to be done and performed to maintain, manage, operate, repair and replace landscaping and recreational facilities on the Lots or Parcels within Coronado Shores that have been designated as a single common operation of landscaping and recreational facilities in accordance with the concept outlined in Section 8.1 hereof; (ii) supervise and approve the costs and expenses of such maintenance, management, operation, repair and replacement; and (iii) allocate to each Lot or Parcel which is so operated its share of said costs and expenses on the basis provided for in said Section 8.1. In performing this function, the Landscaping and Recreational Committee shall exercise their authority as contemplated by Section 9.1(a) hereof, and have the power to enter into contracts on behalf of said associations and do all acts and perform all things on behalf of said associations as are necessary to carry out the single, common operation contemplated by Section 8.1 hereof.

9.3 NO POWER TO ASSESS. The Landscaping and Recreational Committee shall have no power to levy assessments upon the owners of the individual Lots or Parcels. It is intended solely that the Committee perform the duties outlined in Section 9.2 hereof and that the various associations to which a share of the costs and expenses of maintenance, management, operation and replacement of landscaping and recreational facilities operated as a single, common operation are allocated shall regard said share of said costs and expenses as Common Expenses or its equivalent, and shall assess each individual owner in each Lot or Parcel his proportionate share of said costs and expenses allocated to the Lot or Parcel as part of a Common Assessment or its equivalent.

9.4 MEETINGS. The meetings of the Landscaping and Recreational Committee shall be held upon notice from the Chairman of such committee. The presence in person or by proxy of at least 50% of the Committee membership shall constitute a quorum for the transaction of business at all meetings. If any meeting cannot be held because a quorum is not present, the Landscaping and Recreational Committee members present may adjourn the meeting to a time not less than 48 hours, nor more than thirty (30) days from the time the original meeting was called, at which second meeting the quorum shall be 25% of the Landscaping and Recreational Committee members. All actions of the Landscaping and Recreational Committee shall require only a simple majority of the votes of the Committee membership present at any meeting at which a required quorum is present. All meetings shall be held within the City limits of Coronado and shall be held on a day other than a Saturday, Sunday or legal holiday and shall be held, if during the day, between 1:30 and 5:00 P.M., and if at night, between 7:30 and 9:30 P.M.

X. ASSESSMENTS.

10.1 ASSESSMENTS. All Owners are obligated to pay monthly assessments imposed by the Association to meet all Common Expenses of the Project as that term is defined herein. The assessments shall be made pro rata according to the numerical value of the Unit owned, as provided in Section 7.1(a) herein.

10.2 PURPOSE of ASSESSMENTS. The assessments levied by the Association as hereinafter provided shall be used exclusively for the purpose of promoting the health, safety, welfare and recreation of the Members of the Association and, in particular, for the improvement and maintenance in a first class condition and in a good state of repairs of the Project, services and facilities devoted to this purpose, and related to the use and enjoyment of the Common Areas and, to the extent provided for herein, of the Units in the Project.

10.3 COMMON ASSESSMENTS.

(a) Common Assessments for Common Expenses shall be made by the Board of Directors of the Association for each fiscal year, or as otherwise required by California law.

(b) The total of each such annual Common Assessment shall be in the amount of the estimated Common Expenses for the year, including a reasonable allowance for contingencies and reserves.

(c) If the annual Common Assessment is not made as required, a payment in the amount required by the last prior annual Common Assessment shall be due upon each assessment payment date until

changed by a new assessment.

(d) The annual Common Assessment payable by each Owner shall be payable in twelve (12) equal monthly installments on the first day of each calendar month, or at such other date or times and in such other installations as the Association may determine.

(e) Each Owner, shall pay his proportionate share of the total Common Assessments commencing on the basis of the ratio pertaining to the particular Unit as it relates to the total of all Units determined in accordance with the following formula:

A numerical value shall be established for each Unit and the total number of all numerical values shall be determined and the proportionate share of the total Common assessment by the ratio that the individual Unit numerical value bears to the total numerical value of all Units, In determining numerical value the following formula shall apply:

(a) One-bedroom Unit	1.1
(b) Two-bedroom Unit	1.5
(c) Two-bedroom and Den Unit	1.7
(d) Three-bedroom Unit	1.7
(e) Two-bedroom and Den Suite Unit	2.0
(f) Three-bedroom and Den Suite Unit	2.5

10.4 SPECIAL ASSESSMENTS. If the Board determines that the amount to be collected from regular assessments will be inadequate to defray the common expenses for the year due to the cost of any construction, unexpected repairs or replacements of capital improvements upon the Common Area, or any other reason it shall make a special assessment for the additional amount needed, subject to any limitations imposed by law or the Governing Documents, Special assessments shall be levied and collected in the same manner as regular assessments.

10.5 FINES. Whenever it has been determined that an Owner, family member, guest, invitee or tenant willfully violates Coronado Shores Condominium Association No. 9 Governing Documents or Rules and Regulations, Management and other Owners may report violations to the Board of Directors by submitting written notice describing the violation. The Board of Directors shall deal with the violation as prescribed by the Bylaws, assessing monetary penalties if necessary to correct the violation.

10.6 REIMBURSEMENT ASSESSMENTS. Whenever the Association (i) performs any service or accomplishes any item of repair or maintenance which is the duty of any Owner to accomplish, but which has not been accomplished by such Owner, (ii) preempts the performance of a specific owner of a given act of maintenance or repair for which that Owner is responsible, or (iii) incurs any cost which by law or as required by the Governing Documents must be reimbursed by an Owner, the Association shall specifically charge the cost thereof, together with any financing and administrative costs incurred by the Association, to the Owner for whom such work was done, and additional cost shall be levied against the Owner(s) as a Reimbursement Assessment. This assessment against particular Owners and their respective Condominiums shall be made by the Board of Directors of the Association for the repair or damage or loss caused by the act or neglect to the property of an Owner causing damage or loss to the Common Areas or to the property of other Owners, upon the date when the cost has been incurred by the Association for the corrective work or corrective action and written demand for payment thereof has been sent by mail to the particular owner.

10.7 COSTS, LATE CHARGES AND INTEREST. Late charges may be levied by the Association against an Owner for the delinquent payment of Common, Special, and Reimbursement Assessments and fines. An assessment, including any installment payment, is delinquent fifteen (15) days after its due date. If an assessment is delinquent the Association may recover all of the following from the Owner:

(a) Reasonable costs incurred in collecting the delinquent assessment, including actual attorneys' fees.

(b) A late charge not exceeding ten percent (10%) of the delinquent assessment or ten dollars (\$10.00), whichever is greater, or the maximum amount allowed by law.

(c) Interest on the foregoing sums, at an annual percentage rate of twelve percent (12%) commencing thirty (30) days after the assessment becomes due.

No late charge may be imposed more than once for the delinquency of the same payment. However, the imposition of a late charge on any delinquent payment shall not eliminate or supersede charges imposed on prior delinquent payments. The amounts delinquent, including the entire unpaid balance and any related costs described herein, may be collected by the Association as provided in Section 10.10 hereinbelow.

10.8 TAXES AND GOVERNMENTAL ASSESSMENTS. The assessment of each Condominium for taxes and special assessments by governmental bodies which are or would become a lien on the Project or any part

thereof, when such taxes and special assessments are not separately taxed or assessed to Condominiums, shall be paid by the Association as another item of the Common Expenses. The Association shall assess each Owner on the basis and as part of the Common Assessment.

10.9 COMMINGLING OF ASSESSMENTS. With exception of funds allocated for Replacement Reserves, sums collected by the Association from assessments may be commingled in a single fund, and without the necessity of a specific accounting for each element of Common Expense for which assessment has been made.

10.10 COLLECTION OF ASSESSMENTS. All Common Assessments, Reimbursement Assessments and Special Assessments shall be a debt of the Owner at the time the assessment is made. The amount of any such assessment plus interest and costs (including attorneys' fees) (in accordance with the California Civil Code), shall be and become a lien upon the Condominium assessed when the Association causes to be recorded with the County Recorder of San Diego County a Notice of Assessment Lien as provided in Section 1367 of the California Civil Code or applicable statute. Unless otherwise provided by statute, the Notice of Assessment Lien shall describe the amount of the delinquent assessment or installment, the related charges authorized by this Restated Declaration, the legal description of the Unit, the name of the purported Owner, and if the lien is to be enforced by power of sale under nonjudicial foreclosure proceedings, the name and address of the trustee authorized by the Association to enforce the lien by sale. The Notice may be signed by any officer or director of the Association, or any employee or agent of the Association authorized to do so by the Board. The Notice shall be mailed in the manner set forth in Civil Code Section 2924b to all record owners of the Unit no later than ten (10) calendar days after recordation.

(a) Unless otherwise allowed by statute, the Notice of Assessment Lien may not be recorded until after the Association has mailed, via certified mail, a written demand for payment to the delinquent Owner. The written demand shall include the fee and penalty procedures of the Association, provide an itemized statement of the charges owed by the Owner, including items on the statement which indicate the principal owed, any late charges and the method of calculation, and any attorneys' fees and the collection practices used by the Association, including the right of the Association to the reasonable costs of collection. If the delinquent assessment or installment and related charges are paid or otherwise satisfied in accordance with the demand for payment, the Association shall not record the Notice of Assessment Lien.

(b) The lien so provided shall constitute a lien on such Condominium prior to all other liens recorded subsequent to the recordation of said Notice of assessment except only (i) tax liens

on the Condominium in favor of any assessing agency and special districts, and (ii) all sums unpaid on the First Mortgage of record.

(c) The lien so provided may be enforced by sale by the Association, its attorney, or other person authorized to make same after failure of the Owner to pay such assessment in accordance with its terms, such sale to be conducted in accordance with the provisions of Sections 2924, 2924b and 2924c of the California Civil Code applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted by law. The Association shall have the power to bid on the Condominium at foreclosure sale and to hold, lease, mortgage and convey the same. In any such foreclosure, the Owner of the Unit being foreclosed shall be required to pay a reasonable rental for the Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same.

(d) If all sums specified in the Notice of Assessment Lien are paid before the completion of any judicial or nonjudicial foreclosure, the Association shall (i) record a notice of satisfaction and release of lien, and (ii) upon receipt of a written request by the Owner, shall also record a notice of rescission of any recorded notice of default and demand for sale.

(e) The Notice of Assessment Lien is not required to be amended by the Association or Trustee to reflect any partial payments made on the account of the delinquent Owner after its recordation, and any such partial payments received shall not be construed to invalidate the Notice of Assessment Lien and said Notice of Assessment Lien may be foreclosed upon as set forth herein even though the delinquent Owner has made one or more partial payments.

10.11 SUBORDINATION OF ASSESSMENT LIENS. If any Condominium subject to a lien created by any provision in this Restated Declaration shall be subject to the lien of a first Mortgage of record: (i) the foreclosure of any lien created by anything set forth in this Restated Declaration shall not operate to affect or impair the lien of such Mortgage; and (ii) the foreclosure of the lien of such Mortgage or the acceptance of a deed in lieu of the foreclosure by the Mortgagees, shall not operate to affect or impair the lien hereof, except that the lien hereof for the Common Assessments as shall have come due up to the time of foreclosure or the acceptance of the deed in lieu of foreclosure shall be subordinate to the lien of the Mortgage, with the foreclosure-purchaser and purchasers therefrom or deed-in-lieu-grantee and purchasers therefrom taking title free of the lien hereof for all assessments that have come due up to the time of the foreclosure or deed given in lieu of foreclosure, but subject to the lien hereof for assessments that shall come due subsequent to the foreclosure

or deed given in lieu of foreclosure. All assessments as shall have come due up to foreclosure or the acceptance of a deed in lieu of foreclosure and not paid shall be deemed to be Common Expenses collectible from all of the Units, including the Unit acquired on a foreclosure sale or as the result of the acceptance of the deed in lieu of foreclosure, in the manner provided herein.

10.12 STATEMENT OF DELINQUENT ASSESSMENT. The Association shall provide any Owner, upon written request, with a statement specifying the amounts of any delinquent assessments and related late charges, interest, and costs levied against the Owner's Condominium.

10.13 LIABILITY for ASSESSMENTS. The Owner of a Unit shall be personally liable for any and all Common Assessments, Special Assessments or Reimbursement Assessments made by the Board of Directors of the Association in accordance with the provisions hereof. In a voluntary conveyance of a Condominium, the grantee of the Condominium shall be jointly and severally liable with the grantor for all unpaid assessments by the Association against the latter for his share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement of delinquent assessment as described in Section 10.12 herein. Grantee shall not be liable for, nor shall the Condominium conveyed be subject to a lien for, any unpaid assessments made by the Association against the grantor in excess of the amount therein set forth. Notwithstanding the foregoing, a purchaser of a Condominium at any judicial or trustee sale shall be liable only for assessments that come due after such sale and for that portion of assessments already due prorated to the period after the date of such sale.

10.14 LIMITATIONS ON ASSESSMENTS. Except in emergency situations, the Board may not, without the approval of Owners constituting a quorum of the Owners and casting a majority of the votes at a meeting or election of the Association conducted in accordance with Corporations Code Sections 7510 - 7527 and 7613, impose a Common Assessment per Unit that is more than twenty percent (20%) greater than the Common Assessment for the preceding fiscal year, or levy Special Assessments that in the aggregate exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. For purposes of this Section, a "Quorum" means more than fifty percent (50%) of the Owners of the Association. These limitations shall not apply to assessment increases that are necessary for emergency situations. An emergency situation is an extraordinary expense that is:

- (a) Required by a court order;

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(b) Necessary to repair or maintain the Project or any part of it for which the Association is responsible when a threat to personal safety in the Project is discovered; or

(c) Necessary to repair or maintain the Project or any part of it for which the Association is responsible that could not have been reasonably foreseen by the Board in preparing and distributing the pro forma operating budget. Before the Board may impose or collect an assessment in this emergency situation, it shall pass a resolution containing written findings as to the necessity of the extraordinary expense and why the expense was not or could not have been reasonably foreseen in the budgeting process, and shall distribute the resolution to the Owners with the notice of assessment.

10.15 OWNER NOTICE of ASSESSMENTS. The Association shall provide notice by first-class mail to the Owners of any increase in the Common Assessments or the imposition of a Special Assessment not less than thirty (30) nor more than sixty (60) days prior to the increase in the Common Assessment or Special Assessment becoming due.

10.16 NO OFFSETS. All assessments shall be payable in the amounts specified by the Association, and no offsets against such amount shall be permitted for any reasons, including, without limitation, a claim that the Association is not properly exercising its duties of maintenance, operation or enforcement.

XI. INSURANCE.

The insurance which shall be carried upon the Property shall be governed by the following provisions:

11.1 AUTHORITY to PURCHASE. All insurance provided for in this Article XI (except where otherwise specifically provided) or otherwise deemed prudent by the Association shall be purchased by the Association and the premiums thereon shall be a Common Expense to be paid by Common Assessments.

To assist in the purchase and administration of such policies of insurance as may be required hereunder or deemed prudent by the Association in the conduct of its business, the Association may employ the services of an independent insurance analyst, consultant, or broker, the expense of which shall be Common Expenses.

11.2 PROPERTY INSURANCE. Each Unit, but not including the personal property and furnishings contained within nor any improvements added by an Owner, shall be insured so as to provide for and assure full replacement thereof in the event of damage or

destruction from the perils specified below. In addition, the Common Areas and all improvements thereon and all personal property included within the Common Areas, except such personal property as may be owned separately by one or more of the Owners, shall be insured so as to provide for and assure full replacement thereof in the event of damage or destruction from said perils.

(a) All such policies shall be issued in the name of the Association and may contain a loss payable endorsement in favor of the Association which shall be subordinate in position only to a loss payable endorsement in favor of an institutional lender holding a first mortgage lien against a Condominium.

(b) Such policies shall provide that losses thereunder shall be adjusted with and payable to the Association for the exclusive account of the Association.

(c) Such coverage as is required under this subsection shall afford protection against:

(i) Loss or damage by fire and other hazards covered by the standard extended coverage and vandalism and malicious mischief endorsements;

(ii) Such other additional perils of "All Risk" forms as may from time to time become available;

(iii) Additional perils, such as earthquake, shall be at the option of the Association.

(d) The Association may comply with the above requirements by the purchase of blanket coverage and may elect such deductible, franchise, or franchise deductible provisions which in the opinion of the Board of Directors are consistent with good business practice.

(e) Insurance proceeds shall not be commingled with other Association funds and shall be used forthwith exclusively for the restoration of the damaged of the Common Areas and the improvements and/or personal property thereon.

11.3 PUBLIC LIABILITY and PROPERTY DAMAGE. The Association shall purchase broad form Comprehensive Liability coverage in such amounts and in such forms deemed appropriate by the Board of Directors. This coverage shall be issued in the name of the Association and shall include Owners in their capacity as Members of the Association as additional insured and evidence thereof shall be furnished to each additional insured. Coverage under this policy shall include, but not be limited to, legal liability of the Association for bodily and personal injuries, property damages, operations of automobiles on behalf of the Association and

operations of the Association in connection with the operation, maintenance or use of the Common Areas.

11.4 WORKMEN'S COMPENSATION and EMPLOYERS LIABILITY. The Association shall purchase Workmens Compensation and Employers' Liability Insurance in such form as to meet the requirements of law for injuries to Association employees.

11.5 CRIME. The Association shall purchase coverage against dishonesty of employees, destruction or disappearance of money or securities and against forgery in amounts and in such forms as shall be required by the Board of Directors.

11.6 MECHANICAL INSURANCE. The Association may purchase coverage insuring against the explosion of steam boilers or pressure vessels and breakdown of machinery in such amounts and in such forms as are deemed appropriate by the Board of Directors.

11.7 OWNER INSURANCE. Each Owner, and not the Association, shall have the responsibility of obtaining and keeping in full force and effect, at his sole expense, (i) standard fire and extended risk insurance on the personal property and furnishings contained in his Unit or located on the Common Areas, and on any improvements added to his Unit by an Owner thereof; (ii) broad form Comprehensive Liability coverage for his Unit; and (iii) such other insurance as he may elect to purchase in addition to the insurance coverage purchased by the Association; provided, however, that in no event is the insurance coverage purchased by the Association to be brought into contribution with insurance purchase by Owners.

11.8 WAIVER OF SUBROGATION. Insofar as, and to the extent that, it shall be possible to obtain insurance coverage from responsible companies with such a clause, the Association shall, in the case of the insurance coverage it purchases on the Project, and each Owner shall, in the case of the insurance coverage he elects to carry on his Unit, obtain insurance coverage which provides that their respective insurance companies shall have no right of subrogation against, as the case may be, the Association and its employees, Owners and members of their respective households, and tenants of Owners and members of their respective households.

11.9 FAILURE TO ACQUIRE INSURANCE. The Association, and its directors and officers, shall have no liability to any Owner or Mortgagee if, after a good faith effort, it is unable to obtain any insurance required hereunder, because the insurance is no longer available or, if available, can be obtained only at a cost that the Board in its sole discretion determines is unreasonable under the circumstances, or the Members fail to approve any assessment increase needed to fund the insurance premiums. In such event, the Board immediately shall notify each Member and any Mortgagee entitled to notice that the specific insurance will not be obtained

or renewed.

The Association, and its directors and officers, shall also have no liability to any Owner or Mortgagee if it does not obtain any of the insurance referenced hereunder which is not required but may be obtained at the discretion of the Association. The Board may, in good faith in its sole discretion, determine that obtaining any of the discretionary insurance is unreasonable or unnecessary under the circumstances. In making a determination as to whether to acquire any such discretionary insurance, the Board may base its decision upon, among other things, a vote of the Owners.

11.10 INSURANCE POLICY DEDUCTIBLES. The Board of Directors shall have the power, in its sole discretion, to determine the amount of any deductible applicable to any insurance policy carried by the Association. In the event of a loss for which Association insurance coverage is used, the responsibility for payment of any deductible shall be as follows:

(a) If the damage or loss occurs to an item of personal property or other item for which an Owner is responsible, the Owner shall be responsible for the cost of any deductible.

(b) If the damage or loss occurs to an item owned by the Association or for which the Association is responsible, the Association shall be responsible for the cost of any deductible.

(c) If the damage or loss occurs to any Unit and the Common Area, or to more than one Unit, the responsibility for the payment of any deductible shall be apportioned among the affected parties on the basis of the ratio of each parties' cost of repair to the total costs of repair.

(d) The foregoing notwithstanding, if the damage or loss is caused by the negligence or misconduct of any Owner, or resident, guest, tenant or invitee of an Owner, the responsible party shall be liable for the cost of the deductible.

XII. REPAIR AND MAINTENANCE.

12.1 GENERAL. The Association and all Owners are hereby required to fulfill the maintenance requirements imposed by the Governing Documents. For purposes of this Article "maintenance" shall include without limitation painting, weatherproofing and cleaning to keep a clean, safe and sanitary condition necessary to preserve the attractive appearance of each Condominium and the Project and protect the values thereof. The Board shall have the power to determine the standards of such maintenance.

12.2 FAILURE to MAINTAIN. In the event an Owner fails to maintain the areas described herein pursuant to the standards set by the Board, the Board may notify the Owner of the work required and request that same be done within a reasonable time from the giving of such Notice. In the event the Owner fails to carry out such maintenance within said time period, the Board may, following notice and a hearing, cause such work to be done and the cost thereof shall immediately be paid by such Owner to the Association and until paid shall bear interest at the rate of twelve percent (12%) per annum (but no greater than the maximum rate authorized by law).

12.3 DIVISION OF RESPONSIBILITY. Each Owner shall be responsible for the maintenance, repair and replacement of his or her Unit, Exclusive Use Common Areas appurtenant to the Unit, and those items located anywhere within the Project which are used exclusively by that Owner, in a clean manner, consistent with the surrounding properties, and to ensure that such area does not pose a threat to the health, safety or welfare of other Owners. The Association shall be responsible for the maintenance, repair and replacement of the Common Area, excluding those items (i) for which the maintenance, repair and replacement is allocated to the Owners by Exhibit "A" and (ii) which are used exclusively by one Owner. Attached hereto as Exhibit "A", and incorporated herein by reference, is a listing of the allocation of responsibility for various components in the Project. In the event of any inconsistency between the general provisions of this Section and the specific provisions of Exhibit "A", the provisions of Exhibit "A" shall prevail. Provided any item is not listed in Exhibit "A", the responsibility for its maintenance shall be determined in accordance with the provisions of this Section or as otherwise provided by statute or law. Except as otherwise provided in the Governing Documents, the costs of maintenance, repair and replacement shall be borne by the party responsible for the maintenance, repair and replacement.

12.4 WATER DAMAGE LIABILITY, Neither the Association, the Board, officers, agents and employees shall have any liability, absent willful or wanton negligence, to an Owner, family member, guest, invitee or tenant for any damage to property in the Project resulting from water which may leak or flow from outside of any Unit or from any part of the building, or from any pipes, drains, conduits, appliances or equipment or from any other place or cause.

XIII. GENERAL PROVISIONS.

13.1 INTERPRETATION.

(a) The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for

the operation of the Project. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce said provisions or any other provision hereof.

(b) Any Owner, not at the time in default hereunder, or any Member of the Association, who shall be deemed to be acting on behalf of any of the Owners, shall be entitled to bring an action for damages against any defaulting Owner, and, in addition, may enjoin any violation of this Restated Declaration, or a rule or regulation duly adopted by the Association hereunder, or to prosecute any other appropriate legal or equitable action that may be necessary under the existing facts. Any judgment rendered in any such action or proceeding shall include a sum for attorneys' fees in such amount as the court may adjudge reasonable, in favor of the prevailing party.

(c) It is expressly agreed that a breach of any of the provisions, covenants, restrictions, or limitations, or the recordation of any lien or assessment hereunder or the pursuit of any remedy hereunder shall not defeat or render invalid the lien of any Mortgage made by an Owner in good faith and for value upon the interest, right or title of a portion or percentage of interest of any Owner in a Condominium, but all such liens and assessments are hereby declared to be subject and subordinate to each such Mortgage. However, each and all of said provisions, conditions, covenants and restrictions except assessment liens therefore recorded shall be binding upon and effective against any Owner whose title to a Condominium is thereafter acquired through foreclosure or trustee sale or continues under such Mortgage.

13.2 DESTRUCTION, In the event the Project subject to this Restated Declaration is totally or substantially damaged or destroyed, the repair, reconstruction, or disposition of the Project shall be as provided by an agreement approved by a simple majority of the voting power of the Association.

13.3 AGREEMENTS AND DETERMINATIONS BINDING. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established in this Restated Declaration or in the Bylaws, shall be deemed to be binding on all Owners of Condominiums, their successors and assigns.

13.4 SEVERABILITY. The provisions of this Restated Declaration shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the validity or enforceability of any other provisions hereof.

XIV. CONDEMNATION.

14.1 COMMON AREAS. In the event of a taking in condemnation, or by eminent domain, of part or all of the Common Areas, the proceeds due to Owners shall be distributed to them subject to their Mortgages. Said award shall be utilized to the extent possible for the repair, restoration, replacement and/or improvement of the remaining Common Areas, Any funds not so utilized shall be applied in payment of common Expenses otherwise assessable to the Members of the Association.

14.2 UNIT. In the event of a taking in condemnation, or by eminent domain, of all or a part of a Unit, the award made for such taking shall be payable to the Owner of the Unit.

XV. DURATION OF DECLARATION.

15.1 EXPIRATION. This Restated Declaration shall continue until September 1, 2022 at which time it shall automatically be extended for successive periods of ten (10) years unless there is duly recorded in the Office of the County Recorder of San Diego County, State of California, by simple majority of the voting power of the Association, an instrument or instruments terminating this Restated Declaration.

15.2 AMENDMENTS and REVOCATION. This Restated Declaration may be amended by an instrument in writing, which has been approved by the affirmative vote or written consent of more than fifty percent (50%) of votes or written consents actually cast by the Members; provided, however, that the total number of votes actually cast must constitute at least a majority of the total voting power of the Members. Only those votes or written consents which are cast either in the affirmative or negative shall be considered in computations under this section; abstentions shall not affect the result. A certificate in writing, signed and acknowledged by the President or Secretary of the Association, shall be attached to the amendment and shall attest that the required number of consents was obtained. The amendment shall become effective upon its recordation in the Office of the County Recorder of San Diego County, California.

The Board may make editorial changes such as correcting spelling, insuring correct use of defined terms, renumbering, correcting cross references, and the like when preparing the Governing Documents for printing or recording.

15.3 AMENDMENT OF RESTATED DECLARATION OR BYLAWS BY BOARD VOTE. The Board shall have the power to amend the Restated Declaration or Bylaws, as the case may be, but only as permitted by this Section. By a majority vote of the Board, the Board shall

have the power to prepare and, if necessary, to file or record an amendment for either or both of the following purposes:

(a) To correct any error or omission in the Restated Declaration or Bylaws; or

(b) To make any change required by a change in any applicable law, which requires the Association, the Board or the Owners to conform their conduct with the terms of such law.

If the Board approves an amendment using the above procedure, the amendment shall not be recorded or filed until the following procedure is followed. The Board shall first send notice of such action to the Owners, which notice shall include the text of the proposed amendment. The amendments shall be considered ratified, unless within thirty (30) days after the date such notice is sent to the Owners, the Owners entitled to cast twenty percent (20%) of the votes in the Association, sign a written petition to consider the Board's action and file it with the Board. If such a petition is filed, the Board shall call a special meeting of the Members to consider the Board's action. At the special meeting, unless a majority of the voting power rejects the proposed amendments, the amendment shall be considered ratified, whether or not a quorum is present at the special meeting.

The procedures for amendments set forth in this section shall not be used, if such an amendment would materially or adversely affect property rights of the Owners, unless the affected Owners consent in writing. This Section shall not restrict the powers of the Owners to amend the Restated Declaration or Bylaws by any other method, but is intended to authorize a simple process for amendment where the property rights of owners are not materially or adversely affected.

This completes the text of the AMENDED, RESTATED AND SUPERSEDING SUPPLEMENTAL DECLARATION. This amendment shall take effect immediately upon recording.

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IN WITNESS WHEREOF, the President and Secretary of the Association has executed this amendment on March 8, 1998 at Coronado, California.

ASSOCIATION:

CORONADO SHORES CONDOMINIUM ASSOCIATION NO. 9,
a California nonprofit mutual benefit corporation

By: [Signature]
President

By: [Signature]
Secretary

SUBSCRIBED AND SWORN TO BEFORE ME

THIS 8th DAY OF March 19 99

[Signature]
NOTARY PUBLIC

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)

on 3-2-1999, before me, ANNA SANTOS,
Notary Public, personally appeared ROBERT MORRIS
and ROBERT M SIMONS,

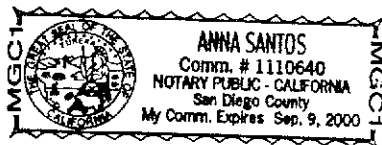
[] personally known to me
- OR -

[X] 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.

Notary Public



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EXHIBIT "A" - MAINTENANCE LIST

The following is a listing of the items within the Project, the maintenance, repair and replacement duty for which Owners and the Association are responsible in accordance with Section 12.3 of this Restated Declaration.

COMPONENT(S)	OWNER	ASSOC
Air Conditioning System - Each Unit	X	
Appliances - Built-in	X	
Appliances - Free Standing	X	
Bearing Walls, Non-bearing Walls, Studs, Frames, Tie-Downs, other structural items		X
Carpeting - Inside Units	X	
Driveway/Parking Space - Concrete and Asphalt Surfaces		X
Caulking - Exterior		X
Caulking - Interior	X	
Common Area Improvements		X
Doorbell - Exterior Components/Button Switch		X
Doorbell - Components Inside Units	X	
Doors - Entry - Frame & Door		X
Doors - Entry - Hardware		X
Doors - Entry - Painting - Exterior Surface		X
Doors - Entry - Painting - Interior Surface	X	
Doors - Entry - Weather Stripping/Waterproofing		X
Doors - Interior	X	
Doors, Screen/Storm/Security	X	
Doors, Sliding Glass	X	
Doors, Sliding Glass - Frame and Tracks	X	
Doors, Sliding Glass - Screen	X	
Drainage Systems (e.g. ditches, catch basins)		X
Drains - Bathtubs, Showers, Sinks	X	

COMPONENT(S)	OWNER	ASSOC
Drains - Curb		X
Drains - Yards		X
Dryer Vents - Cleaning	X	
Dryer Vents - Repair	X	
Drywall - Damage Repairs (e.g. cracks, inside minor localized water damage, dents, holes, etc.)	X	
Drywall - Interior - Replace	X	
Electrical Panel/Circuit Breakers/Interior	X	
Electrical Switches, Sockets, Wall Plates - Interior	X	
Electrical Wiring - Interior	X	
Exhaust Fans		X
Exterior Building Surfaces		X
Exterior Faucets, Handles, Washers		X
Exterior Lighting Fixtures (Common Area)		X
Fences - Common Area		X
Floor Coverings - Interior - Carpet, Vinyl and Tile	X	
Garbage Disposal	X	
Gas Lines - Below Ground		X
Glass	X	
Gutters & Downspouts (except extensions added by Owner)		X
Hose Bibs - Common Area		X
Insulation		X
Landscaping - Balconies	X	
Landscaping - Beds		X
Landscaping - Common Area Patios/Courtyards		X
Landscaping - Lawns		X
Landscaping - Trees		X

COMPONENT(S)	OWNER	ASSOC
Lighting Fixtures - Common Areas		X
Lighting Fixtures - Inside Units	X	
Lighting Fixtures - Outside - Front		X
Lighting Fixtures - Outside - Balcony	X	
Linoleum & Vinyl Flooring - Inside Units	X	
Owner Installed Improvement	X	
Painting - Interior	X	
Patio/Balcony Deck Membranes/Waterproofing	X	
Patio/Balcony Deck Railings - Painting (Inside/Outside Surfaces)	X	
Patio/Balcony Deck Railings - Replacement ¹		X
Patio/Balcony Painting Walls, Ceilings		X
Plumbing Fixtures - Interior (Toilets/Tubs/Sinks/Faucets, etc.)	X	
Plumbing Lines - Inside Unit, if not located behind or within walls, floors or ceilings	X	
Plumbing Lines - Located within floors, behind or within walls or ceilings, and in Common Area unless installed by Owner		X
Pressure Regulators		X
Railings and Planter Boxes - Common Areas		X
Roof Decking		X
Roof Flashing & Other Roofing Components		X
Roof - Association Installed Improvements (e.g. solar panels, skylights, wind turbans, etc.)		X
Roof Shingles/Tiles		X
Roof Underlayment		X
Roof Vents		X
Sewer Lines - Common Use		X

¹ Association shall perform the replacement. Association and Owner shall equally share the cost of replacement.

COMPONENT(S)	OWNER	ASSOC
Sewer Lines - Single Use	X	
Sidewalks - Common Areas		X
Sidewalks - Entry		X
Slab (Excluding Patio Slabs)		X
Sliding Patio Door Flashing/Waterproofing	X	
Sliding Patio Door Frames & Tracks	X	
Sliding Patio Door Hardware	X	
Sliding Patio Doors	X	
Spraying for Household Pests (Ants, Fleas, etc.)	X	
Spraying for Landscaping Pests		X
Sprinkler Heads/Interior/Unit	X	
Streets		X
Stucco Painting/Coloring - Common Areas		X
Stucco Repair & Replacement - Common Areas		X
Toilet - Wax Ring	X	
Toilets - Fixture & Components	X	
Trim - Wood - Exterior - Maintenance & Replacement		X
Trim - Wood - Exterior - Painting		X
Wallpaper/Paneling - Common Areas	X	
Water Lines - Inside Unit, if not located behind or within walls, floors or ceilings	X	
Water Lines - Located within floors, behind or within walls or ceilings, and in Common Area		X
Water Softeners - Within Unit	X	
Window and Door Glass	X	
Window and Slider Screens	X	
Window Frames - Original		X
Window Hardware - Original		X
Window Frames - Owner Installed	X	

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COMPONENT(S)	OWNER	ASSOC
Window Hardware - Owner Installed	X	
Wiring - Cable TV - Common Areas		X
Wiring - Electrical - Original From Breaker to Interior Outlets		X
Wiring - Electrical - Original From Outside To Breaker in Unit		X
Wiring - Owner Installed	X	
Wiring - Telephone - Common Areas		X